August 9, 2023

The Secretary
BSE Limited
Pheeroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
Scrip Code: 531595

The Secretary
National Stock Exchange of India Limited
Exchange Plaza, 5^{th} Floor,
Plot No.- 'C' Block, G Block
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051
Scrip Code: CGCL

Sub: Annual Report for the financial year 2022-23 including Notice of the 29^{th} Annual General Meeting pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir / Madam,

We wish to inform that the 29^{th} Annual General Meeting **("AGM")** of Capri Global Capital Limited **("the Company")** will be held on Friday, September 1, 2023, at 4:00 P.M. through Video Conferencing / Other Audio-Visual Means facility **("VC/OAVM")**.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the Financial Year 2022-23 along with the Notice of 29^{th} AGM of the Company.

The aforesaid documents can be downloaded from the Company's website at:

Documents	Link
Notice of 29^{th} AGM	https://cgcdn.capriloans.in/wp-content/uploads/2023/08/09135507/Capri-Global_Notice-Aug-9.pdf
Annual Report FY 2022-2023	https://cgcdn.capriloans.in/wp-content/uploads/2023/08/09133527/Annual-Report_2022-23.pdf

Due to some typo error in the earlier submission, we are making a revised submission.

You are requested to kindly take same on record.

Thanking you,

Yours faithfully,

for **Capri Global Capital Limited**

YASHESH PANKAJ BHATT Digitally signed by YASHESH PANKAJ BHATT Date: 2023.08.09 19:55:07 +05'30'

Yashesh Bhatt
Company Secretary
Membership No.: A20491

Capri Global Capital Limited
(CIN: L65921MH1994PLC173469)
502, Tower - A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra - 400013
+9122 4088 8100/4354 8200 | contact@capriglobal.in | www.capriloans.in

CAPRI GLOBAL CAPITAL LIMITED
(CIN: L65921MH1994PLC173469)
Regd. Office: 502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra (India)
Email: secretarial@capriglobal.in, Website: www.capriloans.in
Tel. No.: +91-22-40888100 Fax No.: +91-22-40888160

NOTICE OF THE 29TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29th Annual General Meeting ("29th AGM") of Capri Global Capital Limited will be held on **Friday, September 1, 2023 at 4:00 P.M (IST)** through Video Conferencing / Other Audio Visual Means ("VC" / "OAVM") Facility to transact the following business(es):

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a. the Audited Financial Statements of the Company for the financial year ended March 31, 2023 including Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Report of the Board of Directors and Auditors thereon; and
   b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 including Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Report of the Auditors thereon.
2. To declare Dividend on Equity Shares of the Company for the Financial Year 2022-23.
3. To appoint a Director in place of Mr. Rajesh Sharma (DIN: 00020037), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Borrowing in excess of Paid-up Capital & Free reserves

   To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

   "RESOLVED THAT in supersession of the resolution passed by the shareholders at the 25th Annual General Meeting of the Company held on August 02, 2019 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013 ('the Act'), or any statutory modification or reenactment thereof, the Board of Directors of the Company (hereinafter referred to as the "Board" and shall include duly constituted Committee(s) thereof, to exercise powers conferred by this resolution) is hereby authorised to borrow from time to time as it may think fit, by way of loans or any other financial facilities from, or issue of bonds, debentures or other securities whether convertible into equity/ preference shares and/or securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe for equity/ preference shares to, bank(s), financial or other institution(s), mutual fund(s), non-resident Indians, foreign institutional investors or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not, whether unsecured or secured and on such terms and conditions as the Board may deem fit, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of ₹10,000 Crores (Rupees Ten Thousand Crores)

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to arrange or fix the terms and conditions of all such borrowings, from time to time, viz. terms as to interest, repayment, security or otherwise as it may deem fit and to do all such acts, deeds, matters and things and to sign all such agreements, documents, papers and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/ or officer(s) of the Company, to give effect to this resolution

   RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

5. Mortgage / Create charge on the assets of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT in supersession of the resolution passed by the shareholders at the 25th Annual General Meeting of the Company held on August 02, 2019 and pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act 2013 ("the Act"), or any statutory modification or re-enactment thereof, consent of the Company be and is hereby accorded to the Board of Directors of the Company or any Committee thereof as may be authorized by the Board of Directors for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable properties of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial/investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the debentures, loans or finance and other credit facilities availed by the Company up to a sum not exceeding ₹10,000 Crores (Rupees Ten Thousand Crores).

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof as may be authorized by the Board of Directors be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board of Directors for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution."

6. To consider Conversion of Loan into Equity

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the resolution passed by the shareholders at the 26th Annual General Meeting of the Company held on July 31, 2020 and pursuant to section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re enactment thereof, for the time being in force) and the applicable Rules made there under ("Act"), and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the provisions of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, ('SEBI ICDR Regulation'), Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Foreign Exchange Management Act, 1999, ('FEMA') as amended and rules and regulations framed there under as in force and in accordance with other applicable policies, rules, regulation, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India, the Securities Exchange Board of India ('SEBI'), the Reserve Bank of India ('RBI'), the Registrar of Companies ('ROC') and the Stock Exchange where the shares of the Company are listed ('Stock Exchange') and subject to requisite approvals, consents, permissions, and/ or sanctions, from RBI, SEBI, Stock Exchange and any other appropriate authorities to the extent applicable and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting any such approvals, consents, permission, and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred hereunder), and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board, in respect of financial assistance availed and/or to be availed and/or continued to be availed from various banks and financial institutions (hereinafter collectively referred to as the "Lenders") on the terms and conditions contained in the financing documents, such terms and conditions to provide, inter alia, to convert the whole or part of the outstanding loans of the Company (whether disbursed on or prior to or after the date of this resolution and whether then due or payable or not), with various Lenders, at the option of the Lenders, the loans or any other financial assistance categorized as loans (hereinafter referred to as the "Financial Assistance"), in Foreign Currency or Indian Rupees, which have already been availed or as may be availed from the Lenders, from time to time, not exceeding ₹10,000 Crore (Rupees Ten Thousand Crore) and consistent with the borrowing powers of the Company under Section 180(1)(c) of the Act, into fully paid- up equity shares of the Company on such terms and conditions as may be stipulated in the financing documents and subject to the provisions of the applicable laws and in the manner specified in a notice in writing to be given by the Lenders (or their agents or trustees) to the Company (hereinafter referred to as the "Notice of Conversion") and specifically in accordance with the conditions given below:

i. the conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistance;

ii. on receipt of the notice of conversion, the Company shall, subject to the provisions of the financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lenders or any other person identified by the Lenders as from the date of conversion and the Lenders may accept the same in complete satisfaction of the part of the loans so converted;

iii. the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced, upon such conversion, the repayment installments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lenders or such other person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company;

iv. in the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lenders as a result of the conversion, listed with such stock exchanges as may be prescribed by the Lenders or such other person identified by the Lenders and for the said purpose, the Company shall take all such steps as may be necessary to the satisfaction of the Lenders or such other person identified by the Lenders, to ensure that the equity shares are listed as required by the Lenders or such other person identified by the Lenders;

v. the loans shall be converted into equity shares at a price to be determined in accordance with the SEBI ICDR Regulation, Listing Regulations, FEMA, RBI and / or all other regulations/ guidelines, at the time of such conversion.

RESOLVED FURTHER THAT the equity shares to be allotted and issued to such Lenders pursuant to its exercising the right of conversion shall rank *pari passu* in all respects with the then existing equity shares in the Company and be listed on the stock exchange(s) where the existing shares of the Company are listed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the terms and conditions to convert the Financial Assistance into equity shares of the Company anytime during the currency of the Financial Assistance, on the terms specified in the financing documents, including upon happening of an event of default by the Company in terms of the loan arrangements with the Lenders.

RESOLVED FURTHER THAT on receipt of the notice of conversion, the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary and shall allot and issue requisite number of fully paid-up equity shares in the Company to such Lenders or such other person identified by the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolutions, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on, behalf of the Company and to represent the Company before any governmental authorities and to appoint any Merchant Bankers or other Professional Advisors, Consultants and Legal Advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board and its Committee in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are approved, ratified and confirmed in all respects.

By Order of the Board of Directors
For **Capri Global Capital Limited**

Yashesh Bhatt
Company Secretary
Membership No. ACS 20491

Registered Office:
502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel,
Mumbai 400 013
Place: Mumbai
Date: May 22, 2023

Notes:

1. In view of General Circular Nos.14/2020, 17/2020, 20/2020, 02/ 2021, 19/2021, 21/2021, 02/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 05, 2022 and December 28, 2022 respectively, issued by the Ministry of Corporate Affairs (**"MCA Circulars"**) and Circular No. SEBI/ HO/ CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/ HO/CFD/ CMD2/CIR/P/2021/11 dated January 15, 2021; SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by the Securities and Exchange Board of India (**"SEBI Circular"**) and in compliance with the provisions of the Companies Act, 2013 (**"the Act"**) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), the 29th AGM of the Company is being conducted through Video Conferencing / Other Audio Visual Means (VC/ OAVM) Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 29th AGM shall be Registered Office of the Company.

2. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business is annexed hereto and forms part of the Notice. Information under Regulations 26 (4) and 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and as required under Secretarial Standard 2, pursuant to Section 118 (10) of the Act, issued by the Institute of Company Secretaries of India, relating to Directors proposed to be appointed/re-appointed, is provided in Annexure I to this Notice.

3. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 4 to 6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 29th AGM through VC/OAVM Facility and e-Voting during the 29th AGM.

5. The Members may join the 29th AGM through VC/ OAVM Facility by following the procedure mentioned herein below in the Notice which shall be kept open for the Members from 3.45 P.M. IST i.e. 15 (fifteen) minutes before the time scheduled to start the 29th AGM and the Company may close the window for joining the VC/OAVM Facility 15 (fifteen) minutes after the scheduled time to start the 29th AGM. Members may note that the VC/ OAVM Facility, allows participation of 1,000 Members on a 'first come first served' basis. The large Shareholders (i.e. shareholders holding 2% or more), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors etc. can attend the 29th AGM without any restriction on account of 'first come first served' basis. Pursuant to Regulation 44(6) of Listing Regulations, the Company is also providing a live webcast of the proceedings of the AGM.

6. The attendance of the Members participating in the 29th AGM through VC/ OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Voting rights shall be reckoned on the paid-up value of shares registered in the name of member /beneficial owners (in case of electronic shareholding) as on the cut-off date i.e. August 25, 2023.

8. Pursuant to the Circulars issued by the MCA and SEBI, the Annual Report for the year 2022-23 including Notice of the 29th AGM of the Company, *inter alia*, indicating the process and manner of e-voting is being sent only by E-mail, to all the Members whose E-mail IDs are registered with the Company/ Registrar and Share Transfer Agent or with the respective Depository Participant(s) for communication purposes to the Members and to all other persons so entitled.

   Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the MCA Circulars issued by MCA and SEBI Circular, the Annual Report including Notice of the 29th AGM of the Company will also be available on the website of the Company at www.capriloans.in. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone /mobile numbers, Permanent Account Number (PAN), mandates, nominations, power

of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

a. For shares held in electronic form: to their Depository Participants (DPs).

b. For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.

10. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent.

11. All documents referred to in the accompanying Notice and the Explanatory Statement are available on website of the Company at www.capriloans.in for inspection by zthe Members up to the date of 29th AGM.

    During the 29th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, if any and Certificate from Secretarial Auditors of the Company certifying that Company's Employee Stock Options Schemes being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution of the Members of the Company which will be available on website of the Company.

12. The Company has designated an Email ID compliance. officer@capriglobal.in for redressal of Members complaints/ grievances. For any investor related queries, you are requested to please write to us at the above Email ID.

13. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

14. Members who wish to obtain any information on the Company or view the financial statements for the financial year ended March 31, 2023 may visit the Company's website at www.capriloans.in or send their queries at secretarial@capriglobal.in at least Ten (10) days before the date of 29th AGM. The same will be suitably replied by/ on behalf of the Company.

15. In terms of the applicable provisions of the Act and Rules thereto, the Company has obtained e-mail addresses of its Members and have given an advance opportunity to every Member to register their e-mail address and changes therein from time to time with the Company for service of communications/ documents (including Notice of General Meetings, Audited Financial Statements, Directors' Report, Auditors' Report and all other documents) through electronic mode.

16. In case of joint holders attending the 29th AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

17. Securities of listed companies would be transferred only in dematerialised form w.e.f. April 1, 2019. In view of the same, Members holding shares in physical form are requested to convert their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company's RTA for assistance in this regard.

18. Voting

    In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide its Members the facility to cast their votes either for or against each resolutions set forth in the Notice of the 29th AGM using electronic voting system ('remote e-voting') and e-voting (during the 29th AGM), provided by National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency and the business may be transacted through such voting.

    Only those Members who will be present in the 29th AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the 29th AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Thursday, August 29, 2023 at 10:00 A.M. and ends on Sunday, August 31, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on cut-off date i.e. August 25, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 25, 2023.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. August 25, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 224 430. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. August 23, 2023, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

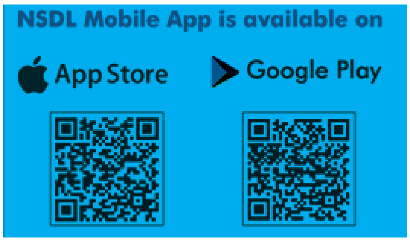
Step 1: Access to NSDL e-Voting system

A) Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in de-mat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in de-mat mode are allowed to vote through their de-mat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their de-mat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in de-mat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in de-mat mode with NSDL	**1.** Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. **2.** If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp **3.** Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www. evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit de-mat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of Shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website at https: // web.cdslindia.com /myeasi / Registration/ EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing De-mat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the De-mat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in de-mat mode) login through their depository participants	You can also login using the login credentials of your de-mat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. **NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in de-mat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000
Individual Shareholders holding securities in de-mat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in de-mat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in de-mat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in de-mat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your de-mat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/ Password?"**

      (If you are holding shares in your de-mat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your de-mat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under " Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dinesh.deora@yahoo.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?" or "Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@capriglobal.in.

2. In case shares are held in de-mat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial@capriglobal.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in de-mat mode are allowed to vote through their de-mat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their de-mat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO REGISTER THEMSELVES AS SPEAKERS DURING 29th AGM:

Shareholders/ Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, de-mat account number/folio number, email id, mobile number at secretarial@capriglobal.in from August 27, 2023, 10:00 A.M. to August 29, 2023, 04:00 P.M.

Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name de-mat account number/folio number, e-mail id, mobile number at secretarial@capriglobal.in. The same will be replied by the company suitably.

Note:

Only those shareholders/members who have registered themselves as a speaker, will be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the 29th AGM.

Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

19. Mr. Dinesh Kumar Deora, Practicing Company Secretaries (COP No: 4119) has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the remote e-voting process and voting through Ballot at the 29th AGM in a fair and transparent manner.

20. The Scrutinizer shall, immediately after the conclusion of voting at the 29th AGM, first count the votes cast during the 29th AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the 29th AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.capriloans.in. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the 29th AGM i.e. Friday, September 1, 2023.

21. Dividend
    1. The Board of Directors has recommended Final Dividend of ₹0.50 (25 %) per Equity Share of ₹2 each for the year ended March 31, 2023 that is proposed to be paid on and from September 5,

2023 subject to the approval of the shareholders at the 29th AGM. Pursuant to the provisions of Section 123 of the Companies Act, 2013, the payment of final dividend on equity shares, upon declaration by the shareholders at the 29th AGM, will be made on or after September 5, 2023 as under:

a) to all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) at the closure of business hours on August 23, 2023 and

b) to all those shareholders holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on August 23, 2023.

2. Payment of Dividend through electronic means

(a) The Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), along with their Folio Number, to the Company or Link Intime. Members holding shares in dematerialized form are requested to provide the said details to their respective Depository Participants.

(b) In line with the MCA Circulars issued by the MCA, in case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), the Company shall dispatch the dividend warrant/ cheque to such shareholder by post.

(c) Members holding shares in dematerialized form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company/ Link Intime cannot act on any request received directly from the Members holding shares in dematerialized form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Shareholders.

(d) Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of making the payment of the dividend, if declared, by the Shareholders of the Company on the Equity Shares at this Annual General Meeting.

Below is the brief of the applicable provisions for Tax Deduction at Source ("TDS") under the Income Tax Act, 1961 for Resident and Non-Resident shareholders:

I. Resident Shareholders:

Tax is required to be deducted at source under Section 194 of the Income Tax Act, 1961, at 10% on the amount of dividend where shareholders have registered their valid Permanent Account Number (PAN). In case, shareholders do not have PAN / have not registered their valid PAN details in their account, TDS at the rate of 20% (plus applicable surcharge and cess) shall be deducted under Section 206AA of Income Tax Act, 1961.

Further, Tax will not be deducted in case of:

a. Resident Individuals: No tax shall be deducted on the dividend payable to resident individuals if –

- Total dividend amount to be received by them during the Financial Year 2023-24 does not exceed ₹5,000; or

- The shareholder provides Form 15G (applicable to any person other than a company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met.

b. Resident Non-Individuals: No tax shall be deducted on the dividend payable to the following resident non-individuals, if they provide the desired details and documents:

- Insurance Companies: Self declaration that it has full beneficial interest with respect to the equity shares owned by it along with self-attested copy of PAN card.

- Mutual Funds: Self-declaration that they are specified in Section 10 (23D) of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate.

- Alternative Investment Fund (AIF): Self-declaration that its income is exempt under Section 10 (23FBA) of the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate.

- Other Non-Individual shareholders: Entities whose income is unconditionally exempt under section 10 of the Act and that are not statutorily required to file return of income, being exempted from TDS by the CBDT Circular No. 18 of 2017, are required to provide self-attested valid documentary evidence (like approval granted by Income Tax Officer / Commissioner, relevant copy of registration, etc.)

c. In case, shareholders (both in Non-resident Shareholders: individuals or non-individuals) provide certificate under Section 197 of the Income Tax Act, 1961, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the certificate.

II. Non-resident Shareholders:

a) Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them.

b) In case, non-resident shareholders provide a certificate issued under Section 197/195 of the Income Tax Act, 1961, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the certificate.

c) Further, as per Section 90 of the Income Tax Act, 1961 the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e., to avail Tax Treaty benefits, the non-resident shareholders are required to provide the following:

- Self-attested copy of the PAN Card allotted by the Indian Income Tax authorities.

- Self-attested copy of Tax Residency Certificate (TRC) (for the period April 2023 to March 2024) obtained from the tax authorities of the country of which the shareholder is a resident.

- Electronic filing of Form 10F on the Income Tax portal (procedure for electronic filing given below in Note 1) in accordance with CBDT No. 03/2022 dated 16th July 2022. If the Non-Resident does not have a PAN and is not required to have a PAN as per the IT Act, then they are exempted from furnishing Form 10F electronically till 30th September 2023 in accordance with CBDT notification no. F. No. DGIT(S)-ADG(S)-3/e-Filing Notification/Forms/2023/3420 dated 28th March 2023. Such Non-Resident can furnish Form 10F in non-electronic manner.

- Self-declaration by the non-resident shareholder of having no Permanent Establishment in India in accordance with the applicable Tax Treaty and Beneficial ownership of the shares (for the period April 2023 to March 2024) by the non- resident shareholder.

Kindly note that the Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

d) In case of Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI), taxes shall be with held at 20% plus applicable surcharge and cess in accordance with provisions of Section 196D of the Income Tax Act, 1961.

Note 1: Procedure for electronically filing Form 10F

1. Login to https://www.incometax.gov.in/iec/foportal using PAN login

2. Go to E-file>Income Tax Forms>File Income Tax Forms

3. Select Form 10F from the available options

4. Select the relevant Assessment Year for which you need to file Form 10F and click on continue

5. Fill all the required fields in the Form.

6. Attach the Tax Residency Certificate and Save the Draft and then Proceed to submit the Form with digital signature (DSC) of the authorized signatory/self.

7. Once submitted, go to "View Filed Forms" and download the copy of the Form 10F and submit along with other tax forms.

III. TDS to be deducted at higher rate in case of non-filers of Return of Income:

The Finance Act, 2021, has inter-alia, inserted a new Section 206AB, effective from 1st July, 2021. The provisions of Section 206AB of the Act require the deductor to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':

i. At twice the rate specified in the relevant provision of the Act; or

ii. At twice the rates or rates in force; or

iii. At the rate of 5%

The 'specified person' means a person (shareholder in present case) who has not: a. furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired; and b. the aggregate of tax deducted at source and tax collected at source in his case is ₹50,000 or more in the said previous year. The same shall be verified by the Company from the Government enabled online facility. The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

The aforementioned documents can be downloaded from Link Intime's website at https://www.linkintime.co.in/client-downloads.html on general tab and are required to be uploaded on the Link Intime portal at https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before August 24, 2023, to enable the Company to determine to determine the appropriate TDS/ withholding tax rate applicable. Incomplete and/ or unsigned forms and declarations will not be considered by the Company. Any communication on the tax determination/ deduction received post August 24, 2023 shall not be considered. All communications/ queries in this respect should be addressed to our RTA, Link Intime to its email address at capridivtax@ linkintime.co.in.

The Company will arrange to email a soft copy of the TDS Certificate at the shareholders registered email ID post payment of the said Final Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at https://incometaxindiaefiling.gov.in.

22. Members holding shares in physical form are advised to furnish, on or before August 23, 2023 particulars of their bank account, if not done already or if it has changed, to the Company to incorporate the same in the dividend warrants/ payment instruments.

23. In respect of cases, where the payments to the shareholders holding shares in de-materialized form are made by dividend warrants / payment instruments, particulars of bank account registered with their Depository Participants would be considered by the Company for printing the same on the dividend warrants/ payment instruments.

24. Section 72 of the Act, provides for Nomination by the Members of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms can be requested from the Company's Registrar and Transfer Agent i.e. Link Intime India Private Limited. Members holding shares in dematerialized form may contact their respective Depository Participants for recording of nomination. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website.

EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

As required by Section 102 of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No.4, 5 & 6 of the accompanying Notice dated May 22, 2023.

ITEM NO. 4 & 5

Pursuant to Section 180 (1) (c) of the Companies Act, 2013 ("the Act") a Special Resolution was passed at the 25th Annual General Meeting held on August 02, 2019, where the Shareholders of the Company authorised the Board of Directors of the Company to borrow moneys for the purpose of the Company's business in excess of the paid-up capital of the Company and its free reserves, provided the sum or sums so borrowed and remaining outstanding at any point of time not to exceed ₹6,500 Crores (Rupees Six Thousand Five Hundred Crores).

Keeping in view, the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence, it is proposed to increase the maximum borrowing limits up to ₹10,000 Crores (Rupees Ten Thousand Crores). Pursuant to Section 180(1)(c) of the Act, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any time except with the consent of the members of the Company in a general meeting by a Special Resolution.

Accordingly, consent of the Members is being sought for borrowings in excess of the paid-up capital and free reserves of the Company.

Further, pursuant to Section 180(1)(a) the Act, a Special Resolution was passed at the 25th Annual General Meeting held on August 02, 2019 vide which the shareholders of the Company had authorised the Board of Directors of the Company to create mortgage, charge on or hypothecate its property(ies), both movable and immovable, to secure borrowings up to ₹6,500 Crores (Rupees Six Thousand Five Hundred Crores). In order to facilitate securing the enhanced borrowings of ₹10,000 Crores (Rupees Ten Thousand Crores) envisaged under Section 180(1)(c) of the Act, and contained in Item No. 4 it would be necessary to create charge on the assets or whole of the undertaking of the Company. Section 180(1)(a) of the Act, which provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, subject to the approval of members in the general meeting. Creation of charge on the assets of the Company is construed as disposal of undertaking. The Board recommends the Special Resolution set forth in Item No. 4 and 5 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way interested or concerned, financially or otherwise in the Resolutions except to the extent of their shareholding, if any, in the Company.

ITEM NO. 6

Pursuant to Section 62(3) of the Companies Act, 2013 ("the Act") a Special Resolution was passed at the 26th Annual General Meeting of the Company held on July 31, 2020, where the Shareholders of the Company authorised the Board of Directors of the Company to convert the outstanding loans or any other financial assistance categorized as loans (hereinafter referred to as the "Financial Assistance"), in foreign currency or Indian Rupee, already availed from the Lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board not exceeding ₹6,500 Crores (Rupees Six Thousand Five Hundred Crores).

Further, pursuant to the provisions of Section 180(1)(c) of the Act, it is proposed to enhance the borrowing limit of the Company from erstwhile ₹6,500 Crore (Rupees Six Thousand Five Hundred Crore) to ₹10,000 Crore (Rupees Ten Thousand Crore).

Accordingly, pursuant to the provisions of Section 62(3) of the Act and Rules made there-under, the Company is required to pass an enabling Special Resolution, in supersession of the earlier resolution passed at the Annual General Meeting held on July 31, 2020, to enable the Lenders to convert the outstanding Financial Assistance, in foreign currency or Indian Rupee, already availed from the Lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board not exceeding ₹10,000 Crores (Rupees Ten Thousand Crores) and at a price to be determined in accordance with the applicable provisions of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Foreign Exchange Management Act, 1999, Reserve Bank of India and all other applicable regulations / guidelines, at the time of such conversion.

Pursuant to provisions of Section 62 (3) of the Act, this resolution requires approval of the members by way of passing of a Special Resolution.

Accordingly, the Board recommends the resolution as set out in Item No. 6, to enable the Lenders, in terms of the lending arrangements, entered / to be entered, and as may be specified by Lenders under the financing documents already executed or to be executed in respect of the Financial Assistance availed and/or to be availed and/ or continued to be availed, at their option, to convert the whole or part of their respective outstanding Financial Assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board.

Since time is of essence for making the decisions regarding raising the financial assistance or agreeing to terms and conditions for raising the financial assistance (including option to convert loan into equity), especially keeping in view the interest of the Company, it may not be feasible for the Company to seek shareholders consent each and every time, in view of the timings and the expenses involved, hence, the Board proposes this resolution for approval.

None of the Directors / Key Managerial Personnel of the Company or their relatives are in anyway, concerned or interested, either directly or indirectly and financially or otherwise, in the Special Resolution, save and except to the extent of their respective interest as shareholders of the Company

By Order of the Board of Directors
For **Capri Global Capital Limited**

Yashesh Bhatt
Company Secretary
Membership No. ACS 20491

Registered Office:
502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel,
Mumbai 400 013
Place: Mumbai
Date: May 22, 2023

Annexure - I to the Notice of 29th AGM

Details of Directors seeking re-appointment furnished pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Mr. Rajesh Sharma

Mr. Rajesh Sharma is a qualified Chartered Accountant. He is the Promoter Director of the Company with over two decades of experience in capital market and financial advisory services.

Mr. Sharma has expertise in various aspects of corporate finance, investment banking, merchant banking and asset financing. He has successfully leveraged his expertise and experience to steer the Company's growth and played an instrumental role in making it one of the leading financial services players in India.

He is not related to any of the Directors and Key Managerial Personnel of the Company. The Board of Directors recommend passing of the resolution set out in item No. 3 of the accompanying Notice.

Except Mr. Rajesh Sharma, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in Item No.3.

Other details:

Name of the Director	Mr. Rajesh Sharma
DIN	00020037
Designation	Managing Director
Date of Birth	February 28, 1970
Age	53 years
Nationality	Indian
Date of First Appointment on the Board	May 15, 2007
Qualifications	Chartered Accountant
Profile	Mr. Rajesh Sharma has more than twenty five years of experience in Capital Market and Financial Advisory Services. Having founded Capri Global Capital Limited, today it has grown into one of India's leading Non-Deposit Taking Systemically Important Non-Banking Financial Companies (NBFC-ND-SI). He has rich experience in corporate finance, investment banking, merchant banking and asset financing. He is an expert in innovating financial products, designing investment strategies for clients and financial risk management. A qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI), his business acumen is reflected in his understanding of the debt markets and his ability to strategize to benefit the entire stakeholder value chain. Building a business on the principles of ethics, economic empowerment and equitable growth, his vision is to establish one of India's premier financial institutions.
Last Remuneration drawn	₹2,00,000/- per month for Financial Year 2022-23
Remuneration to be paid	₹2,00,000/- per month
Number of Shares held in the Company during FY 2022-23	1000 Equity Shares
Number of Board Meetings attended	7/7

Directorships held in other Companies as on March 31, 2023	1) Capri Global Holdings Private Limited 2) Capri Global Housing Finance Limited 3) Dnyaneshwar Trading and Investments Private Limited 4) Parshwanath Buildcon Private Limited 5) Capri Global Asset Reconstruction Private Limited 6) Capri Global Finance Private Limited
Relationship with other Directors, Key Managerial Personnel	He is not related to any of the Directors and Key Managerial Personnel of the Company.
Memberships/Chairmanships of Committees of other companies	**Capri Global Capital Limited** Risk Management Committee – Chairman Stakeholders' Relationship Committee – Member Corporate Social Responsibility Committee – Member **Capri Global Housing Finance Limited** Risk Management Committee – Chairman Corporate Social Responsibility Committee – Member
Number of Stock Options	Nil
Equity listed Companies from which he resigned in the past 3 years	Nil

CAPRI GLOBAL
CAPITAL LIMITED

REVOLUTIONISING CREDIT
CHANGING LIVES

ANNUAL REPORT 2022-23

TABLE OF CONTENT

Investor information

Market capitalisation
as on March 31, 2023: ₹ 1,36,297.95 Million
CIN: L65921MH1994PLC173469
RBI registration number: B-13.01882
BSE code: 531595
NSE symbol: CGCL
Bloomberg code: CGCL IN
AGM date: September 1, 2023
AGM venue: AGM of the Company is being conducted through VC/OAVM facility

Online report

Cautionary Statement

The statements made in this report describe the Company's objectives and projections that 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 the economic conditions, government policies and other incidental factors which are beyond the control of the Company. The Company is not under any obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments,information or events.

At Capri Global Capital Limited (CGCL), we are committed to transforming the traditional credit industry to provide benefit to both, our customers as well as society, as a whole.

We leverage innovative technology and data-driven solutions to disrupt the status quo of the traditional credit industry and make lending accessible, to individuals and businesses that have historically been underserved by traditional financial institutions. This, in turn, opens up new opportunities for economic growth and development. By empowering women entrepreneurs and supporting women-led businesses, we are not only contributing to the process of bridging the gender gap but also driving economic growth and development.

In our journey of making credit easily accessible to all, we recognise the importance of sustainability and social responsibility while incorporating these principles into our business practices. This approach allows us to generate financial returns and make a positive impact on the environment and society.

In everything we do, we are always looking for new and innovative ways to improve our products and services, adapt to changing market conditions and stay ahead of the curve. For this reason, we stay at the forefront of the credit industry and are well-positioned to address the evolving needs of our customers and stakeholders – while doing what we are best at

REVOLUTIONISING CREDIT
CHANGING LIVES

Key highlights

FY2023 – A STEPPING STONE TOWARDS A BETTER FUTURE

ROBUST FINANCIAL PERFORMANCE

Assets under management (AUM)
₹103,204 Million

Net worth (adjusted for DTAs)
₹35,179 Million

Profit after tax (PAT)
₹2,047 Million
(₹ 2,855 Million adjusted for loss in Gold Loan business)*

Return on assets
2.32 %*
*(*3.33% adjusted for loss in Gold Loan business)*

RAPIDLY EXPANDING SCALE

736 Branches

9,076 Employees

163,608 Live accounts

STRONG TECHNOLOGICAL CAPABILITIES

Designed a document-processing engine to perform quality check on applications

100% of work moved to cloud-based platfroms

Artificial Intelligence (AI) and Data Analytics used to ensure system security

Introduced **Perimeter firewall security** to filter all incoming internet traffic

GOING BEYOND BUSINESS

1.29 Lakh people benefitted till date, through our various initiatives

Animal Welfare
2,237 Received adequate care, housing and management to ensure their well-being

Livelihood Initiatives
33,647 Empowered through the various interventions under skilling and livelihood initiative

Health Initiatives
81,814 Being benefited through our health interventions operated by us

Integrated Rural Development
1,500 Beneficiaries were part of our initiative

Education Initiatives
5,787 Children from the underprivileged communities are benefited

Sustainable Environment
4,000 Trees were planted

Message from the Managing Director

REVOLUTIONISING CREDIT CHANGING LIVES… THROUGH OUR JUDICIOUS DECISION-MAKING

Dear Shareholders,

It is my pleasure to present the Annual Report for the year ended March 31, 2023. I feel optimistic about the future of CGCL and am confident that we will continue to innovate new ways to make credit easily accessible to those in need.

We believe in the quote "Times and conditions change so rapidly that we must keep our aim constantly focused on the future." At CGCL, we have been at the forefront of revolutionising the credit landscape in India and will continue to do so with superior zest. We are committed to enriching the customer experience, no matter how challenging the environment is.

FY2023 – A YEAR OF UPS AND DOWNS

The year 2023 was marked by severe inflationary pressure, geopolitical unrest and the resurgence of Covid-19 variants, especially in China. Despite this, several economies emerged successful in grappling with these challenges, bolstered by stronger-than-expected private consumption and investment amid tight labour markets. The start of 2023 looks promising, with fiscal support, increased spending on pent-up demand and a positive business environment with supply-side bottlenecks beginning to ease. India is set to remain one of the fastest-growing economies in the world, with strong fiscal, monetary and budgetary interventions expected to keep the country on track to become a $5 Trillion economy by 2027. This was further re-emphasised by the Indian government in the Union Budget 2023-24.

OUR COMMITMENT TO INCLUSIVE GROWTH

At CGCL, we completely resonate with the government's agenda of inclusive growth and continue to strive towards driving financial inclusion across the Indian hinterlands. The Indian financial sector is undergoing rapid expansion and NBFCs play a crucial role in financial inclusion, by offering tailored solutions to individuals and groups who are otherwise excluded from banking services. We operate in locations where banking services are unavailable partially or completely, providing last-mile connection to the unorganised sector of society. Further, we also undertake a variety of CSR initiatives focusing on sustainable livelihood opportunities, education, healthcare and integrated rural development. Till date, we have positively impacted over 2.7 Lakh beneficiaries through our initiatives.

GROWING FROM STRENGTH TO STRENGTH

In the past few months, we conducted an extensive examination of our organisation, analysing each offering, introducing new ones and evaluating our confidence in their ability to generate sustainable revenue and stakeholder value in the long run.

In August 2022, we launched the Gold Loan business with 108 branches. Within a short span of seven months, we scaled up to 562 branches across 7 States and Union Territories. Our other businesses also witnessed significant growth.

GROWTH ACROSS OUR BUSINESSES

Business	AUM (₹ Million)	Growth (Y-o-Y)
MSME lending	43,580	32%
Housing Finance	26,657	53%
Gold Loans	11,256	NA
Construction Finance	18,301	45%
Indirect Lending	3,408	9%
Car Loan Distribution	56,728	3.5x

**including co-lending AUM of ₹ 5,004 Million in MSME and ₹ 465 Million in Housing Finance*

Our consolidated AUM grew by 56% to ₹ 103,204 Million. Net Income stood at ₹ 9,081 Million. Despite rising cost of funds, due to the policy tightening initiated by RBI during the year, the Net Interest Margin was robust at 8.5%. Credit cost declined by 39% to ₹ 642 Million. Despite a sharp 127% increase in operating expenses, due to rapid expansion specifically in Gold Loan business, we delivered a PAT of ₹ 2,047 Million, nearly the same as FY 2022 level of ₹ 2,050 Million. Adjusted for the income and opex in Gold Loan vertical, our FY 2023 PAT would be 39% higher at ₹ 2,855 Million.

Post consolidation in FY2019 and FY2020, we have sustained our steady and strong growth momentum. Our AUM has tripled over FY2020 and we strive to maintain this momentum. We expect to triple our AUM again, and cross ₹300 Billion by FY2027 with ₹80 Billion contribution from our recently introduced Gold Loan business.

LEADING WITH TECHNOLOGY

A large part of our success is credited to the technology we use. We have set up digital payments infrastructure to enable us to develop integrated e-payment solutions for both collections and disbursements. CapriPedia is our learning application available across all regions with increased accessibility to online learning modules. Using AI, ML and data analytics, we built our own OCR and KYC engine, data analytics platform and car loan leads app. We also set up our own data repository to enable business insights. In the near future, we plan to develop a customer service app, a CLM analytics model for seamless co-lending and a DSA platform to create alternate lead channels across businesses.

As we look ahead, we remain committed to our innovation journey to keep pace with changing times. Despite facing near-term vulnerabilities, we are well-positioned to achieve sustainable growth. We value our customers and constantly strive to adapt to emerging trends and customer needs. Our customer-centric approach, unique offerings, in-house sourcing and collection models, alongside a well-funded balance sheet put us in a sweet spot to capture and retain market leadership. We will continue to invest in evolving technologies and leverage our brand to fortify our position.

In closing, I would like to express my deepest gratitude for the unwavering support from all our valued stakeholders. I would also like to extend my heartfelt appreciation to my colleagues on the Board, for their valuable contributions and to all our employees for their hard work towards our business endeavours. We look forward to your continued support and encouragement.

Best wishes,
Rajesh Sharma
Managing Director

Corporate overview

REVOLUTIONISING CREDIT CHANGING LIVES... BY ESTABLISHING A ROBUST BUSINESS

Addressing the capital need of North and West India, Capri Global Capital Limited (CGCL) is a diversified non-banking financial company (NBFC) striving to achieve financial inclusive growth and revolutionising credit. In conjunction with its wholly-owned subsidiary, Capri Global Housing Finance Limited (CGHFL), we are making finance easily available to those without access to formal credit channels.

Our primary focus is on home loans, tailor-made business and term loans for MSMEs while our goal is to provide hassle-free loans to our customers.

WHO WE CATER TO

MSMEs	Individuals
• Restaurants • Small manufacturing units • Traders • Private schools • Other businesses	• Self-employed non-professionals (SENPs) • First-generation entrepreneurs • Underserved women borrowers

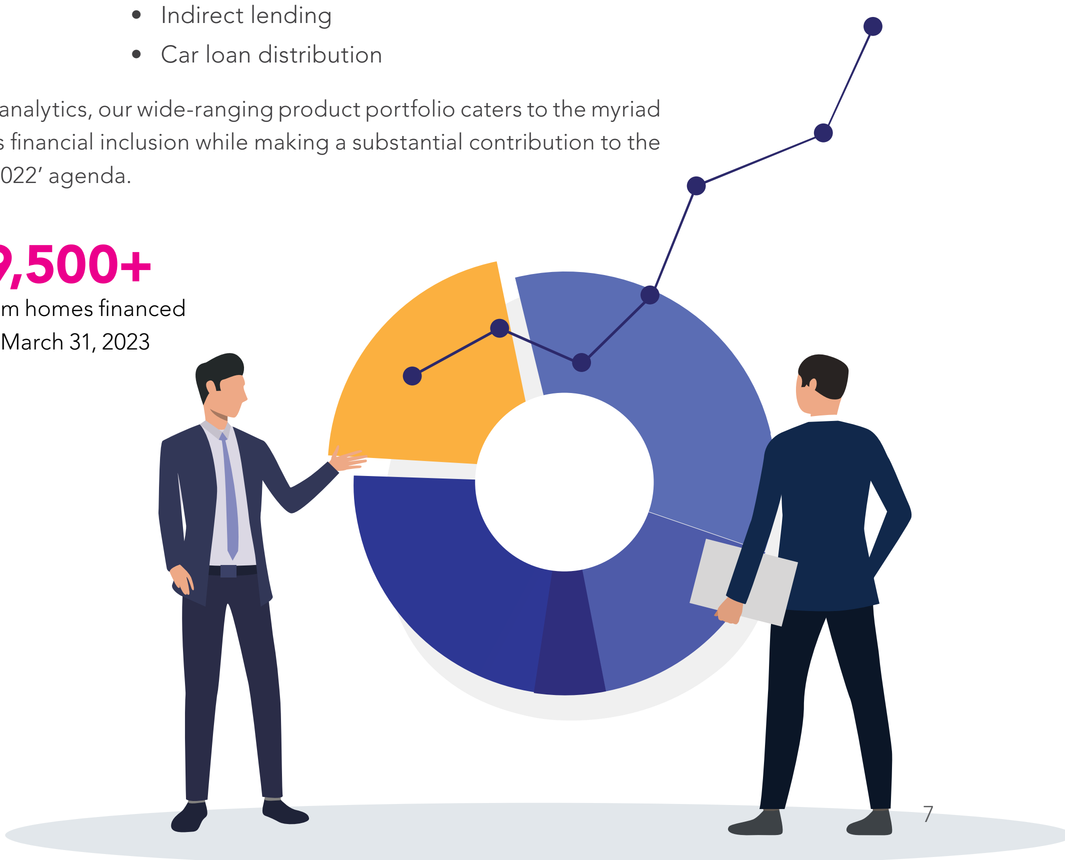
MARKET SEGMENT PRESENCE

- MSME loans
- Gold Loan
- Affordable housing
- Construction finance
- Indirect lending
- Car loan distribution

Leveraging technology and smart analytics, our wide-ranging product portfolio caters to the myriad needs of our customers and drives financial inclusion while making a substantial contribution to the government's 'Housing for All by 2022' agenda.

37,800+
Businesses financed until March 31, 2023

29,500+
Dream homes financed until March 31, 2023



MISSION

Our mission is to revolutionise the way credit works in India, with our flexible loans. We deliver credit to a wide spectrum of MSMEs and individuals with limited credit history, to drive a financial and social impact for our customers and society at large.

VISION

Our vision is to address the needs of the underserved by deploying capital that facilitates a change for good.

VALUES

The Determined and Enterprising

Access to capital creates opportunities. But, in our country most of it is held by a few and rarely reaches the ones 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 life. Every day, we act as a catalyst for this change.

JOURNEY

Our journey began in 2011 and over the years, we have built a reputation for our strong customer orientation and ability to deliver value to our stakeholders. On the back of our customer-centric approach, innovative financial solutions, strong corporate governance, skilled team and risk management practices, we are committed to excellence in everything we do – with financial inclusion, as our underlying goal.

2011

The beginnings

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

2013

Spreading our wings

- Forayed into 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 employee strength

Collective Social Growth and Well-being
The well-being of society at large doesn't stem from wealth of a few, but the economic and social progress of all. The loans we give to the MSME sector and for the provision of affordable housing to the underserved, has 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 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 the 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.
9,000+ 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.

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

Achieving greater heights

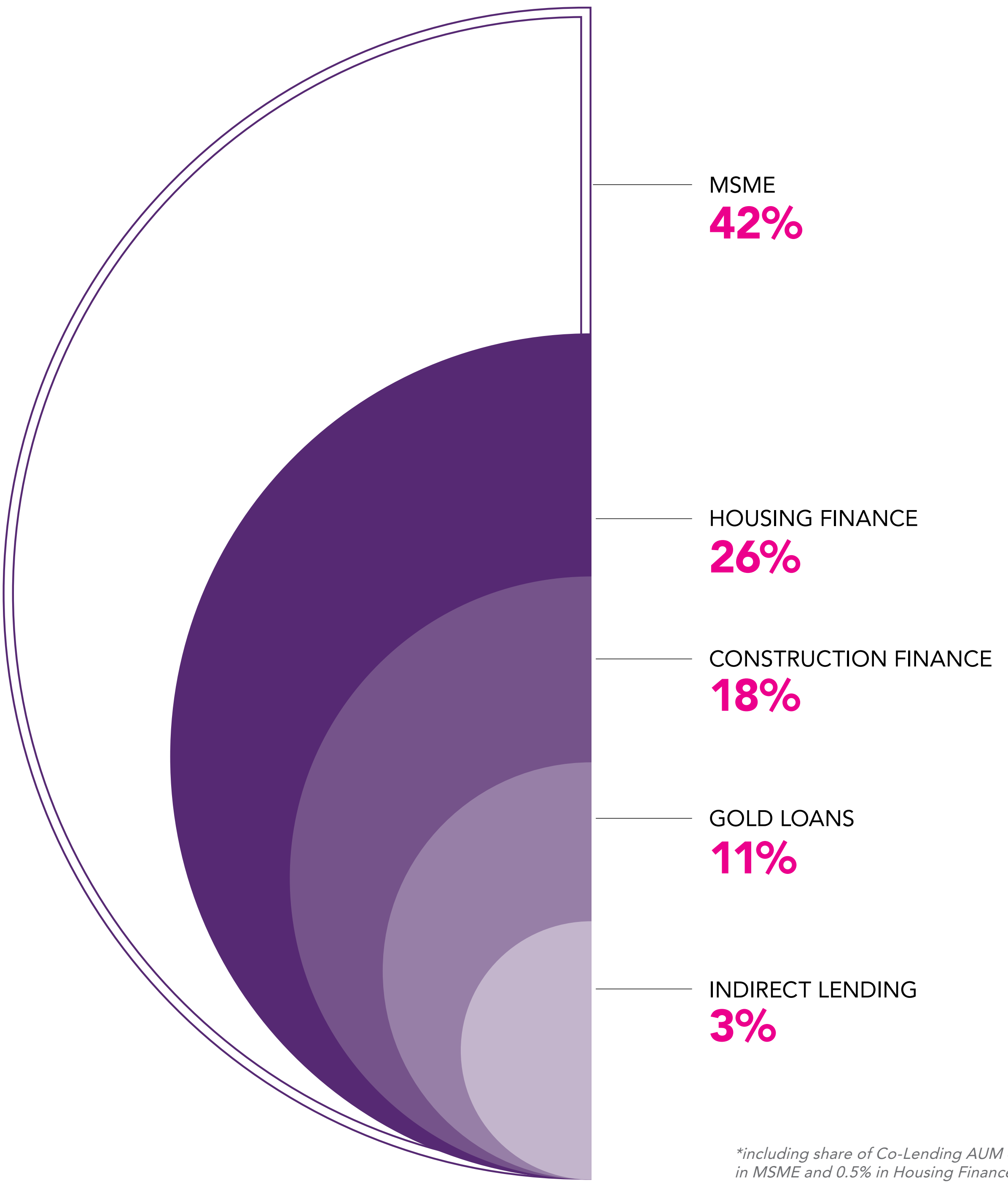
- Announced foray into Gold Loan business

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 and 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® second year in a row

AUM OF OUR BUSINESSES IN FY2023



**including share of Co-Lending AUM 4.8% in MSME and 0.5% in Housing Finance*

LENDING PARTNERS

(as on March 31, 2023)

SBI

NABARD

NATIONAL HOUSING BANK
Wholly Owned by Reserve Bank of India

Union Bank of India

केनरा बैंक Canara Bank

YES BANK

बैंक ऑफ महाराष्ट्र Bank of Maharashtra भारत सरकार का उद्यम

इंडियन बैंक Indian Bank

Indian Overseas Bank

punjab national bank ...the name you can BANK upon!

Bank of India
Relationship beyond banking

IDBI BANK

LIC
भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

HDFC BANK

Punjab & Sind Bank
(A Govt. of India Undertaking)
Where service is a way of life

यूको बैंक UCO BANK

NABKISAN

DhanlaxmiBank
established 1927

बैंक ऑफ़ बड़ौदा Bank of Baroda

Karnataka Bank Ltd.
Your Family Bank. Across India.

sidbi

Presence

REVOLUTIONISING CREDIT CHANGING LIVES…
BY ESTABLISHING A STRONG FOOTPRINT

We are continuously strengthening our retail footprint, with over 736 branches spread across the Northern and Western parts of India. Our deep understanding of the financial needs of India's underserved and unbanked segments, motivates us to strengthen our capabilities and contribute to inclusive financial growth.

OVERALL PRESENCE

State	Branches
Rajasthan	194
Madhya Pradesh	135
Gujarat	120
Haryana	93
Maharashtra	85
Delhi	52
Uttar Pradesh	41
Uttarakhand	4
Punjab	3
Chhattisgarh	2
Telangana	2
Karnataka	2
Bihar	1
West Bengal	1
Chandigarh	1
Total	**736**

CONSTRUCTION FINANCE BRANCHES

Bengaluru
Ahmedabad
Hyderabad

EXCLUSIVE CAR LOAN DISTRIBUTION BRANCHES

Amritsar
Jalandhar
Chandigarh
Lucknow
Patna
Kolkata
Hyderabad
Bengaluru
Surat

GOLD LOAN BRANCHES

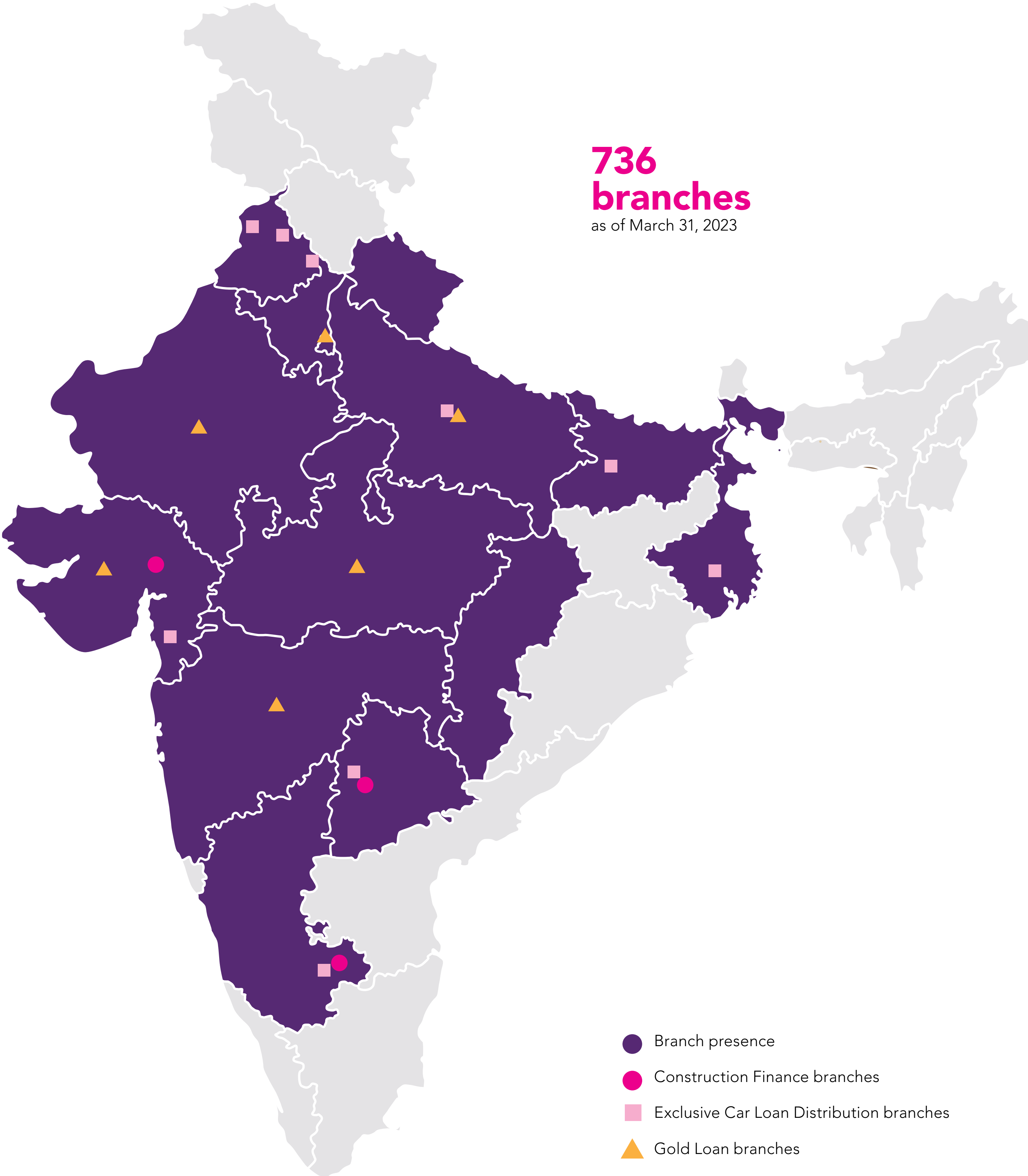
States	Branches
Rajasthan	135
Madhya Pradesh	100
Gujarat	96
Haryana	90
Maharashtra	67
Delhi	51
Uttar Pradesh	22
Uttarakhand	1
Total	**562**

619 New branches added this year

Branch presence in **15** States and Union Territories

450 Car Loan distribution locations

Car Loan distribution presence in **29** States and Union Territories



736 branches

as of March 31, 2023

Branch presence

Construction Finance branches

Exclusive Car Loan Distribution branches

Gold Loan branches

Businesses

REVOLUTIONISING CREDIT CHANGING LIVES… THROUGH OUR CUSTOMISED AND INCLUSIVE OFFERINGS

Our aim is to be a trusted partner to our clients and help them achieve their financial goals. Therefore, we thus, focus on providing personalised, efficient and flexible financial solutions to meet their specific needs. Through our businesses, we remain committed to our overarching objective of promoting positive social change and facilitating financial inclusivity.

MSME

Average LTV^
~52%

Portfolio Yield*
15.3%

HOUSING FINANCE

Average LTV^
~55%

Portfolio Yield*
12.3%

GOLD LOAN

Average LTV^
~72%

Portfolio Yield*
16.4%

CONSTRUCTION FINANCE

Asset Cover
2x

Portfolio Yield*
16.5%

INDIRECT LENDING

Asset Cover
1.05x

Portfolio Yield*
13.4%

CAR LOAN

Number of car loans originated
51,384

Average ticket size
₹1.1 Million

^Average LTV on disbursements during FY2023.

**Average of quarterly weighted yield during FY2023.*

MSME

Contributing to almost half of our AUM share, MSME is our major business segment. Most of our customers have limited access to formal credit systems, thus limiting their growth. We create customised financial solutions for small business owners such as provision store owners, retail outlet owners, handicraft manufacturers and those providing necessary services such as education, transportation and healthcare. Using our services, they can purchase equipment, machinery and vehicles. To expand our reach in the MSME segment, we have established a co-lending partnership with the State Bank of India and Union Bank of India.

OVERVIEW

Portfolio: Loan against residential/commercial/industrial properties with clean and markable titles

Ticket Size: ₹ **0.2-20** Million

Average ticket size: ₹ **1.7** Million

Tenure: Up to **15** years

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

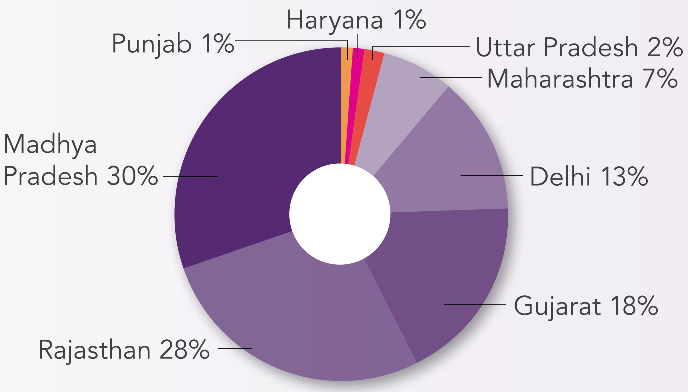
Average LTV: ~52%^

Portfolio yield: 15.3%*

^Average LTV on disbursements during FY2023.

**Average of quarterly weighted yield during FY2023.*

GEOGRAPHIC DISTRIBUTION OF MSME LOANS



₹43,580* Million
AUM

₹17,525* Million
Disbursement

27,164
Live accounts

**including Co-Lending AUM of ₹ 5,004 Million and Co-Lending disbursements of ₹ 3,894 Million*

HOUSING **FINANCE**

Since 2016, through our wholly-owned subsidiary, Capri Global Housing Finance Limited (CGHFL), we have been offering home loans to the middle and lower-middle-income population. We primarily cater to the housing finance needs of the underserved population, in Tier-1 and Tier-2 cities, to enable them in buying a new house or refurbishing an existing one. Through our 160+ branches spread across 6 Indian states, we have serviced over 29,500 customers. We are committed to expanding our reach and bringing in more tech infrastructure, to align with the government's flagship 'Housing for All' scheme under the Pradhan Mantri Awas Yojana.

OVERVIEW

Portfolio: Home loans for the purchase of residential units, construction and extension, renovation of homes, plot purchase and home equity loans

Ticket size: ₹0.2- 15 Million

Average ticket size: ₹1.1 Million

Tenure: Up to **25** years

Security: First and exclusive charge on mortgage property with clean and marketable titles

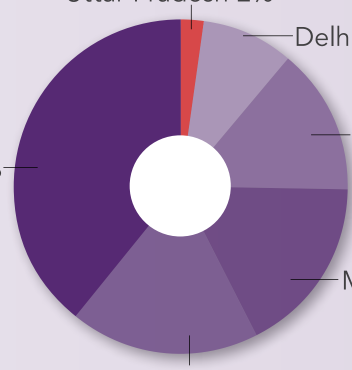
Average LTV: ~55%^

Portfolio yield: 12.3%*

^Average LTV on disbursements during FY2023.

**Average of quarterly weighted yield during FY2023.*

GEOGRAPHIC DISTRIBUTION OF HOME LOANS



₹26,657 Million
AUM

₹12,893* Million
Disbursement

24,335
Live accounts

**including Co-lending AUM of ₹ 465 Million and Co-lending disbursement of ₹ 465 Million*

GOLD
LOANS

Gold Loan is our most recent offering, launched in August 2022. We offer credit up to 75% of the value of the gold pledged for tenures from 6 to 12 months with multiple repayment options. Our state-of-the-art and spacious branches with an average area of 600-800 square feet are all secured by AI-driven security systems with gold jewellery secured in vaults with SRD doors. Our quick processing and minimal documentation, without any need for income proof or credit history, make our offering attractive to our customers.

OVERVIEW

Portfolio: Loan against gold jewellery

Ticket size: ₹ **3,000** to ₹ **3** Million

Average ticket size outstanding: ₹ **0.12** Million

Tenure: Up to 1 year

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

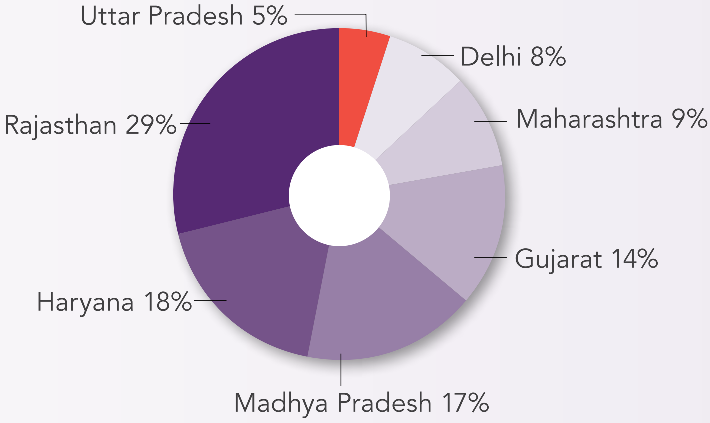
Average LTV: ~**72**%^

Portfolio yield: 16.4%*

^Average LTV on disbursements during FY2023.

**Average of quarterly weighted yield during FY2023.*

GEOGRAPHIC DISTRIBUTION OF GOLD LOANS



₹11,256 Million
AUM

₹18,812 Million
Disbursement

111,894
Live accounts

CONSTRUCTION **FINANCE**

Since 2011, we have been offering flexible financing options to real estate small and mid-sized real estate developers to enable them, to gain the necessary advantage, to complete their project on time and enhance their brand equity. Flexible financing enables developers to abide by timelines amidst challenging environment. With a granular portfolio, comprehensive project selection and credit appraisal framework in place, we keep our risks under check. We offer competitive rates for high quality, multi-family real estate projects. Quicker turnaround time and adherance to best industry practices ensures repeat business from customers.

OVERVIEW

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

Ticket size: ₹20- **600** Million

Average ticket size outstanding: ₹**70.1** Million

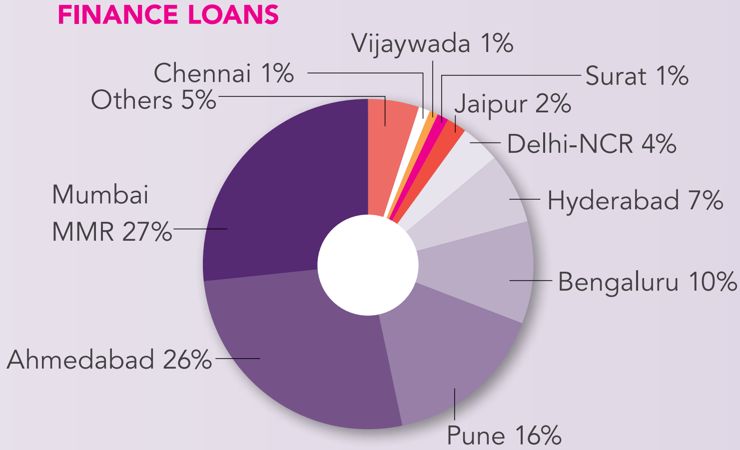
Tenure: Less than **7** years

Security: Exclusive lending with escrow mechanism, minimum 2x of loan outstanding

Asset cover: 1.5x

Portfolio yield: 16.5%*

GEOGRAPHIC DISTRIBUTION OF CONSTRUCTION FINANCE LOANS



**Average of quarterly weighted yield during FY2023.*

₹18,301 Million
AUM

₹14,406 Million
Disbursement

196
Live accounts

INDIRECT **LENDING**

Through our passive product of indirect lending, we offer credit to other NBFCs engaging in MSME lending and microfinance. We also cater to fintech-based NBFCs and provide loans against pledge of debt securities, to borrowers dealing in debt securities. We have resumed lending to customers who approach us, post a small hiatus between October 2018 to December 2020. We had strategically taken a break during the DHFL & IL&FS default, that created severe liquidity crunch for NBFC's, to avoid any collateral damage.

OVERVIEW

Portfolio: Financing to other NBFCs engaged in MSME lending and microfinance fintech-based NBFCs

Ticket size: ₹30-1,000 Million

Average ticket size outstanding: ₹50 Million

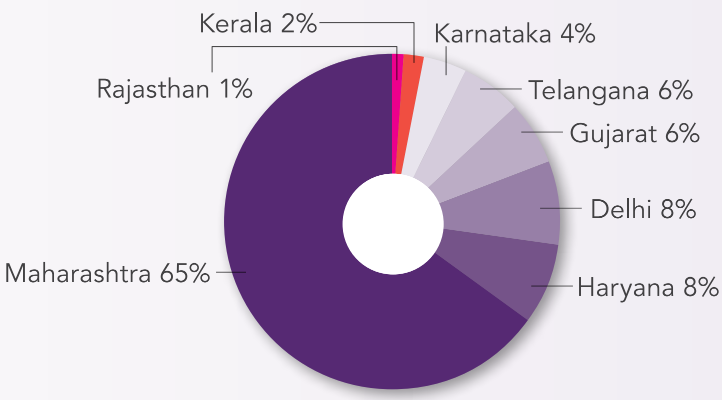
Tenure: 1-3 years

Security: Hypothecation of receivables with a minimum 1.05x cover

Asset cover: 1.05x

Portfolio yield: 13.4%*

GEOGRAPHIC DISTRIBUTION OF INDIRECT LOANS



**Average of quarterly weighted yield during FY2023.*

₹3,408 Million
AUM

₹12,825 Million
Disbursement

20
Live accounts

CAR
LOANS

With a presence in 450 locations in 29 States and Union Territories (UTs), we distribute new car loan products of Bank of Baroda, Bank of India, HDFC Bank, Indian Bank, Indian Overseas Bank, Yes Bank, Punjab and Sind Bank and Union Bank of India, through our feet-on-street sales force. Apart from this, we have nine exclusive branches. This asset-light model generates fee income, where we refer the bank and assist the borrower in having a hassle-free disbursement with the fastest turnaround time. We are one of the largest players in this segment.

OVERVIEW

Car Loans originated:
₹ 56,728 Million

Car Loans originated (nos.): 51,384

Ticket size: ₹ **1.1** Million

Gross fee earned: ₹ **1,437** Million

Net fee earned: ₹ **1,179** Million

₹56,728 Million
Value of car loans originated

51,384
Number of car loans originated

₹1.1 Million
Average ticket size

Board of Directors

REVOLUTIONISING CREDIT CHANGING LIVES... WITH EXPERTISE, EXPERIENCE AND LEADERSHIP

MR. RAJESH SHARMA
Managing Director

A Chartered Accountant by profession, Mr. Rajesh Sharma has a rich and diverse experience of nearly three decades in Capital Market and Financial Advisory Services. A first-generation entrepreneur, his proficiency spreads across financial segments of corporate finance, investment banking, merchant banking and asset financing. He has played a vital role in sustainably strengthening the capabilities of the Company and accelerating both growth and profitability.

Mr. Sharma is a strong believer in the principles of ethics, economic empowerment and equitable growth. His profound knowledge in the debt markets is a strong asset for the Company. A forward thinker and a keen observer, he is a crucial part of the entire stakeholder value-creation process. He envisions making Capri Global one of India's premier financial institutions.

MS. BHAGYAM RAMANI
Independent Director

With a Master's Degree in Economics from the University of Mumbai, Ms. Bhagyam Ramani specialises in Industrial and Monetary Economics. During the period of 2009 to 2012, Ms. Ramani served as the Director in General Insurance Corporation of India.

A key asset for the Company, Ms. Ramani, also serves the Board of distinguished companies, including Saurashtra Cement Ltd., Lloyds Metals and Energy Ltd., and NSE Clearing Limited as Independent Director.

MR. MUKESH KACKER
Independent Director

With a Master's Degree in Economics from Harvard University, Bachelor of Science and Master of Political Science Degrees from the Allahabad University, Mr. Mukesh Kacker served the Government of India for over thirty years, as a member of Indian Administrative Service (IAS). He has made some remarkable contributions in planning and executing a major portion of the Golden Quadrilateral, while serving as a member of National Highway Authority of India.

Mr. Kacker has made significant contributions in drafting the National Policy on Petrochemicals and conceptualising the policy on Investment Regions, while serving as Joint Secretary (Petrochemicals). He was inducted as Member, Task Force on Infrastructure Development and Mega Projects by the Government of India.

Our visionary leadership is the driving force behind the success of our organisation. They are committed to excellence and share a common vision for the future. With their strategic decisions, insightful guidance and unwavering dedication, our Company continues to scale new heights.

MR. BENI PRASAD RAUKA
Independent Director

Chartered Accountant and Company Secretary by profession, Mr. Rauka has over three decades of post-qualification experience in the field of accounting, audit, taxation, fundraising, compliance and management.

Mr. Rauka is group Chief Financial Officer of one of the listed companies of the SEB Group, which is among the Top 500 BSE/NSE companies. He also serves as a Director in other public/private limited companies and a listed company. He makes remarkable contributions in the field of philanthropy as a Member of the CSR committee/s of the Board and as a trustee of certain charitable trusts.

MR. AJIT SHARAN
Independent Director

A Graduate from IIT Delhi, with Post-graduate degrees in Business Administration from Louisiana State University (US) and Development Economics from the University of Wales (UK), Mr. Sharan has served the Government of India as a Member of the Indian Administrative Service since 1979.

Mr. Sharan has served the State Government of Haryana and the Government of India under several senior roles. He has held the positions of Principal Secretary for Power, Finance, Technical Education and Urban Development in the state. He was a Joint Secretary in the Department of Banking and Insurance with the central government. He has played a key role in the opening of the insurance sector and the initial reforms. He has worked as Secretary to the Government in the Ministries of Sports and Ayush. Mr. Sharan serves as Independent Director on the Board of Dabur India Limited.

MR. DESH RAJ DOGRA
Independent Director

An MBA in Finance from FMS, University of Delhi and a Post-graduate in Agriculture from Himachal Pradesh University, boasts of four decades of rich experience in the financial sector and credit administration. He is 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. Until September 2016, he was also Vice Chairperson and Public Interest Director at Metropolitan Stock Exchange of India Ltd. He also worked with Dena Bank for over 15 years prior to his stint with CARE.

Mr. Dogra makes significant contribution as Independent Director on the Board of several prominent companies, including S Chand and Company Ltd., Asirvad Micro Finance Ltd., M Power Micro Finance Pvt Ltd, G R Infraprojects Limited, IFB Industries Ltd. and Axiscades Technologies Ltd.

Key performance indicators

REVOLUTIONISING CREDIT CHANGING LIVES...

BY MAINTAINING A STEADY PROGRESS

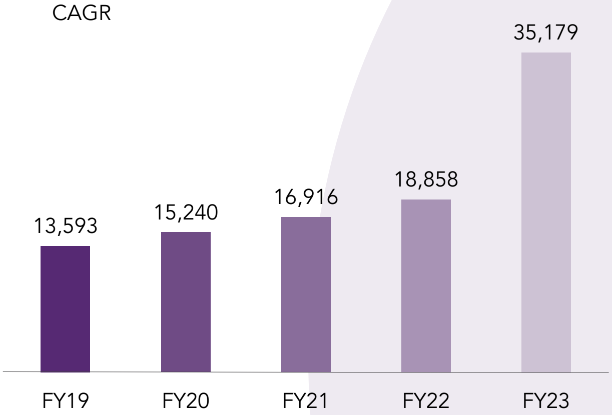
During FY2023, we witnessed robust performance across all verticals including the new business of car loans and gold loans.

FINANCIAL PERFORMANCE

27% CAGR

NET WORTH

(₹ in Million)

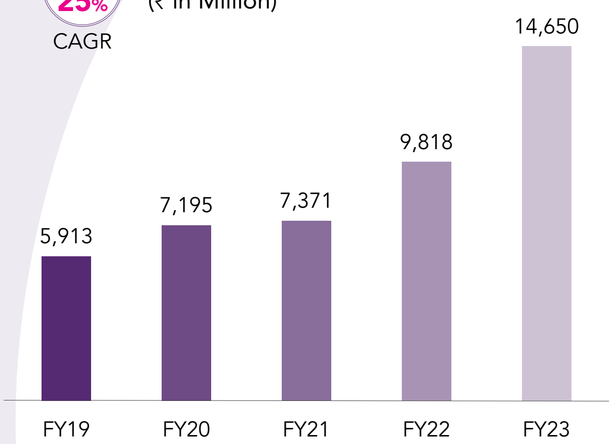


** Net worth before adjustment of Deferred Tax Assets for FY 2023/ FY2022 /FY2021/FY2020/FY2019 was ₹ 35,655 Million / ₹19,225 Million / ₹17,173 Million / ₹ 15,392 Million / ₹ 13,827 Million respectively.*

25% CAGR

TOTAL INCOME

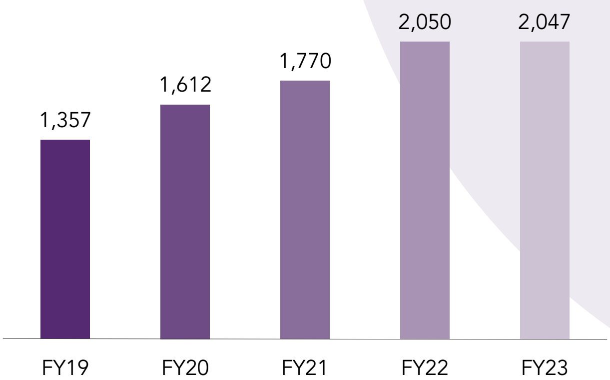
(₹ in Million)



11% CAGR

PROFIT AFTER TAX

(₹ in Million)

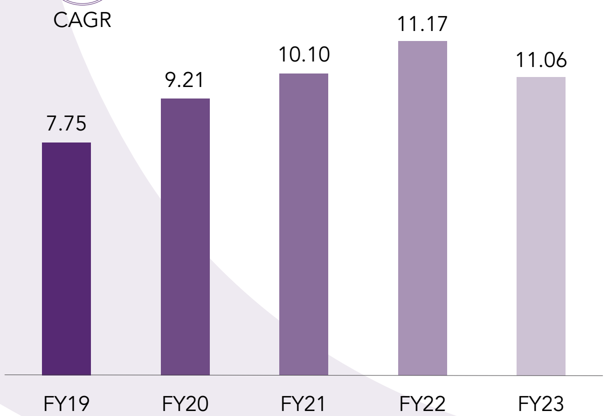


** ₹ 2,855 Million / 20% CAGR adjusted for initial loss in Gold Loan business*

9% CAGR

EARNINGS PER SHARE*

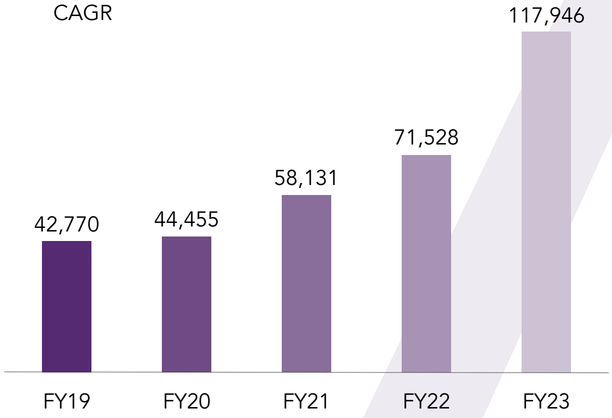
(₹)



** Basic*

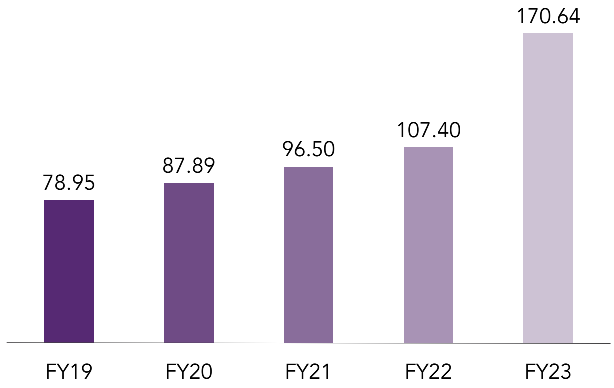
29% CAGR

TOTAL ASSETS
(₹ in Million)



21% CAGR

BOOK VALUE PER SHARE*
(₹ in Million)

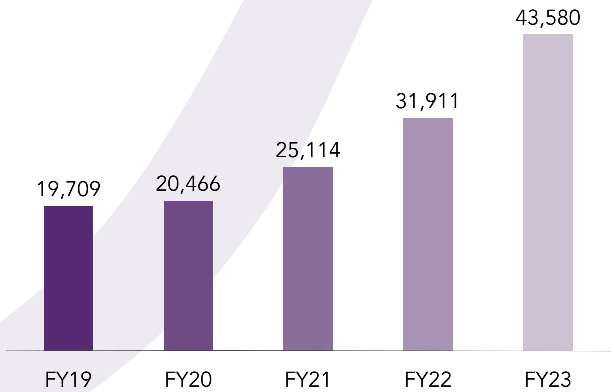


*CGCL raised ₹14.4bn equity during FY23, which boosted BVPS

ASSETS UNDER MANAGEMENT

22% CAGR

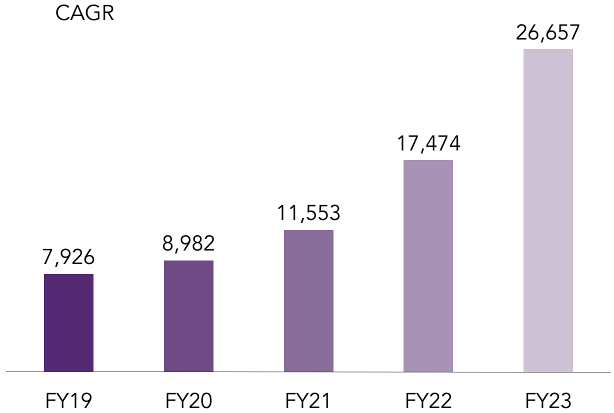
MSME*
(₹ in Million)



*Including co-lending AUM

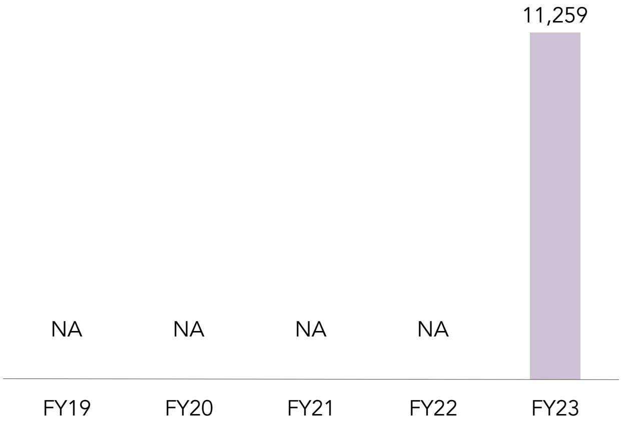
35% CAGR

HOUSING LOAN*
(₹ in Million)



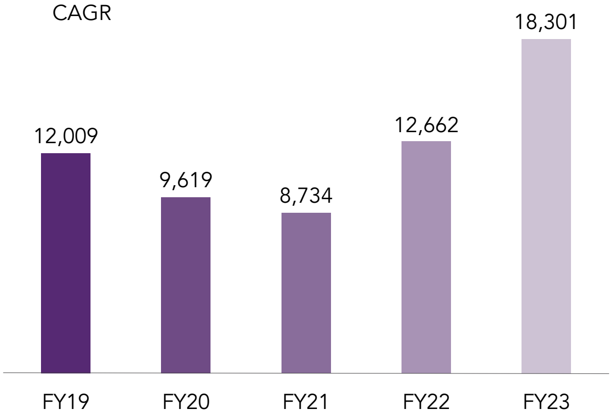
*Including co-lending AUM

GOLD LOANS
(₹ in Million)



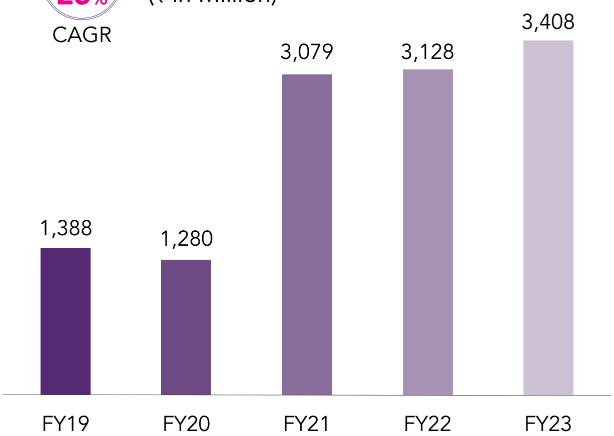
CONSTRUCTION FINANCE
(₹ in Million)

11% CAGR



INDIRECT LENDING
(₹ in Million)

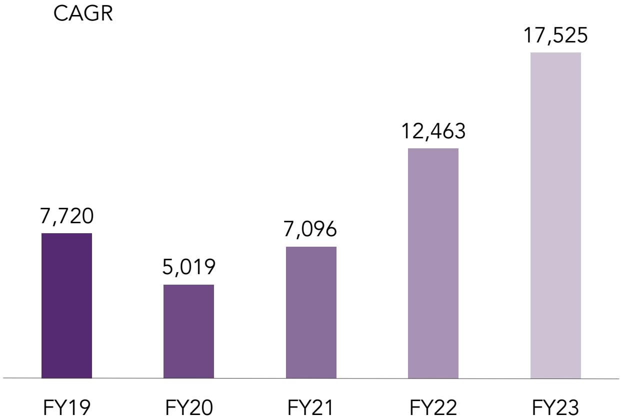
25% CAGR



DISBURSALS

MSME*
(₹ in Million)

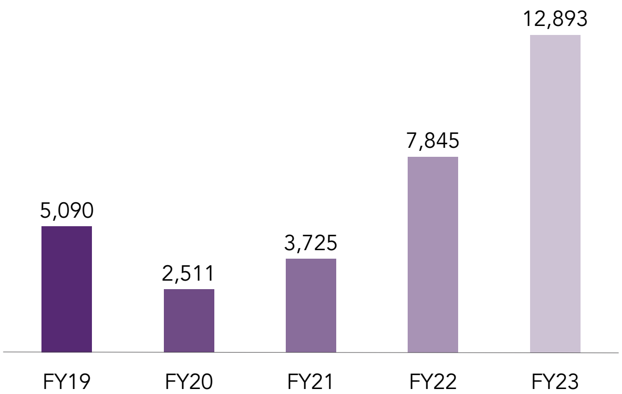
23% CAGR



Including co-lending

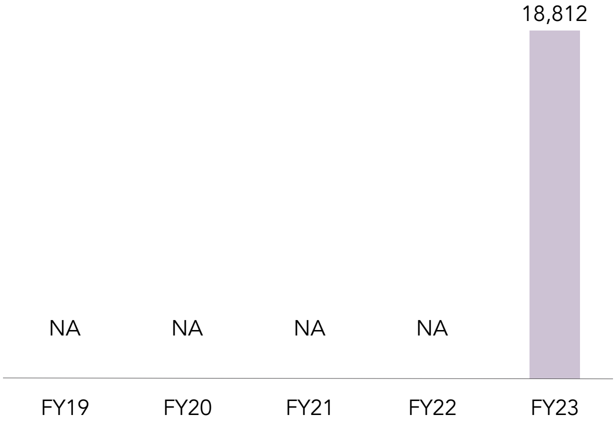
HOUSING LOAN*
(₹ in Million)

26% CAGR

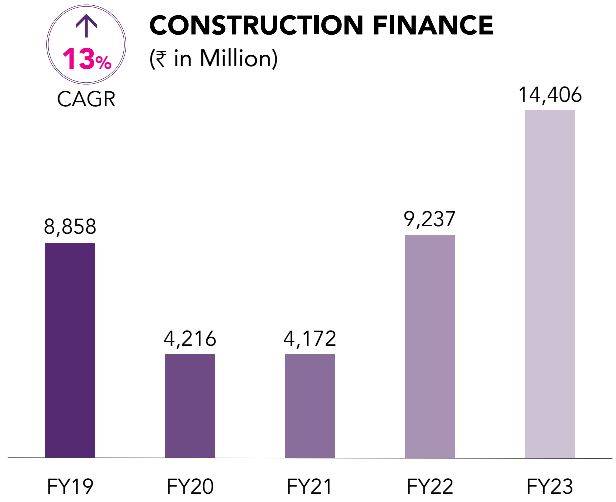


Including co-lending

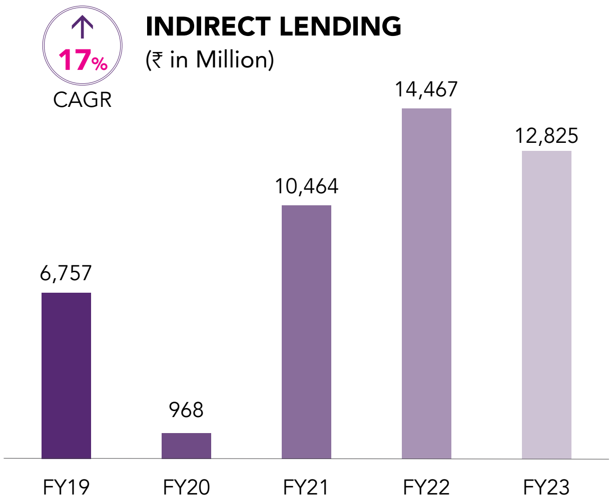
GOLD LOANS
(₹ in Million)



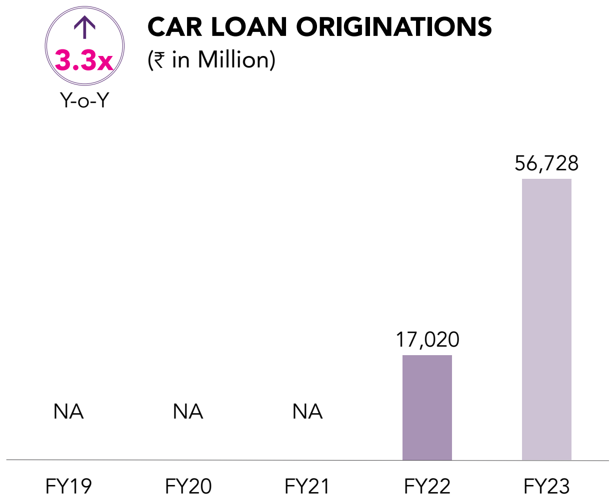
CONSTRUCTION FINANCE
(₹ in Million)



INDIRECT LENDING
(₹ in Million)



CAR LOAN ORIGINATIONS
(₹ in Million)



OPERATIONAL PERFORMANCE

- Assets Under Management increased 56% Y-o-Y to ₹ 103.2 Billion, with the MSME segment continuing to dominate the lion's share at 42%. Housing Finance, Gold Loans, Construction Finance and Indirect Lending formed 26%, 11%, 18% and 3% respectively.
- Disbursals touched ₹ 76,461 Million, growing 74% Y-o-Y. The share of retail disbursals was a cumulative 76%. This was contributed by MSME, Housing Finance and Gold Loans in proportion 24%, 18% and 34% respectively.
- As part of our growth strategy, we continued expanding our urban retail network deeper and in contiguous geographies. We added 50 Urban Retail branches during the year.
- Our non-gold loan branch network stood at 174, taking our total branch network to 736 spread across 15 States and UTs.

Operating context

REVOLUTIONISING CREDIT CHANGING LIVES… BY LEVERAGING MARKET OPPORTUNITIES

As the global financial landscape continues to evolve, driven by rapid technological advancements, changing regulatory frameworks and shifting customer preferences, we at CGCL, have successfully adapted and thrived amidst the challenges, demonstrating strong resilience and foresight. We have always used macroeconomic trends to our advantage through our proactive approach and competitive edge, thus navigating the complexities of today's financial ecosystem.

Here is a glimpse of the evolving landscape in which we operate:

MSME LENDING

MSMEs account for ~35% of total credit exposure in India, with the majority of it parked with private and public sector banks. However, due to high NPAs, high processing times, higher cost and a number of capital challenges, banks face issues in financing MSMEs. On the other hand, due to their low servicing cost, higher outreach and higher loan eligibility with shorter turnaround time, MSMEs prefer NBFCs as their credit partners. MSME Pulse Reports indicate stronger asset quality in ₹1-5 Million subsegment of MSME.

How we leverage this opportunity

At CGCL, we focus on ticket sizes of ₹1-2 Million, thus being at the right place at the right time. Further, under the co-lending mechanism introduced by RBI, we have partnered with Union Bank of India, State Bank of India and Punjab and Sind Bank for co-originating loans in the MSME segment. We are in the process of setting up a new tech platform to ensure our co-lending proposals are seamlessly integrated with the co-lending partners' system.

₹5,004 Million

AUM achieved under MSME co-lending during the year

₹3,894 Million

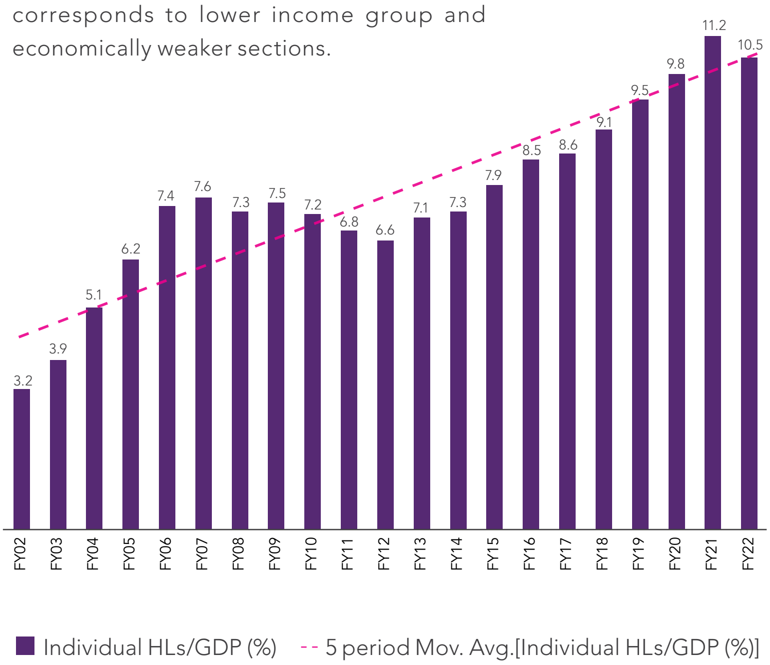
Disbursals achieved under MSME co-lending during the year

AFFORDABLE HOUSING

India's mortgage market is expanding due to rising urbanisation and an increase in housing demand. According to the 'White Paper - Indian Housing Industry' by research and consultancy firm RNCOS, it was expected that the urban shortage will reach 34.1 Million units by 2022. Over 90% of the shortage corresponds to lower income group and economically weaker sections.

₹26,657 Million

(including co-lending) AUM achieved under Affordable Housing during the year



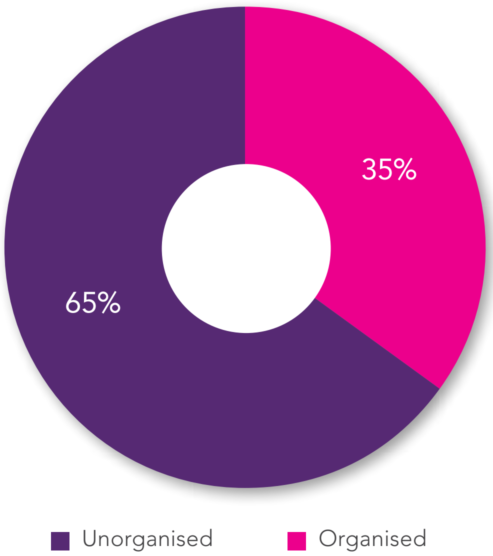
Source:NHB

How we leverage this opportunity

We serve the middle and lower income population in Tier-2 and Tier-3 cities through our network of 160 branches. We have strong synergies with our urban retail sales team, which is resulting in strong AUM for our business.

GOLD LOAN

The gold loan market is expanding rapidly, from ₹2.3 Trillion in FY2017 to an estimate of ₹5.9 Trillion in FY2024. The market is largely dominated by public sector units and gold NBFCs, with other NBFCs, urban co-operative banks and private banks occupying lesser share. Moreover, gold NBFC players are primarily running their business in South India, gradually expanding into other regions as well.



Source:Industry estimates

How we leverage this opportunity

Our gold loan offerings are based on trust. Minimum documentation, turnaround time of 30 minutes, attractive RoI and a dedicated relationship manager are some of the advantages we offer to our gold loan customers. Further, we offer 100% insurance of gold ornaments and have AI-powered safety vaults in all our branches.

CONSTRUCTION FINANCE

The Indian construction industry, the engine of the economy, was estimated at $ 738.5 Billion in 2022. The spike in government capital expenditure is providing a strong boost to the sector growth, while increased focus on renewable energy, transport, health and housing infrastructure is expected to propel the sector further. The industry is witnessing massive growth led by an emphasis on rebuilding infrastructure, sustainable buildings, smart cities and an accelerated pace of adoption of technological advancements.

How we leverage this opportunity

We offer loans to small and mid-sized real estate developers through a robust framework of project selection and credit appraisal. We offer competitive rates for high-quality, multi-family real estate projects and provide a cash flow cover of 2x and asset cover of 1.5x.

Strategy

REVOLUTIONISING CREDIT CHANGING LIVES... THROUGH A WELL-PLANNED STRATEGY

Our differentiated business approach of lending to new-to-credit customers, women entrepreneurs and the Self-employed Non-Professional (SENP) category of borrowers has earned us a distinct reputation in the NBFC space. We are well poised to leverage our strengths across business segments and grow sustainably, in conjunction with the growing Indian economy through:

PRODUCT EXPANSIONS

We recognise the importance of new product categories in increasing our non-interest income and in the growth of our AUM. In the last three consecutive years, we have forayed into the three new product categories of car loans, co-lending and gold loans.

GEOGRAPHICAL EXPANSION

In the last three years, we have added 649 new branches aiding business growth. We are committed to increasing penetration in Tier-2 and Tier-3 cities where formal credit penetration is low. Over medium term, we aim to take the network of our Urban Retail branches to 250+, from 162 as of March 2023

TECHNOLOGICAL ADVANCEMENT

A significant part of the customer journey, from underwriting to disbursal and post-disbursal customer relationship and collections management, relies on our digital capabilities. We have a team of 100+ proficient tech professionals engaged in coding, data analytics and system maintenance and support. We are cognisant of the crucial role technology plays in our growth journey and strive to up our ante in digitisation, technology and cybersecurity.

We further undertook the following tech-led initiatives to boost our business:

- Contracted iFlex for loan management system
- Sales Mobility from Salesforce for customer relationship management
- In-house Car Loan Leads app for car loan origination business
- A brand new collections dashboard developed in-house with assistance from BCG, tracks daily ticket collections and manages the performance of collections executives
- Data management and storage fully on cloud servers with redundancy

Stakeholder engagement

REVOLUTIONISING CREDIT CHANGING LIVES... BY UNDERSTANDING OUR STAKEHOLDERS

Our primary goal, since the inception of our operations, has been to ensure sustainable value creation for our stakeholders. To achieve this, we maintain regular engagement with them to discuss matters related to our Company and its future. This practice not only assists us in devising a more effective business strategy, but also enables us to identify and implement constructive solutions to address their concerns.

Stakeholders	Why they are important to us	How we engage with them
Customers	Customers are the crucial pillar of organisational growth in terms of AUM and earnings.	Our feet-on-street and branch employees provide all possible assistance to our customers pre, during and post loan processes. We also leverage our technical and digital capabilities to provide a seamless experience to our customers.
Employees	Employees form the backbone of CGCL's business, especially because of the Company's reliance on sourcing business fully in-house.	We have created attractive incentive structures, that include monetary as well as non-monetary incentives. We also provide training and development programme, career development opportunities and a dynamic work environment fostering both personal and professional growth.
Lending partners	Our lending partners are an essential component of our financial growth journey.	We have dedicated treasury team to continuously engage with lending partners. Treasury team appraises and coordinates with the lending partners for meeting the business requirements and ensure smooth tie-up.
Investors	Investors have enabled us to broaden institutional ownership of publicly traded equity. We received strong support from our existing and new investors, who subscribed to our ₹14,400 Million Rights Issue.	We regularly engage with investors through post result conference calls, one-on-one meetings, branch visits and investor conferences.
Consultants	Our consultants have made notable contributions to strengthen our products and processes.	We engage with leading consultants in the audit, advisory and technology domain, to leverage their expertise in their respective domains.
Communities	Our business runs smoothly due to co-operation from the communities residing nearby.	Our ESG initiatives are aimed at making our contribution towards the betterment and upliftment of the environment and society at large.

The CGCL advantage

REVOLUTIONISING CREDIT CHANGING LIVES… BY STAYING AHEAD OF THE CURVE

We have always focused on delivering value to our stakeholders by providing innovative and customised financial solutions to meet their needs. Our aim is to always exceed customer expectations and our strong competitive edge plays a vital role in this endeavour.

EXPANDING BRANCH NETWORK

- Our total branch network increased by 619 branches to reach 736 branches during the year.
- Our Urban Retail branch network increased by 50 branches during the year. The Urban Retail business now has 162 branches across 11 States and Union Territories.
- We launched our Gold Loan business in August 2022, with 108 exclusive branches. The network expanded to reach 562 branches across 8 States and Union Territories.
- We have three dedicated branches for our Construction Finance business in Ahmedabad, Bengaluru and Hyderabad.
- We have set up nine branches exclusively for Car Loan Distribution in Amritsar, Jalandhar, Chandigarh, Lucknow, Patna, Kolkata, Hyderabad, Bengaluru and Surat.
- Our dedicated tech centre – CapriTech – is located in Gurugram.

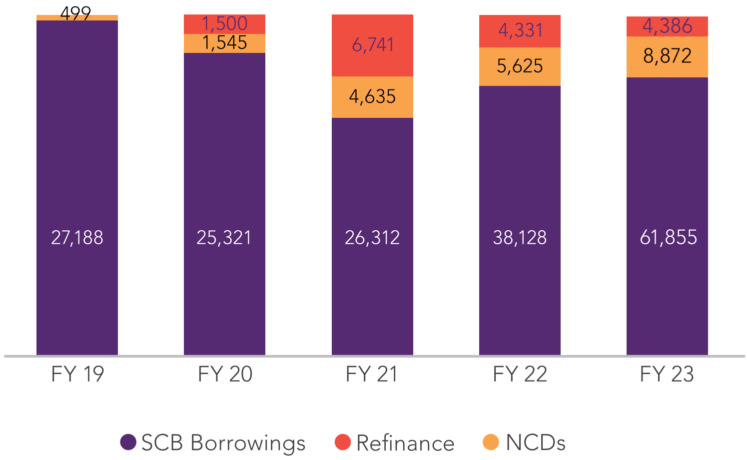
EFFICIENT OPERATIONS

- We run our business using a hub and spoke model. Our centralised hub comprises the Area Managers, who are supported by sales-only branches, comprising Branch Managers, Relationship Managers and credit resources.
- Each hub serves a radius of 40-50 km.
- This technology-driven model enables low cost penetration in the underserved markets and optimised turnaround times
- We also benefit from economies of scale and uniformity, in operations.

DIVERSIFIED BORROWINGS

- We do not face any exposure to short-term money market instruments.
- We continued to diversify our resource profile adding HDFC Bank, IDBI Bank, South Indian Bank and Punjab National Bank to our liability relationships, during the year.

(₹ Mn)



MULTI-LAYERED CREDIT APPROACH

- We follow a customised underwriting approach on the basis of the customer's profile.
- The Credit team spends time with the customer to understand business dynamics and derive cashflows.
- We have in-house Legal, Technical and Fraud Control Units and have empanelled vendors for conducting due diligence and eliminating fraud risks.

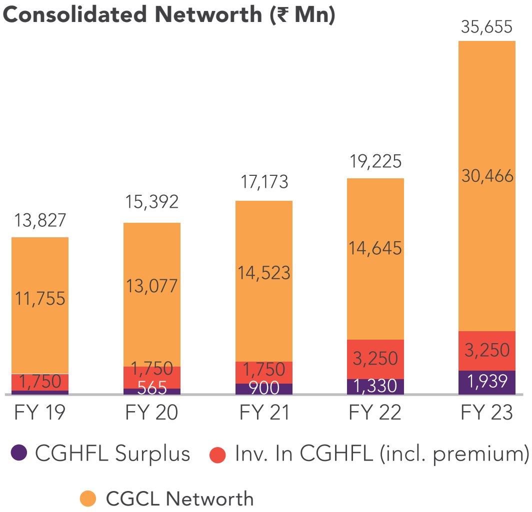
OWN SOURCING MODEL

- 100% sourcing is done by regularly trained in-house Direct Sales Team (DSTs) or Feet on Street (FOS) staff; they also generate cross-sell opportunities for insurance.
- DSAs influence customers to transfer their balance to other lenders in pursuit of repeat commission; our DST model eliminates this.

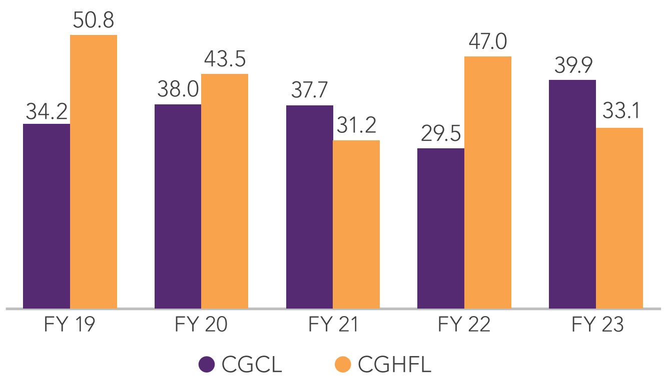
WELL-POISED FOR MEDIUM-TERM GROWTH

- We are in a comfortable liquidity position to safeguard against liquidity crunch and support future growth. This is possible due to strong capital adequacy, adequate cash balances and fresh credit lines.
- During the year ended March 31, 2023, we received fresh limits of ₹ 39.2 Billion from our lenders. As of March 31, 2023, we had undrawn credit lines worth ₹ 3.6 Billion.
- As of March 31, 2023, our cash balances, including short term liquid investments, stood at ₹ 16.5 Billion.
- We raised ₹ 14.4 Billion equity capital through a Rights Issue in March 2023. As of March 31, 2023, our Capital Adequacy Ratio was at a robust 39.9% and sufficient to support our aspiration of growing AUM at 35% CAGR over medium-term.

Consolidated Networth (₹ Mn)



Capital Adequacy (%)*



*CGCL raised ₹ 14.4bn equity during FY23, which boosted Capital adequacy

USING TECHNOLOGY TO OUR ADVANTAGE

- An in-house tech team, AI, ML and data analytics are our key technology enablers.
- We use technology to support our underwriting process and our tools include:
  - Mobility applications, including sales and collections applications
  - Verification and screening tools and automated workflows
  - Bureau Scrubs to get CIBIL information from Bureau for PAN numbers
  - Digitisation and score carding
- We offer e-payment solutions for both disbursements and collections.
- Capri Learning Application provides centrally disseminated and cured data and is available uniformly across all regions, with increased accessibility to online learning modules.
- Technology is extensively used for collections:
  - AI-based bot calling to customers
  - State-of-the-art automated tele calling
  - Incentive-based gamification tool for collection employees
  - Live collections analytics dashboard
  - ML models of bounce and NPA predictions
  - Analytics-led customer risk profiling and action strategy
  - Industry-first legal system with automated processes

Towards a robust ESG roadmap

REVOLUTIONISING CREDIT CHANGING LIVES... BY PRIORITISING ESG

We believe that strong Environment, Social & Governance (ESG) performance is key to long-term value creation for the Company and its stakeholders. For businesses to thrive, all ESG risks need to be addressed to create system resilience. During this year, we set up a dedicated department and team for ESG, formally kicking off our ESG transformation journey. We are developing a strong ESG strategy and action plan with defined KPIs in 5 focus areas namely environment, social, governance, impact and disclosures. All our interventions are mapped to the United Nations' Sustainable Development Goals (UN SDGs).

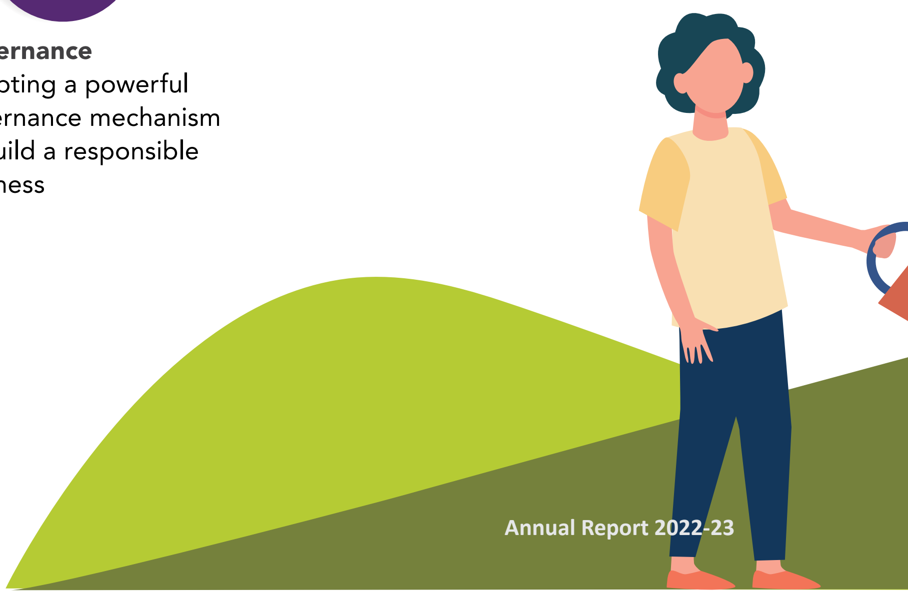
Disclosures
Communicate and engage stakeholders with utmost transparency

Environment
Lead environment stewardship within and outside the organization

Impact
Capital for good, by pioneering impact led investments

Social
Build inclusive and equitable ecosystem

Governance
Adopting a powerful governance mechanism to build a responsible business



During the year, we conducted an ESG materiality assessment and outlined our key material topics, that are critical from the business and stakeholders' perspectives. We conducted an initial baseline/gap assessment, with respect to various leading sustainability reporting and rating frameworks such as the Global Reporting Initiative (GRI), S&P Corporate Sustainability Assessment, BRSR, etc. to understand the improvement areas.

Robust systems and processes are essential to imparting scalable and wide-level impact. During the year, we set up a greenhouse gas emissions inventory system for measuring Scope 1, 2 and 3 emissions. We are also working towards introducing new policies and procedures, to further strengthen the ESG agenda. We expect to track the relevant metrics in the years to come.

We believe in creating value through impact-driven investments that lead to responsible growth and carve out a better future, with ESG at the core of our business model. We conducted various sessions as part of stakeholder engagement and capacity building, to increase awareness on ESG across the organisation and with select external stakeholders. We conducted a social impact assessment of our business that demonstrates how CGCL has helped increase business productivity, improve housing conditions, provide access to living facilities, generate employment, have a positive environmental impact, promote an entrepreneurial spirit and increase credit worthiness.

While we are setting our ESG objectives, our key focus will be on achieving these objectives through specific programme implementations and the integration of ESG principles across our business operations. During the next fiscal, we will continue our ESG transformation journey by:

- Working on a Net Zero roadmap by identifying decarbonisation levers and strategies for carbon reduction and offsetting
- Improving our occupational health and safety management system while ensuring assessment at the branch level
- Implementing programmes to further enhance Diversity and Inclusion
- Publishing enhanced, transparent and assured disclosures on the global ESG reporting and ratings framework
- Working towards Integrating climate change risk into our business risk and ESG due diligence for loan portfolios
- Setting up governance mechanisms for environmental and social dimensions with rigour

The mission of the Capri Sustainable Environment Initiative is to safeguard the natural world, while also fostering the adoption of environmentally responsible activities such as tree planting campaigns.

4,000
Trees planted till date

Community and women empowerment initiatives

REVOLUTIONISING CREDIT CHANGING LIVES...

BY CONTINUING OUR CSR INITIATIVES

Corporate Social Responsibility (CSR) is a way of achieving balance between economic, social and environmental management for our business. CSR is just not a mandate, but an opportunity to be an efficient stakeholder in the development of society and make a valuable contribution towards reducing the gap between the haves and have-nots. Our CSR strategies enable communities to build their own competencies, to be part of the development process and bring sustainable change in their own lives.

We extend our impact and outreach through our CSR programmes. We believe in making a positive impact on society not just through financial lending, but also through our CSR initiatives, which focus on sustainable livelihood opportunities, education, healthcare and integrated rural development. We have positively impacted over 1.29 Lakh beneficiaries as on 31st March 2023.

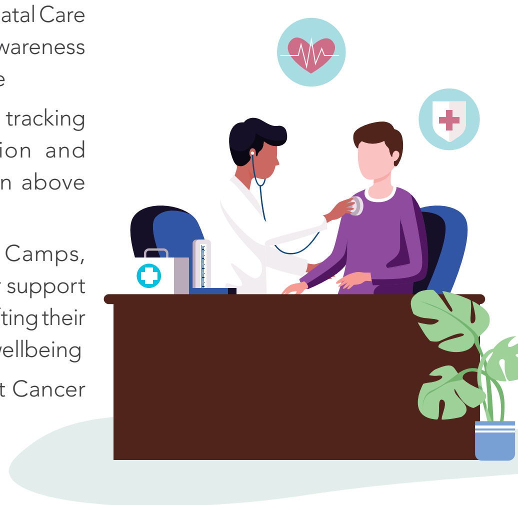
Apart from loans, we have positively impacted the lives of thousands of people through our CSR programmes centred around women's empowerment, education and health.

EDUCATION

- Provided quality nursery and primary education in predominantly backward Adivasi areas
- Enhanced participation of parents in the education of their children
- Created sufficient infrastructure for a quality nursery/primary school
- Conducted regular health checking and provided medical assistance
- Provided a garden and developed a playing ground for students
- Developed a computer lab
- Enabled teacher training
- Conducted parent-teacher meetings
- Provided health awareness yoga classes for teachers
- Provided free computer class for village students
- Conducted extracurricular activities such as cultural festivals

HEALTH

- Primary health services including diagnostic and referral services to the 48 remote villages through MMU
- Screening and referral of severe ailment cases to nearby facilities for test/treatment
- Preventive and awareness activities for diseases every month, through Information Education and Communication
- Ante-natal and post-natal care and promotion of safe delivery and care of neonates
- Tracking and follow-up of ANC, PNC and infant care through home visits, monthly meetings and follow-ups by village animators / ASHA's and mobile-based voice messaging services
- Use of Technology for Awareness- Linkages of all Antenatal Care (ANC) / Post-natal Care (PNC) to M-Mitra mobile-based awareness consistent messaging programme
- Special camps for identifying and tracking the prevalence of hypertension and diabetes among the population above 18 years
- Organized Cancer Awareness Camps, session, workshops & linked peer support groups to impact 8,000+ lives, uplifting their psychological and physiological wellbeing
- Holistic Empowerment of Breast Cancer Survivors



EMPOWERING WOMEN TO EMPOWER THE SOCIETY

At CGCL, we are committed to empowering women by providing them with access to the right financial assistance, which is not easily available to women in India. We recognise that women often face unique challenges in accessing financial resources, which can limit their ability to start or grow their businesses, invest in education or improve their communities. By giving loans to women as primary or co-applicant, we not only bolstered their confidence and entrepreneurial spirit but also expanded their reach and contributed to empowerment of the underserved sectors.

Key Outcomes of Capri Supported Sustainable Livelihood Initiatives

- Strengthening of SHG's and Federations.
- Training on Quality Parameters of community SHGs & institutions.
- Financial digital literacy & inclusion.
- Inducing financial inclusion/sustainability & access to finances.
- Gender sensitization.
- Skill-Training & Mentoring.
- Meeting and identification of vulnerable candidates.
- Sustainable rural-agri livelihood.
- Capacitate Women Market Linkage.
- Revolving funds helps to boost in agriculture & businesses

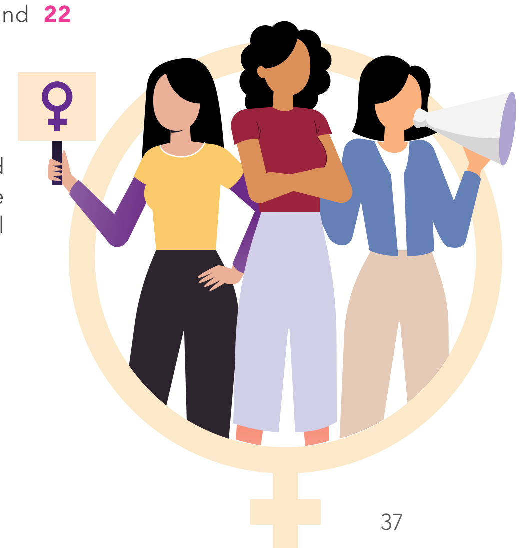
Through our range of CSR initiatives, we have positively impacted the lives of thousands of women.

6,000+ women were part of SHGs received various training's and sessions focusing on digital literacy, financial inclusion, gender sensitization and availed benefits and linked to various government schemes.

15,079 Women benefited through Capri foundations quality health services by Mobile Medical Unit (MMU) in remote rural areas and **223 females** were given precise tracking and follow up of ANC and PNC and infant care through home visits, monthly meetings and follow ups by village animators / ASHA's and mobile based voice messaging services.

More than **10 Acres** of land taken for cultivation. Under sustainable agriculture constructed **20 farm ponds** and **22 farmers received livestock.**

2,000+ women benefited from **200 new SHGs** to induce livelihood opportunities by skill training and entrepreneurship



Future roadmap

REVOLUTIONISING CREDIT CHANGING LIVES...

FOR A BETTER, MORE INCLUSIVE FUTURE

CGCL has grown organically and entirely through its in-house sourcing team. Over the past five years, the AUM has increased at a CAGR of 29% and we expect this strong growth momentum to continue.

After consolidating in FY2019 and FY2020, we have maintained our steady and strong growth momentum. Our AUM has tripled from FY2020 to FY2023 and we are committed to maintaining this growth, expecting to further triple our AUM to over ₹300 Billion by FY2027, with ₹80 Billion coming from our recently introduced Gold Loan business. The management is extremely optimistic about the growth opportunities in all our product categories, over the medium and long term.

We will continue focusing on the informal borrower segment in Tier 2 and Tier 3 cities, who typically have inadequate income proof and are unlikely to be served by leading financial institutions.

To date, we have financed over 37,800 businesses and 29,500 individuals for the purchase or construction of homes and we continue to remain passionately committed to revolutionising credit and changing lives.

Statutory Reports

Management Discussion and Analysis

1. Economic review

1.1. Global economy

The global economy was stifled in 2022 because of inflationary pressures, the Russian-Ukrainian war and the resurgence of COVID-19 in China. Despite these headwinds, strong growth was witnessed in the third quarter in numerous economies, including the United States, Euro area and major emerging markets and developing economies. However, growth has declined across many major economies.

The stronger growth in the second half of 2022 was attributed to domestic developments such as higher-than-expected private consumption and investment, against a backdrop of tighter labour markets and stronger-than-expected fiscal support. Households spent more, particularly on services, to satisfy pent-up demand. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles.

Signs are apparent that monetary policy tightening is starting to cool demand and inflation, but the full impact is unlikely to be realised before 2024. Global headline inflation appears to have peaked in the third quarter of 2022. Fuel prices and prices of nonfuel commodities are declining, lowering headline inflation, notably in the United States, Euro area and Latin America. Core inflation, however, remains well above pre-pandemic levels in most economies.

Advanced economies, which witnessed a GDP growth of 2.7% in 2022, are expected to slow down and grow at 1.2 % and 1.4%, respectively, in 2023 and 2024. On the other hand, growth in emerging markets and developing nations is expected to strengthen progressively from 3.9% in 2022 to 4% growth in 2023 and 4.2% in 2024. The headline (consumer price index) inflation rate is predicted to be lower in 84% of nations in 2023 than it was in 2022 and economists anticipate that global inflation would drop from 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024.

Global GDP grew 3.2% in 2022 and is poised to hit 2.9% in 2023 and 3.1% in 2024 reflecting the rise in central bank rates to fight inflation and the war. The decline in growth in 2023 from 2022 is driven by advanced economies. In emerging markets and developing economies, growth bottomed out in 2022 and is expected to pick up, led by China, with the full reopening in 2023. However, India is expected to maintain the tag of fastest growing major economy over 2023 and 2024. The expected pick-up in 2024 in both groups of economies reflects a gradual recovery from the effects of the war and subsiding inflation.

(Source: IMF January 2023 – World Economic Outlook)

1.1.2. Indian economy

According to the provisional estimates by the National Statistics Office (NSO), in FY2023, the GDP growth rate is projected at 7.2%, lower than the 9.1% witnessed in FY2022, where pent-up demand boosted growth.

Retail inflation continuously moderated during FY2023 and is estimated by RBI to average 5.1% in FY2024. On external front, FY2023 witnessed robust exports led by both services and merchandise and a moderation in oil prices. This has aided the expectations of a fall in the current account deficit in FY2023 and FY2024. A well-balanced foreign trade and expectations of stable capital inflows has also led to expectations of a stable Indian Rupee in near future.

The easing of global inflationary pressure led by falling international commodity prices and strong government measures are expected to aid economic growth in India. India's private non-financial sector debt has witnessed a steady decline since mid-2021, along with an improvement in the quality of debt. In FY 2023-24, the Indian economy is expected to continue to be the fastest-growing economy in the World. The Indian GDP growth is estimated at 6.9% in FY 2022-23 and 6.6% in FY 2023-24 by the World Bank.

The inflation trajectory in India is likely to be determined by extreme weather conditions such as heatwaves and the possibility of an El Niño year*, volatility in international commodity prices and pass-through of input costs to output prices. Inflation is expected moderate in FY2024 and is likely to remain at 5-6%, with risks evenly balanced.

(Source: NSO, World Bank, PIB, RBI)

*El Niño and La Niña are the warm and cool phases of a recurring climate pattern across the tropical Pacific. El Niño creates abnormal warming of the Pacific Ocean, and it is known to negatively impact the Indian monsoon.

(Source: CNBC TV18)

2. Review of the financial services industry

India's diversified financial sector is undergoing rapid expansion. The Indian financial sector currently comprises several segments, including commercial banks, new-age fintech start-ups, non-banking financial companies (NBFCs), co-operatives, insurance companies, pension funds, mutual funds, small and medium financial entities and recently established payment banks. Together, they provide solutions to a wide range of customers based on their requirements and accessibility.

After the pandemic, the world economy underwent significant changes, including the financial services industry. The sector witnessed unprecedented disruption, digital proliferation and upending of business models. Customers now opt to manage their finances from home and prefer online payments over cash.

2.1. Non-banking financial companies (NBFCs)

NBFCs play a significant role in financial inclusion in India by providing tailored solutions to various individuals/groups' needs who are excluded from banking services. NBFCs operate in locations where banking services are unavailable partially/completely, providing last-mile connection to the unorganised sector of society. They also contribute significantly to the state exchequer and are a significant source of capital for start-up companies and the trade and commerce industry. NBFC activities include loans and advances, the acquisition of shares, stock, bonds, debentures, or other comparable marketable instruments, leasing, hire-purchase, insurance business, etc. NBFCs aid in fund mobilisation by allocating funds that result in income regulation, thereby influencing economic growth.

According to Crisil research, in FY2023, the assets under management (AUM) of NBFCs was expected to grow between 8-10% aided by improvement in economic activity and strengthened balance sheet buffers. The sector saw a slowdown between FY2020 and FY2022 with a modest 2-4% AUM growth due to the Covid-19 pandemic. The vehicle finance segment, which constitutes nearly half of the assets, is expected to act as a catalyst in FY2023, growing at 11-13%, up from 3-4% in the previous two years. Strong demand from the infrastructure sector as well as demand for fleet replacement and focus on last-mile connectivity will buoy commercial vehicle sales while pent-up demand and new launches will drive car and utility vehicle sales.

As lenders focus on higher-yield assets, unsecured loans, the second-largest segment at about 20%, is likely to be the only segment to touch the pre-Covid era growth of 20-22%. NBFC loan growth is also expected to come from other segments such as personal loans, consumer durable loans, loans to SMEs, and property and gold loans. Consumer loans are being supported by rising retail spending across consumer durables, travel and other personal consumption activities, while business loans are expected to benefit from macroeconomic tailwinds. Loan against property (LAP) and gold loan segments are also expected to grow at 10-12%, supported by demand from small businesses and individuals.

NBFCs will continue to face competition from banks and higher interest rates will weigh on their growth leading them to focus on higher-yield segments. The wholesale finance segment, which has seen multiple players exiting the market over the past few years, will continue to lag with declining AUM. Higher-than-expected interest rates and inflation are factors that will play a vital role in altering the dynamics of the industry.

Source: NBFCs turn around, likely to expand AUMs by 11-12% by FY23: Report | The Financial Express; NBFCs' Asset Growth Set To Touch Four-Year High In FY23: Crisil Ratings (outlookindia.com)

2.2. Micro, small and medium enterprises (MSMEs)

The MSME sector, known as the backbone of the Indian economy, has been a significant contributor to the expansion of entrepreneurial endeavours through business innovations. The MSMEs are widening their domain across sectors of the economy, producing a diverse range of products and services to meet the demands of domestic as well as global markets. The sector is playing a crucial role by providing employment opportunities to over 110 million people at comparatively lower capital cost than large industries, as well as through industrialisation of rural and backward areas, thereby reducing regional imbalances and assuring more equitable distribution of national income and wealth. Presently, 63 million MSMEs in India account for ~30% of GDP and have contributed to half of India's annual exports in 2022. The credit growth to the MSME sector was over 30.6% on average from January to November 2022.

The sector is rapidly moving from offline to online mode and adopting technology to improve its operations, increase efficiency and provide providing timely services to its customers and clients. The use of cloud computing, artificial intelligence, machine learning and blockchain technology is enabling MSMEs to reach a wider customer base, streamline their processes and reduce costs.

In the Union Budget 2023-24, the government continued to extend its support to the sector by:

- Allocating an Emergency Credit Line Guarantee Scheme (ECLGS), which has delivered additional credit to more than 13 Million MSMEs, of ₹ 500 Billion to a total cover of ₹5 Trillion.
- Providing ₹2 Trillion additional credit for Micro and Small Enterprises to be facilitated under the Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE)
- Raising and Accelerating the MSME Performance (RAMP) programme with an outlay of ₹60 Billion to be rolled out
- Interlinking Udyam, e-Shram, National Career Service (NCS) and Atamanirbhar Skilled Employee Employer Mapping (ASEEM) portals; they will now serve as portals with live, organic databases, delivering G2C, B2C and B2B services relating to credit facilitation, skilling and recruitment
- Proposing deducting expenditures on payments made to MSME by buyers to ensure MSMEs receive timely payments

It is expected that 2023 will be a bright year for the MSME sector led by the promotion and entry of fintech and other digital lending solutions in the sector, which will help these businesses access formal channels for credit, further helping them eliminate all operational bottlenecks to make them competitive globally. The rising penetration of the internet and smartphones and affinity to online marketplaces is expected to boost growth and movement towards the formalisation of this sector. According to Crisil, bank credit to MSMEs will witness 16-18% growth during FY2023 and FY2024.

Source: Schemes for MSMEs in India (investindia.gov.in)

2.3. Affordable housing

Affordable housing is a crucial sub-segment in the housing and real estate sector. Real estate prices are gradually rising led by the pent-up ready inventory and keenness of potential homebuyers. Continuous support of the Indian government in the affordable real estate sector is driving demand further. With the Credit-linked Subsidy Scheme, homebuyers of the economically weaker sections are finding it easier to acquire a home. The Reserve Bank of India (RBI) doubled the limit for individual housing loans offered by urban cooperative banks (UCBs) and rural cooperative banks (RCBs) to improve credit flow for the housing sector. Given the rise in housing prices, the revised limits will facilitate the growth of the sector.

In the Union Budget 2023-24, the Finance Minister announced increased allocation for Pradhan Mantri Awas Yojna by 66% to over ₹790 Billion. This step will significantly boost the growth of this sector. Moreover, the Budget also announced a slew of measures to further extend support to the sector:

- Launch of the Urban Infrastructure Development Fund (UIDF) to improve urban infrastructure in Tier 2 and Tier 3 cities
- Allocation of USD 9.85 Billion to the Ministry of Housing and Urban to construct housing for both urban and rural residents
- Allocation of USD 130 Billion to develop the infrastructure sector, providing a considerable boost to the infrastructure industry across India

According to TechSci Research, the Indian affordable housing sector was valued at USD 1.8 Billion in 2022 and is expected to grow at ~19.8% CAGR during 2022-2028. The sector is reaping the benefits that the government has placed on urban infrastructural development and planning. The unwavering focus on infrastructure will indirectly drive real estate growth in the future.

2.4. Construction finance

The Indian construction industry is the engine of the economy as it is responsible for propelling the country’s overall development. In value terms, it was estimated at USD 738.5 Billion in 2022. The sector is witnessing good growth momentum supported by a sharp increase in government capital expenditure, thus boosting economic growth and increasing job creation. Increased focus on renewable energy needed in facilitating the transition of the economy to low carbon intensity and reducing dependence on fossil fuel imports, will, in turn, provide a boost to the construction sector. Further, a strong government focus on transport, health, energy and housing infrastructure will aid the sector further.

Emerging trends that directly impact the dynamics of the construction industry include a rise in the need for green construction to reduce carbon footprint, bridging lock-up device systems to improve structure life, building information systems for efficient building management, and using cutting-edge technologies. With an emphasis on rebuilding infrastructure, sustainable buildings and smart cities, and an accelerated pace of adoption of technological advancements, India’s construction industry is witnessing massive growth.

The Indian construction industry is forecast to register an annual average growth of 6.2%

from 2023 to 2026, supported by a strong pipeline of infrastructure projects across various sectors. Various government programs such as Atmanirbhar Bharat, which are expected to boost domestic industries, and the Pradhan Mantri Gati Shakti National Master Plan, which aims to drive economic growth through infrastructure development, are also expected to attract investment to the construction industry in the coming years.

Source: "India Construction Market Size, Trends and Forecasts by Sector - Commercial, Industrial, Infrastructure, Energy and Utilities, Institutional and Residential Market Analysis, 2022-2026" report

2.5. Gold loans

India owns more than 14% of the world's gold and India's gold loan market is largely underpenetrated at ~7%. As per World Gold Council, the share of jewellery in the consumer gold demand has averaged 75% in the ten years between the years 2013 to 2022. In terms of tonnage, Indian consumers bought more than 6,800 tonnes of gold in the same period or approximately 700 tonnes annually. Households are estimated to hold between 24-25,000 tonnes of gold with just 4-5% of these gold holdings estimated to have been monetized. This explains the scale of opportunity in the gold loan segment. Although the share of organised sector has been rising, the unorganised sector comprising moneylenders and pawn brokers still dominates the gold loan business with a share of nearly 65%. NBFCs, with their dedicated gold loan branches offering quick turnaround time, systematic gold valuation, and trustworthy safekeeping have become the preferred leading players in the smaller ticket size segment (₹0.1-0.2 Million) of gold loans. Customers residing in rural India are gradually switching to these NBFCs.

Increased digitalisation in the sector with the emergence of online and digital models in the gold loan space by NBFCs and new-age fintech players that offer gold loans at the customers' doorsteps have opened up an untapped market among digitally enabled customers. Gold loan NBFCs will continue to witness huge growth in the future as they are well-equipped with digital adoption for quicker decision-making. Capturing new markets coupled with lesser regulations provides them with a natural advantage over the competition.

2.6. Car loan distribution

The Indian car loan market is witnessing robust growth mainly driven by growing disposable income and increasing ownership of vehicles. Moreover, the shift from combustion engine vehicles towards electric vehicles, product launches, subsidies offered by the government on the purchase of electric vehicles, and high vehicle replacement rates are promoting sale of cars across India, which is consequently boosting the Indian car loan market. Currently, the EV landscape is dominated by 2-wheelers with the popularity of the electric cars slowly increasing. The low share of 4-wheelers in the EV space presents huge scope for growth, driven by the premiumisation trend gaining traction with growing disposable income, government push for EV and increase in awareness. This trend in turn is expected to drive growth in the premium car loan segment.

In FY2023, the car loan segment witnessed 23% growth. The surge in auto loans is owing to multiple factors such as the growing participation of international players in the Indian auto market, the presence of features such as installment and hire purchase finance in auto loans meeting securitisation criteria, safety due to title over assets and development of a resale market for cars that let financiers use foreclosures effectively in the event of delinquencies. The car loan market is forecasted to grow to $60 Billion by FY2026.

Banks, original equipment manufacturers (OEMs) and non-banking financial companies (NBFCs) are the main players in the car loan segment. Public and private sector banks are the major dominators when compared to NBFCs and OEMs due to their large customer base and competitive rates

In FY 2022-23, SUVs dominated the PV segment sales clearly indicating the shifting consumer preference towards SUVs, given rise in disposable income. Automakers have also sharpened their focus on producing SUVs, as consumers continue to opt for the feature-packed cars despite inflation trending higher. This premiumisation trend bodes well for the car loan segment.

3. Company overview

Since 2011, Capri Global Capital Limited, a diversified NBFC, is playing a crucial role in the financial inclusion of India. We primarily cater to the financial needs in the North and West India. Our diversified portfolio spans segments such as MSME, Affordable Housing, Gold Loans, Construction Finance, Indirect Lending and Car Loan Distribution segments. We boast of an AUM of ₹ 103,204 Million, with a strong distribution network of 736 branches spread across 15 States and Union Territories. Our perseverance and endurance have helped us to establish strong brand equity in the NBFC industry.

We have embarked on a journey of digitisation, with a strong focus on improving operational efficiencies through IT enablement. This strategy has aided in effectively tapping the underserved markets, optimising and realigning our branch network, and enhancing efficiency.

3.1. Operational performance

3.1.1. Segmental performance

MSME Loans: We address the capital needs of MSMEs through the SME & Retail Lending vertical through term loans secured against residential or commercial property. Our borrower segment comprises first time as well as existing to credit borrowers.

During the year under review, the MSME segment's AUM including co-lending witnessed 32% growth. The AUM increased from ₹ 31,911 Million in FY 2022 to ₹ 43,580 Million in FY 2023. The co-lending AUM more than quadrupled, from ₹ 1,155 Million in FY 2022 to ₹ 5,004 Million in FY 2023, which was the first full year of operations under the co-lending mechanism. MSME disbursals touched ₹ 17,525 Million in FY 2023, implying a 40.6% growth over ₹ 12,463 Million of disbursals achieved in FY 2022. The share of MSME AUM softened to 42.2% in FY 2023 from 49.8% in FY 2022 owing to a stronger growth in Affordable Housing and introduction and strong scale up in Gold Loans.

Affordable Housing: CGCL offers affordable housing and home equity loans to the underserved and deserving lower and middle-income families through its wholly-owned subsidiary Capri Global Housing Finance Limited (CGHFL). As at March 31, 2023, CGHFL had 58% of its outstanding loans to self-employed borrowers while 42% of the loans were given to salaried borrowers.

During the year under review, the Affordable Housing segment's AUM including co-lending witnessed a growth of 53%. The AUM increased from ₹ 17,474 Million in FY 2022 to ₹ 26,657 Million in FY 2023. The segment commenced co-lending operations and had an outstanding of ₹ 465 Million under the mechanism. Affordable Housing disbursals touched ₹ 12,893 Million in FY 2023, implying a 64.4% growth over ₹ 7,845 Million of disbursals achieved in FY 2022. The share of Affordable Housing AUM was 25.9% in FY 2023, marginally lower than 26.3% in FY 2022.

Construction Finance: Our Construction Finance vertical focuses on construction finance and project related expenses for residential real estate in the affordable and mid-income projects. We focus on developers having experience in Tier 1 and 2 cities, where we have developed expertise since over a decade after first commencing this vertical in FY 2011.

During the year under review, the Construction Finance segment's AUM witnessed a robust growth momentum of 44.5%. The AUM increased from ₹ 12,662 Million in FY 2022 to ₹ 18,301 Million in FY 2023. The disbursals increased 56.0%, from ₹ 9,237 Million in FY 2022 to ₹ 14,406 Million in FY 2023. The churn in the portfolio, as indicated by the repayments and foreclosures to opening AUM, was 69.2%, slightly higher than 60.8% noted in FY 2022. The high churn is also testimony to CGCL's strong underwriting standards and timely recovery and repayment of loans.

Indirect Lending: Through this vertical, we extend loans a) to NBFCs engaged in MSME lending, microfinance, as well as to fintech-based NBFCs, and b) against pledge of debt securities to debt issuing borrowers.

During the year under review, the Indirect Lending segment's AUM increased 8.9%, from ₹ 3,128 Million in FY 2022 to ₹ 3,408 Million in FY 2023. The disbursements under the segment were lower 11.3% at ₹ 12,825 Million compared to ₹ 14,467 Million in FY 2022.

Gold loans: CGCL had announced its foray into the Gold Loan business in February 2022. At the time of announcement, CGCL had unveiled a business plan that aimed at achieving a ₹ 80 Billion Gold Loan AUM through a network of 1,500 exclusive branches in North and West India within five years after launch. We began operations in August 2022 with 108 branches in 7 States and UTs. Over the next 7 months to March 2023, we rapidly scaled up to 562 exclusive branches across 7 States and UTs with an AUM of ₹ 11,256 Million. The Gold Loan AUM constituted 10.9% of consolidated AUM on March 31, 2023. The segment achieved loan disbursements of ₹ 18,812 Million comprising a significant 26% of consolidated disbursements during FY 2023. The vertical had a dedicated staff count of 3,847 on March 31, 2023 with a strong experience in gold loan business. Gold Loan in a short span has emerged an important growth driver for CGCL.

Co-Lending: Under the co-lending arrangement, CGCL co-originates MSME and Affordable Housing 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 3 for MSME and 3 for Affordable Housing across 4 leading commercial banks.

As highlighted earlier, the co-lending AUM under MSME nearly quadrupled during FY 2023 to touch ₹ 5,004 Million from ₹ 1,155 Million in FY 2022. Disbursements under MSME co-lending was ₹ 3,894 Million compared to ₹ 1,155 Million in FY 2022. Co-lending under Affordable Housing commenced during the year and the outstanding AUM stood at ₹ 465 Million. Disbursements under Affordable Housing co-lending was ₹ 465 Million.

Going ahead, co-lending shall be an important growth driver. Co-lending partnerships for MSME and Affordable Housing with other leading banks is under discussion. During FY 2024, we also intend to launch co-lending product in the Gold Loan segment.

Car Loan Distribution: CGCL is a corporate selling agent for new car loan products of our partner banks. We earn a fee income on the proposals sourced by us and disbursed by the partner banks. At end of March 2023, we had a team of ~1,200 sales personnel with a robust understanding of the trends and customer requirements in the passenger vehicle segment and strong connects within the passenger vehicle OEM ecosystem. This has propelled us in the top league of car loan distributors in the country.

During the year under review, we originated new car loans amounting to ₹ 56,728 Million compared to ₹ 17,020 Million in FY 2022, a growth of 3.3x. We earned a net fee of ₹ 1,179 Million in FY 2023 compared to ₹ 276 Million in FY 2022.

Our car loan distribution segment has an asset-light business model with minimal requirement of own physical infrastructure in our locations. It does not require allocation of risk capital and we do not carry any credit risk for the car loans originated by us.

We expanded our presence from 213 locations (including 5 branches) in FY 2022 to 450 locations (including 9 branches) in FY 2023.

3.2. Financial performance

Our consolidated AUM stood at ₹ 103,204 Million, up 56%. Net Income stood at ₹ 9,081 Million. Despite rising cost of funds due to the policy tightening initiated by RBI during the year, the Net Interest Margin was robust at 8.5%. Credit cost declined 39% to ₹ 642 Million. Operating expenses increased 127% led by the rapid expansion in Gold Loan business. PAT stood at ₹ 2,047 Million, similar to that in FY 2022 level of ₹ 2,050 Million. Adjusted for the income and opex in Gold Loan vertical, FY 2023 PAT was 39% higher at ₹ 2,855 Million (for a comparative understanding, see table on next page).

I. Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

   (i) Debtors Turnover: Not Applicable;

   (ii) Inventory Turnover: Not Applicable;

   (iii) Interest Coverage Ratio: No significant change;

   (iv) Current Ratio; Not Applicable;

   (v) Debt Equity Ratio: No significant change;

   (vi) Operating Profit Margin (%): Not Applicable; and

   (vii) Net Profit Margin (%): Net profit margin declined from 20.9% in FY 2022 to 14.0% in FY 2023. Profitability measured in terms of Return on Assets[1] declined from 3.33% in FY 2022 to 2.32% in FY 2023.

During FY 2023, CGCL commenced its Gold Loan business rolling out 562 exclusive branches in 7 States and UTs. The staff count in the Gold Loan business was 3,847 as of March 2023, constituting 42% of consolidated headcount. This led to a significant increase in the initial operating expenses with cost-income ratio increasing to 63.4% in FY 2023 from 40.1% in FY 2022. The estimated loss in the Gold Loan vertical was ₹ 808 Million. Adjusted for this loss, the Net Profit after Tax during FY 2023 would have increased 39% over FY 2022 to ₹ 2,855 Million. Despite the steep increase in operating expenses and an initial loss of ₹ 808 Million in the Gold Loan vertical, CGCL nearly matched the consolidated net profit of FY 2022, reporting Net Profit after Tax of ₹ 2,047 Million in FY 2023 (flat YoY). The Gold Loan vertical is expected to break-even in FY 2024 and significantly boost profitability during FY 2024.

Note:

1. Return on Assets = Net Profit After Tax for the Year / Average Assets * 100, where, Average Assets = Average of Total Assets of Five Trailing Quarters

II. Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

The Return on Net Worth[1] declined from 11.3% in FY 2022 to 8.8% in FY 2023. The Return on Net Worth declined due to static Net Profit After Tax (unchanged YoY) and an increase in the Net Worth owing to equity infusion in the last fortnight of March 2023 to the tune of ₹ 14,400 Million (40% of post-issue Net Worth). This increased the outstanding and consequently average equity on the date of balance sheet. The unadjusted and adjusted effects are summarised in the table below:

Particulars	Reported RoNW	RoNW excl. Rights Issue Equity	RoNW excl. Rights Issue Equity and Gold Loan Loss
Net Profit After Tax (₹ Million)	2,047	2,047	2,855
Net Worth (₹ Million)	35,655	21,255	21,255
Average Net Worth (₹ Million)[2]	23,128	20,728	20,728
Return on Net Worth (%)	8.85%	9.87%	13.77%

Note:

1. Return on Net Worth = Net Profit After Tax / Average Networth * 100
2. Average Net Worth = Average Net Worth of Five Trailing Quarters

3.3. Strategic outlook

3.3.1 Business Outlook: Our growth has been underpinned by a strong focus on the retail segments comprising MSME, Affordable Housing, and Gold Loans (commenced in August 2022). Together, these three segments comprised 79% of consolidated AUM in FY 2023. The growth in the wholesale segment, comprising Construction Finance and Indirect Lending is anchored to the momentum in the retail segment and is expected to stay at ~20% of consolidated AUM. In the past two years, non-fund based business represented by the Car Loan distribution vertical has rapidly scaled up and made meaningful contributions to Company's net income. The share of net fee income from car loan distribution was 43% of non-interest income during FY23.

MSME: CGCL launched its MSME business in FY 2013. In the decade since its launch, CGCL has continuously fine-tuned the processes, strengthened underwriting, while ensuring consistent granularity in the portfolio. During the year, the Average Ticket Size (ATS) on incremental disbursements averaged ₹ 1.74mn. The ATS at portfolio level was ₹ 1.4mn, declining from ₹ 2.5mn in FY 2018. Thus, growth over the years has been driven by a strong volume growth than just ticket size inflation. The live relationships in MSME increased at 35% CAGR between FY 2018 – FY 2023 whereas the on-balance sheet portfolio increased at 20% CAGR in the same period. This has been a result of CGCL's focus on the micro segment within the broader MSME category, which as evidenced from credit bureau data, exhibits better asset quality compared to other MSME segments.

Going ahead, MSME shall remain an important growth driver for CGCL. Incrementally, the share of co-lending in MSME AUM is expected to improve. Compared to a 9.3% share in MSME disbursements during FY 2022, the share of co-lending in MSME disbursements increased to 22.2% in FY 2023. The share of co-lending AUM within MSME increased from 3.5% in FY 2022 to 11.5% in FY 2023. In FY 2022, CGCL had co-lending partnership with 1 bank – Union Bank of India. During FY 2023, the Company added State Bank of India and Punjab and Sind Bank taking total number of co-lending partnerships to 3. CGCL shall further expand the co-lending partnerships in FY 2024.

Affordable Housing: CGCL commenced the affordable housing business through its wholly-owned subsidiary Capri Global Housing Finance Ltd. (CGHFL) in FY 2017 and FY 2018 was the first full year of operations. The business has reported a CAGR 61% between FY 2018 - FY 2023. During FY 2023, The ATS on incremental disbursements averaged ₹ 1.3mn. The ATS at portfolio level was ₹ 1.1mn, moving up marginally from ₹ 0.9mn in FY 2018. The live relationships increased from 2,620 in FY 2018 to 24,335 in FY 2023, a CAGR of 56%. CGHFL commenced co-lending during Q3 FY 2023 with State Bank of India, Punjab and Sind Bank, and UCO Bank. The disbursements under co-lending constituted 3.6% of housing finance disbursements during FY 2023 while the co-lending AUM under Affordable Housing constituted 0.5% of consolidated AUM.

Affordable Housing has attained a strong growth momentum in last two years, growing at 72% CAGR between FY 2020 – FY 2023, compared to overall AUM CAGR of 60%. Going ahead, Affordable Housing shall remain an important growth driver. Given the sustainable and strong growth momentum, co-lending like under MSME, is expected to have a rising share in incremental AUM under affordable housing.

Gold Loans

The Company decided to 'front-end' its expansion in Gold Loans, scaling up to 562 branches within 8 months of launch. The Company shall pause branch expansion in the Gold Loan business after scaling up to 750 branches by September 2023. This will be 50% of the planned 1,500 branch network and sufficiently strong to provide CGCL's Gold Loan business scale and visibility in the geographies it is present. The focus in FY 2024 shall therefore be to achieve break-even in the Gold Loan business, which is expected to happen in Q4 FY2024. The business needs an average AUM of ₹ 40mn per branch to achieve break-even. We expect to achieve or exceed ₹ 30bn Gold Loan AUM in FY 2024.

Construction Finance

After taking a de-risking approach and de-growing the Construction Finance portfolio in FY 2020 and FY 2021, the Company once again adopted growth approach in the business as normalisation post-Covid19 pandemic set in. The portfolio has grown at 38% CAGR between FY 2020 – FY 2023, lower than the consolidated AUM CAGR of 60% during the same period. This is because growth in CF has been anchored to the growth in retail loan portfolio. The lower pace of growth reduced the share of CF in consolidated AUM to 18% in FY 2023 from 24% in FY 2020.

Despite stiff competition, CGCL has carved a niche in the small ticket non-luxury construction finance space. CGCL operates in micro markets of select cities like Mumbai, Delhi, Pune, Bengaluru, Hyderabad, and Ahmedabad, where demand for mid-sized housing remains robust. As a result, the Company built a strong sanctions pipeline during FY 2023. CGCL has also been careful in ensuring the average ticket size of exposure is well controlled. The ATS at sanction averaged ₹ 199.4mn during FY 2023 and the ATS on portfolio was ₹ 93.4mn as of Mar'23 compared to ₹ 169.2mn at sanction and ₹ 74.8mn on portfolio as of Mar'22. Despite the strong growth opportunities, the share of CF portfolio, as a matter of prudence, shall be restricted at or below 20% of consolidated AUM.

Indirect Lending

Under Indirect Lending, CGCL takes selective exposures to NBFCs including those in the fintech space through term loans or debt securities. The outstanding under Indirect Lending increased by a marginal 9% over FY 2022 to ₹ 3,408 Million. However, the share of Indirect Lending loans declined from 4.7% as of Mar'22 to 3.3% as of Mar'23. Based on opportunities, CGCL shall continue to deploy funds in this segment although the share of Indirect Lending in consolidated AUM shall remain low. Since inception of this segment in FY 2019, the share of outstanding under Indirect Lending in consolidated AUM has averaged 4.2%.

Car Loan Distribution

Pan-India presence, a team of experienced sales professionals with an intimate knowledge of the passenger vehicle industry, presence across top OEMs, tie-ups with leading financiers, and a service-oriented approach from assistance in choosing a vehicle to helping achieve a quick turnaround time in delivering finance has propelled CGCL to the forefront in the car loan origination business. As of March 2023, the Company had tie-ups with Bank of Baroda, Bank of India, HDFC Bank, Indian Overseas Bank, Indian Bank, Punjab and Sind Bank, Union Bank of India, and Yes Bank for originating car loans. During FY 2023, the Company originated and disbursed through partner banks 51,384 car loan proposals, implying an average ticket size of ₹ 1.1 Million. As of March 2023, the vertical had 1,199 employees and presence across 450 locations in 29 States and UTs compared to 550 employees and presence across 213 locations in 19 States and UTs in FY 2022. The strong growth in car loan distribution vertical is expected to continue in FY 2024.

4. Human resources

We recognise the paramount importance of our skilled workforce in our goal towards sustainable growth. In this regard, we diligently endeavour to attract, retain, cultivate and acknowledge talent within our organisation. Our primary objective is to establish a secure, supportive, cooperative and salubrious work setting, which fosters both personal and professional development for our employees.

Our people-centric team prioritises career advancement, ensuring that our work environment remains open, flexible and dynamic. We facilitate the enhancement of knowledge and skillsets through regular training and development initiatives for employees across all levels of the organisation. By implementing various motivational programmes and providing timely, appropriate rewards and recognitions, we maintain high levels of employee motivation and satisfaction.

Furthermore, we undertake numerous programmes and initiatives to instil a robust sense of business ethics and social responsibility within our workforce. Our ongoing efforts to synchronise employee objectives with the Company's overarching goals foster a productive work culture. In this manner, we integrate our employees into the broader vision of generating positive social impact, further solidifying our commitment to sustainable growth.

5. Information technology

Acknowledging the critical nature of technology in the dynamic work environment, we have embraced technological advancements to revolutionise the way NBFCs work. Technology has enabled paperless, real-time processing and execution, enabling us to offer a superior customer experience, better efficiency and reduced turnaround time. Our in-house tech platforms allow us to enhance profitability without compromising on safety. During the year under review, we continued to leverage data science to enhance our business capabilities.

Our technological advancement has allowed us to provide a rich customer experience, making loan processing easier at all stages. Though a majority of our processes have become cloud-based, there have been no security lapses led by our robust risk-monitoring and risk-management framework. Cloud-based data provides easy access to information irrespective of location, improving business flexibility. Apart from business and service enablers, digital sourcing, and data and analytics-driven decision-making were made simpler with technological advancement.

Our IT systems are a superior blend of specialised applications sourced from niche professional vendors. Applications such as Credit Risk Classification (CRC) scorecards and bureau scrubs are part of our analytics-driven underwriting, while tools for enabling digitised workflow include mobility applications and verification and screening tools. Through our self-service portal, which allows us to centralise MIS and data mart capabilities, we implemented integrated payment solutions. Machine learning and our automated reconciliation tool form crucial features of our debt collection engine.

We aspire to become a tech-first company, where all our critical business systems with in-house technology have enabled us to create a high-productivity tech-product office in Gurgaon. Our one-stop consumer app provides solutions to various customer issues, thus enhancing customer experience.

6. Risk management

We have devised a robust risk management framework and risk mitigation plan defined at the business unit level. These enable us in early identification, proper assessment of impact, and development of appropriate and adequate mitigation measures. A periodic review of portfolio parameters and their respective trends helps keep a check on asset quality. The Risk Management Committee of the Board periodically provides a detailed view of the incremental asset portfolio, which helps to identify, assess and mitigate risks. Our Board has approved an Asset Liability Management (ALM) Policy to assess the risk arising out of the liquidity gap and interest rate sensitivity. The Asset Liability Management Committee (ALCO) is entrusted with controlling the ALM policy.

We also have in place a robust credit model and assessment process to ensure the creditworthiness of our customers. An in-depth analysis of borrowers' financials and business enables us to assess the impact of the crisis. We have strengthened portfolio concentration on risk monitoring. Structured approaches are devised to address specific risks related to geography and industry. We are committed to creating a robust risk-management culture to address any challenges through the following:

Prompt technology adoption: During the pandemic, we rapidly digitalised our processes, which has made our organisation more agile.

Data-driven decisions: We use data analytics for better and rapid decision-making while ensuring that the business is safeguarded against risks. It also improves communication with stakeholders, increases cross-team collaboration and makes the entity more agile. The most recent portfolio performance trends are highlighted by the data analytics team for effective management.

Focused portfolio monitoring: We closely monitor the cheque bounce ratio, total delinquency, roll forwards and collection efficiency to understand early warning signs and raise red flags in the initial stages. We are thus able to quickly tweak our business strategy to adapt to the changing macro and microenvironment.

To ensure that the business is protected against risks and ready to charter new frontiers of growth, we have undertaken the following initiatives:

- New borrower selection is based on a robust credit policy, which has been aligned as per the evaluation of the creditworthiness of highly impacted profiles and industries
- The credit assessment process is supported by mandatory visits and an elaborative credit assessment method
- Regular employee skill development programmes are undertaken, such as branch and regional training, online classrooms, etc.
- Data digitisation supports the decision-making process with the help of data dashboards and trends

6.1. Risks and their mitigation measures

Risks	**Mitigation measures**
Credit Risk Due to a range of issues including serious liquidity problems, bankruptcy, economic decline, fraud, or other factors, customers might fail to fulfil their financial commitments. This could result in an increase in our Non-Performing Assets (NPAs), which in turn could negatively affect our financial situation, particularly in the areas of asset quality and capital sufficiency.	We have meticulously structured lending policies for each business sector. Our rigorous credit appraisal includes customer interactions, field investigations, credit bureau checks, in-house technical and legal verification, appropriate loan-to-value ratios, and term insurance cover. This, combined with detailed reference checks and business sustainability assessments, helps us minimize the default probability. All loans are secured by mortgages with an exclusive first charge on collateral properties. Additionally, our Fraud Control Unit aids in potential fraud detection and forensic document analysis.
Operational Risk Operational risks may result from inadequate controls on internal processes, people, and systems. External factors also pose threat to business operations.	Our advanced operational control system includes an expert team managing our internal control infrastructure, which aligns with our underwriting and collection processes. Additionally, our responsive customer portal ensures efficient consumer engagement through prompt responses.
Liquidity Risk A negative event could result in a lack of liquid assets, limited financial market access, or a significant rise in our capital costs, all of which may present risks to the Company.	Our expert treasury team handles liquidity management, daily fund tracking, and allocation. They provide quarterly reports to Asset Liability Management Committee (ALCO) members, forecasting liquidity scenarios for the next six months. Our long-term funds, sourced from banks and financial institutions, have a repayment tenure of 5-10 years. With a high CRAR of 37%, we're well-positioned to secure funds for growth.
Portfolio Concentration Risk The concentration of credit in a particular segment of borrowers, sector, products or geography leads to increased dependency on the performance of that segment and may result in losses impacting the quality of the asset-book and financial reputation in the market.	We have a diversified portfolio with multi-sector exposure, broad geographic reach, diverse customer profiles, and smaller loan sizes. Our loan portfolio mainly includes MSME, Construction Finance, Home Loans, and Indirect Retail Lending. Our wide customer base and extensive distribution network minimises impacts on our portfolio. Additionally, we carefully evaluate risks before selecting new expansion locations.

Risks	Mitigation measures
Strategic and Business Risk Adverse shifts in the macroeconomic or business landscape could negatively affect our decisions and profitability if not properly addressed. Increased competition, higher funding costs leading to tighter spreads, and decreased demand in specific customer segments also present potential risks.	Our strategy, business, and risk teams carefully track macroeconomic, industry, and competitive trends, facilitating timely and informed strategic decisions. To mitigate business uncertainties, we brainstorm, devise, and implement strategies fitting our needs and capabilities. Our Board's expertise greatly enhances strategic planning and decision-making. To stand out in competition, we create customized lending solutions centred on our customer needs.
Interest rate risk As the Company is in the lending business, it is exposed to interest rate risk arising due to a plausible mismatch between the maturity of the assets and the liabilities. The interest rates are sensitive to several factors including RBI's monetary policies, domestic and global economic factors, geopolitical situations, inflation etc.	Our Asset Liability Management Committee (ALCO) monitors and evaluates interest rate changes quarterly. It sets the base lending rate, or Long-Term Rate of Return (LTRR), based on various factors. The majority of our portfolio comprises floating interest rates. Our interest risk strategy is both extensive and adaptable to fluctuating market conditions.
Regulatory and Compliance Risk As a systematically significant non-deposit taking NBFC (NBFC-NDSI), we fall under the regulatory oversight of the RBI, and as a listed company, we must adhere to regulations set by the Securities & Exchange Board of India (SEBI). We are subject to numerous rules by various regulatory bodies. Failure to comply or misinterpretation could result in insufficient compliance. We must also be ready to adapt to changes in existing laws or the introduction of new ones.	We have a dedicated compliance department led by a senior executive to stay abreast of regulatory changes and ensure prompt and effective implementation and adherence to all relevant rules and regulations. We rigorously adhere to 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 extensive internal audit and control framework helps us monitor and maintain comprehensive compliance.
Information Technology Systems Risk To support our business processes, communication, customer details and loan records, we deploy information technology systems, including Enterprise Resource Planning (ERP), loan management applications, data repository and mobile solutions. Redundancy in technology used or lack of proper technological support may pose risk to business growth.	We use robust information security systems to safeguard sensitive customer data and ward off cyber threats. This includes advanced technology, governance measures, backup procedures, restricted application access, and regular system upgrades to the latest security standards. We maintain a remote Disaster Recovery Site as part of our Business Continuity Plan and regularly update and reinforce security policies for critical applications.

7. Environmental, Social and Governance (ESG) initiatives

At Capri Global, we are committed to incorporating ESG initiatives into our business practices. We understand that ESG factors are crucial to our long-term success and sustainable growth, and we aim to create a positive impact on society and the environment.

Read more on our contribution to ESG on page 34-35.

8. Internal controls

Our strong internal control system enables the safeguarding of assets and the highest level of productivity at all levels. We have set up an internal control framework in line with the size and industry in which we operate. The internal control system, comprising policies, procedures and well-defined risk and control matrices is automated. We comply with the highest level of credit underwriting parameters, and requisite laws and regulations led by a robust internal control framework that enhances the process of financial reporting and transaction reporting. The Audit Committee conducts regular internal audits to ensure compliance with the best practices. The internal auditors periodically test the efficacy of our internal control systems. Our statutory auditors are responsible for testing and ensuring strict control over financial reporting.

9. Cautionary statement

The statements made in this report describe the Company's objectives and projections that 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 the economic conditions, government policies and other incidental factors which are beyond the control of the Company. The Company is not under any obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

Directors' Report

Dear Members,

Capri Global Capital Limited

The Directors of the Company are pleased to present 29th Annual Report together with the Annual Audited Consolidated and Standalone Financial Statements for the Financial Year ended March 31, 2023.

FINANCIAL PERFORMANCE

I. Financial Highlights

The summary of the Company's Financial Performance, both on consolidated and standalone basis, for the Financial Year 2022-23 as compared to the previous Financial Year 2021-22 is given below:

(₹ in Million)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Total Revenue	11,489.94	7,655.51	14,649.97	9,817.53
Less: Operating Expenses & Provisions	4,892.71	2,261.04	5,575.00	2,627.72
Less: Impairment on financial instruments (Expected Credit Loss)	477.33	797.23	641.82	1,056.34
Profit before Interest, Depreciation & Taxes (PBIDT)	6,119.90	4,597.24	8,433.15	6,133.46
Less: Depreciation	389.67	73.14	439.13	98.77
Less: Interest & Finance Charges	3831.38	2,354.85	5,311.18	3,308.47
Profit Before Tax		2,169.25	2,682.84	2,726.23
Less: Provisions for taxation	483.48	550.41	636.30	675.82
Profit After Tax (PAT)	1,415.37	1,618.84	2,046.54	2,050.41
Profit After Tax (PAT) including Other Comprehensive Income	1,395.69	1,615.63	2,015.09	2,045.49
Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934	283.07	323.77	283.07	323.77
Earnings per Share (EPS) (₹) Basic	7.65	8.82	11.06	11.17
Earnings per Share (EPS) (₹) Diluted	7.56	8.72	10.94	11.05
Net Worth	33,340.01	17,601.36	35,178.57	18,857.88
Assets Under Management (AUM)	76,545	48,856	103,204	66,329

OPERATIONAL PERFORMANCE/STATE OF AFFAIRS

I. Standalone Financial Performance

The Total Revenue of the Company stood at ₹ 11,489.94 Million for the year ended March 31, 2023 as against ₹ 7,655.51 Million in the previous year. The Company reported a Net Profit of ₹ 1,415.37 Million for the year ended March 31, 2023, as compared to the Net Profit of ₹ 1,618.84 Million in the previous year due to growth in business coupled with better operational controls.

The AUM has grown by 56.7% and stood at ₹ 76,545 Million as against ₹ 48,856 Million in the previous year. The Company has further strengthened its retail business vertical and MSME AUM (including Co-Lending AUM) has grown by 31.8% to ₹ 43,580 Million having 27,164 customers (previous year ₹ 33,065 Million having 20,773 customers) with the average ticket size at ₹1.7. Construction Finance business AUM (including indirect lending) stood at ₹ 21,709 Million (₹15,791 Million)with 216 customers (previous year ₹15,791 Million with 166 customers). The management maintained its cautious approach towards wholesale lending reducing its share to 28.4% of Standalone AUM.

The Company along with its wholly-owned subsidiary company viz. Capri Global Housing Finance Limited, had branch presence across 736 locations spread over 15 States and UTs during the year as compared to 117 locations spread over 12 States and UTs of the previous year.

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

During the year under review, the Company expanded its car loan distribution footprint to 450 locations across 29 States and UTs (previous year 213 locations across 19 States and UTs). During the year, the company entered into distribution alliance with 3 new banks namely Bank of India, Indian Bank, and Punjab and Sind Bank in addition to the existing partnership with 5 banks namely Bank of Baroda, HDFC Bank, Union Bank of India Indian Overseas Bank, and Yes Bank. The Company achieved an origination volume of ₹ 60,133 Million by the end of March 2023 against an origination volume of ₹17,020 Million by the end of previous year ended of March 2022. The Company earned a net distribution fee revenue of ₹ 1,179 Million for the year ended March 2023 compared to a net distribution fee of revenue of ₹ 276 Million for the year ended March 2022.

The Company had initiated co-lending mechanism with Union Bank of India (for MSME) and State Bank of India (for Housing) during the year ended March 2022. During the year ended March 2023, the Company tied-up with State Bank of India (for MSME), Punjab and Sind Bank (MSME and Housing), and UCO Bank (for Housing). The Company had a total 5 co-lending partnerships at the end of March 2023 (previous year 2).

The Company had announced its foray into Gold Loans in February 2022. The Company formally launched its Gold Loan business in August 2022 with 108 branches across 5 States and UTs and by the end of March 2023 had expanded the business to 562 branch loacations across 8 States and UTs. The outstanding AUM at the end of March 2023 was ₹ 11,256 Million.

The Gross NPA of the Company stood at 1.9% and the Net NPA (Net of Total ECL Provision) was at negative as of March 31, 2023. (-ve as of March 31, 2022). The Net NPA (Net of Stage 3 Provisions) stood at 1.4% as of March 31, 2023 (2.0% as of March 31, 2022)

II. Consolidated Financial Performance

The Consolidated Gross Income of the Company for the Financial Year ended March 31, 2023, is ₹ 14,649.97 Million vis- a-vis ₹ 9,817.53 Million in the previous year, thereby registering a growth of 49.22% (33.19%). Consolidated Net Profit for the Financial Year ended March 31, 2023, is ₹ 2,046.54 Million as compared to ₹ 2,050.41 Million in the previous year, registering (an marginal decrease of 0.19%. The Gross NPA stood at 1.7%. Net NPA (Net of Total ECL Provision) was negative as of March 31, 2023 (-ve as of March 31, 2022).

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.

RESOURCE MOBILISATION

On a consolidated basis, the Company has strengthened its relationships with banks/financial institution and got fresh sanctions of ₹ 39,200 Million during the financial year under review. As of March 31, 2023, borrowings from public sector, private sector banks and financial institutions in term loans / CC limits were ₹ 70,727 Million as against ₹ 43,761 Million in FY 2021-22. During the FY 2022 - 23 the Company raised ₹ 1,000 Million through issuance of Secured Redeemable Non-Convertible Unlisted Debentures and ₹ 1,000 Million through issuance of Commercial Paper. The Company has redeemed NCD's amounting to ₹ 1,167 Million and CPs amounting to ₹ 1,000 Million. The outstanding NCDs as on March 31, 2023 was ₹ 4,386 Million and the outstanding CPs as on March 31, 2023 was Nil. The gearing of Company as of March 31, 2023 is 2.14 times.

DIVIDEND

The Directors have recommended final dividend of ₹ 0.50 per share of the face value of 2/- each for the Financial Year 2022-23 (previous year ₹ 0.50 per share). The final dividend on Equity Shares, if approved by the Members in the upcoming Annual General Meeting, would involve a total outgo of ₹103.1 Million for the Financial Year 2022-23 as against ₹ 87.8 Million for the previous year and will be paid to those Members, whose names appear on the Register of Members/beneficial holders' list as on the record date.

Pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI Listing Regulations"), the Board of Directors of the Company has formulated the Dividend Distribution Policy setting out the parameters and circumstances that will be considered by the Board in determining the distribution of dividend to its members. The Policy is available on the website of the Company at https://www.capriloans.in/corporate-governance/.

UNCLAIMED DIVIDEND AND UNCLAIMED SHARES

Pursuant to Rule 5(8) of the 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 ₹ 2,21,896 as on the year ended March 31, 2022. During the year, Unclaimed Dividend for the Financial Year 2014-15 amounting to ₹ 24,405 was transferred to Investor Education and Protection Fund on September 14, 2022.

The Company has uploaded the details of unclaimed dividend on the Company's website at https://www.

The Company has uploaded the details of unclaimed dividend on the Company's website at https://www.capriloans.in/unclaimed-shares-unclaimed-dividends/ and also on website specified by the Ministry of Corporate Affairs http://www.iepf.gov.in/IEPF/services.html.

IEPF is holding 38,455 Shares of the Company, at the end of the year under review.

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 ₹ 283.07 Million to Statutory Reserve Account. No amount is proposed to be transferred to General Reserve.

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.

AWARDS AND RECOGNITION

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

SHARE CAPITAL

As on March 31, 2023, the Authorised Share Capital of the Company stood at ₹ 720 Million (36,00,00,000 Equity Shares of ₹ 2/- each) and the Issued, Subscribed and Paid-up Equity Share Capital of the Company stands at ₹ 412.31 Million (comprising of 206,152,844 Equity Shares of ₹ 2/- each) (₹ 351.31 Million comprising of 17,56,54,055 Equity Shares of ₹2/- each). During the Financial Year 2022-23, the Company has issued and allotted 30,498,789 equity shares of ₹ 2 each. Out of the said shares the Company issued and allotted 30,315,789 fully equity shares of ₹ 2 each for cash at a price of ₹475 per equity share (including a premium of ₹ 473 per equity share) on Rights basis to the eligible equity shareholders of the Company in the ratio of 11 rights equity shares for every 64 equity shares held by the eligible equity shareholders on the record date and 183,000 Equity shares were alotted on exercise of Stock Options granted to the employees of the Company.

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 complied with the 'Master Directions - Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016', amended from time to time and all other applicable Directions/regulations/circulars of RBI during the Financial Year 2022-23.

CAPITAL ADEQUACY RATIO

As on March 31, 2023, the Company's Capital Adequacy Ratio (CAR), stood at 39.9% 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. The Company raised ₹ 14,400 Million in equity capital through a Rights Issue in March 2023. This boosted Company's CAR significantly.

EMPLOYEES' STOCK OPTION SCHEME

During the year under review, the Nomination and Remuneration Committee of the Board has granted 430,000 stock options to the eligible employees under the Employee Stock Option Scheme 2009. The Company has issued and allotted 1,83,000 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.capriloans.in/investor-information/.

A certificate from the M/s. Sandeep P Parekh & Co, Practising Company Secretary, certifying that Employee Stock Option Scheme 2009 has been implemented in accordance with Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution(s) passed by the Members would be uploaded on website of Company www.capriloans.in during the Annual General Meeting of the Company for inspection by the Members.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY

The Board has adopted accounting policies which are in line with Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.

The Company has put in place adequate internal controls with reference to accuracy and completeness of the accounting records and timely preparation of reliable financial information, commensurate with the size, scale and complexity of operations and ensures compliance with various policies and statutes in keeping with the organisation's pace of growth, increasing complexity of operations, prevention and detection of frauds and errors. The design and effectiveness of key controls were tested and no material weaknesses were observed. The Audit Committee periodically, reviews and evaluates the adequacy of internal financial control and risk management systems. Efficacy of Internal control systems are tested periodically by Internal Auditors and Internal Control over Financial Reporting is tested and certified by Statutory Auditors.

The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by external auditors.

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

SUBSIDIARY ENTITIES

(a) As on March 31, 2023, your Company has one subsidiary namely Capri Global Housing Finance Limited ("CGHFL"). CGHFL has considerably contributed to the overall growth of your Company during the year. There has been no material change in the nature of the business any of the subsidiary.

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 company 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.capriloans.in/. Members may download the annual financial statements and detailed information on subsidiary company 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 subsidiary may write to the Company Secretary at the registered office of your Company.

(b) Financial Performance & position of subsidiary

1. Capri Global Housing Finance Limited

   Capri Global Housing Finance Limited ("CGHFL"), a 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 52.6% in its Assets Under Management to ₹ 26,657 Million in the Financial Year 2022-23 as against ₹ 17,474 Million in the Financial Year 2021-22 and has increased its reach to 24,335 customers from 17,739 customers in previous year. Total Income increased by 46.83% to ₹ 3,236.72 Million as against ₹ 2,204.36 Million in the Financial Year 2021-22. Profit after tax registered a growth of 43.70% (29.09%) at ₹ 620.47 Million in the Financial Year 2022-23 as against ₹ 431.77 Million in the Financial Year 2021-22.

FIXED DEPOSITS

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

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Act read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, 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.

As of March 31, 2023, the Company has five Independent Directors including one woman Director.

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.

Mr. Rajesh Sharma, Managing Directortor of the Company was appointed as Chief Financial Officer of the Company with effect from April 23, 2022 for a tenure of one year. Mr. Sharma was further re-appointed as Chief Financial Officer of the Company with effect from May 22, 2023 for a period of one year.

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

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the requirements of 'Independent Director' as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations.

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. All the Directors meet the 'Fit and Proper' criteria as per the policy of the Company and as stipulated by RBI.

Board Meetings

During the year, 7 meetings of the Board of Directors were held. Details about the Board Meetings and Committee Meetings are given in report on Corporate Governance forming part of this Report.

Constitution of various Committees

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

Details of each of the Committees stating their respective composition and terms of reference are uploaded on Company's website at https://www.capriloans.in/ and are stated in brief in the Corporate Governance Report attached to and forming part of this Report.

Policies on Appointment of Directors and their Remuneration

The remuneration paid to the Directors is in line with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). Further, the Company has in place the orderly succession plan for the appointments at the Board and Senior Management level.

The Company's policy on Directors' appointment and remuneration and other matters as provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this Report.

The relevant Policy(ies) have been uploaded on the website of the Company and can be accessed through the link https://www.capriloans.in/corporate-governance/.

Annual Evaluation of Board, its Committees, and Individual Directors

The Company has devised a Policy for performance evaluation of the Board, its Committees, and other individual Directors (including Independent Directors) which includes criteria for Performance Evaluation of the Non-Executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and Committee Meetings, acquaintance with business, code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual evaluation of the performance of the Board, its Committees and Individual Directors and Chairperson. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees.

Familiarisation Program for Independent Directors

The Company has adopted a structured programme for orientation of all Directors including the Independent Directors at the time of their joining so as to familiarise them with the Company – its operations, business, industry and environment in which it functions and the regulatory environment 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.

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.

Familiarisation Program for Independent Directors is mentioned at length in Corporate Governance Report attached to this Report and the details of the same have also been disclosed on the website of the Company at https://www.capriloans.in/ corporate-governance/.

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

In terms of Section 139 of the Act, M.M. Nissim & Co. LLP, Chartered Accountants (Firm Registration no. 107122W/W100672), were appointed as statutory auditors of the Company for a period of three years from the conclusion of the 27th Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company.

M/s. M.M. Nissim & Co. LLP, Chartered Accountants, conducted the statutory audit for the financial year 2022 - 23. There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors in their Audit Report for the financial year 2022-23.

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. The Secretarial Audit Report for the financial year ended March 31, 2023, is appended to this Report as Annexure II (A). There are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditors, in their Audit Report for the financial year 2022-23.

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, 2023, is annexed to this Report as Annexure II(B).

C. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor of the Company have reported any instances 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.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

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 details of CSR Policy of the Company are available on the website of the Company at https://www.capriloans.in/corporate-governance/. The composition and terms of reference of the CSR Committee are provided in the Report on Corporate Governance.

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 III.

RISK MANAGEMENT

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement, review and monitor the risk management plan for the Company and ensuring its effectiveness in addition to Asset Liability Management Committee('ALCO') which monitors and manages the liquidity and interest rate risks. The Company and its subsidiary have a risk management framework and the Committee on timely basis informs the Board Members about risk assessment and minimisation procedures which in the opinion of the Committee may threaten the existence of the Company, if any. The Audit Committee has additional oversight in the area of credit & liquidity risks, interest rate risk, and operational risk. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

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.

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

The Board of Directors of the Company has formulated a policy on dealing with Related Party Transactions, pursuant to the applicable provisions of the Act and SEBI Listing Regulations. The same is displayed on the website of the Company at https://www.capriloans.in/corporate-goverance/. This policy deals with the review and approval of related party transactions. All related party transactions are placed before the Audit Committee for review and approval.

During the year under review, all the related party transactions were entered in the ordinary course of business and on arm's length basis. All related party transactions as required under Indian Accounting Standards - 24 (Ind AS-24) are reported in Note - 41 of Standalone Financial Statements.

Pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no related party transactions that are required to be reported under Section 188(1) of the Act in the prescribed Form AOC-2.

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, 2023, can be accessed on our website at https://www.capriloans.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

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, 2023, 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 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.capriloans.in.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has formulated and established a Vigil Mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement and to enable Directors and Employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and to report incidents of leak or suspected leak of unpublished price sensitive information. Adequate safeguards are provided against victimisation of those who avail of the mechanism and direct access to the Chairman of the Audit Committee in exceptional cases is provided to them. The Whistle Blower Policy is available on the website of your Company at https://www.capriloans.in/corporate- goverance/.

During the year under review, one complaint was 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 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 from any of the employees.

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 Financial Year 2022-23, the Company's foreign exchange earnings were NIL and outgo was ₹ 14.39 Million as against ₹ 1.47 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, 2023, forming part of this Annual Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS

During the Financial Year 2022-23, 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 have been levied by the RBI or any other regulator during the year under review.

LISTING

Equity Shares of your Company are listed on National Stock Exchange of India Ltd. and BSE Ltd. Your Company has paid required listing fees to Stock Exchanges for FY 2023-24.

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.

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 for the Financial Year 2022-23 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 onetime 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.

ACKNOWLEDGEMENT

Your directors acknowledge the support extended by the Securities and Exchange Board of India, Reserve Bank of India, Ministry of Corporate Affairs, Registrar of Companies and all other Governmental and Regulatory Authorities for the guidance and support received from them including their officials from time to time.

Your directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders including investors, customers, banks, financial institutions, rating agencies, debenture holders, debenture trustees and well-wishers during the year.

Your directors place on records their appreciation of the contribution made by the employees of your Company and its subsidiaries at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of Board of Directors
Capri Global Capital Limited

Sd/-	Sd/-
Rajesh Sharma	**Beni Prasad Rauka**
Managing Director	Independent Director
(DIN: 00020037)	(DIN: 00295213)

Date: May 22, 2023
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, 2023

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 45 for the Financial Year ended March 31, 2023

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, 2023 is ₹ 7.56 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	2,61,51,340
c.	Vesting requirements	Options would vest not less than one year and not more than six years from the date of grant subject to achievement of performance parameter as evaluated by the Nomination and Remuneration Commiteee.
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, 2023.

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 employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed	Not applicable
a.	The impact of this difference:	
i.	On Profits	Not Applicable
ii.	On EPS	Not Applicable

iii. Option movement during the year

1.	Number of options outstanding at the beginning of the year	30,40,800
2.	Number of options granted during the year	4,30,000
3.	Number of options forfeited/lapsed during the year	(2,27,400)
4.	Number of options vested during the year	1,83,000
5.	Number of options exercised during the year	1,83,000
6.	Number of shares arising as a result of exercise of options	1,83,000
7.	Money realised by exercise of options (INR), If Scheme is implemented directly by the Company	₹ 1,24,90,800/-
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	30,60,400
10.	Number of options exercisable at the end of the Year	0

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

Weighted Average Exercise Price: ₹ 68.26 each

Weighted Average Fair Value of the options ₹ 470.72 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 2022-23:

Employee Name	Designation
Ms. Divya Sutar	Director - Business Strategy
Mr. Ravish Gupta	Business Head - Gold Loan
Mr. Varun Malhotra	Senior Vice President
Mr. Abhishek Mehta	Senior Vice President

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.

1. Discount Rate ranging from 7.09% to 7.39% is used based on the benchmark rate available on Government Securities (G. Sec.) for the tenure of 2.5 to 5 years.
2. Expected volatility for each grant date's fair valuation is ranging from 40% to 50%.
3. Dividend yield is considered as 0.18% to 0.30% is assumed for ESOP's valuations.

@Note:

i. Face value per equity share of the Company; or

ii. Closing price of the Stock Exchange with the highest trading volumes on the last working day prior to the date of grant; or

iii. 25% discount to the Prevailing Market Price; or

iv. 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, 2023

[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, 2023, 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, 2023 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.

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

Sd/-
Sandeep P. Parekh
FCS No: 7118, CP No: 7693
UDIN: F007118E000366290

Place: Navi Mumbai
Date: 22/05/2023

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

Sd/-
Sandeep P. Parekh
FCS No: 7118, CP No: 7693
UDIN: F007118E000366290

Place: Navi Mumbai
Date: 22/05/2023

Annexure - II (B)

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

[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, 2023, 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, 2023 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
Sd/-
Sandeep P. Parekh
FCS No: 7118, CP No: 7693
UDIN: F007118E000332894

Place: Navi Mumbai
Date: 16/05/2023

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
Sd/-
Sandeep P. Parekh
FCS No: 7118, CP No: 7693
UDIN: F007118E000332894

Place: Navi Mumbai
Date: 16/05/2023

Annexure - III

Annual Report on CSR Activities for Financial Year 2022-2023

1. Brief outline on CSR Policy of the Company.

At CGCL, we have always viewed CSR as an instrument for impactful transformation, and not an obligation that needs to be complied with. Over the years, we've made our level best attempt to induce a socio-economic structure where every important activity acts as a pillar of robust implementation mechanism, all our initiatives and goals are designed to cover and eradicate majority of our common social problems and differences. Our CSR initiatives strictly abides by all its legal policies and rules to create a professional niche, integrating shared values and knowledge.

The CSR projects of the Company are focused on communities that are disadvantaged, vulnerable and marginalized. The initiatives and projects also by mandate share a nexus with the UN agreed SDG's. For the current reporting session Capri Projects are aligned with 8 of the U.N-SDG's. The Company strives to contribute positively to improve the standard of living, through its interventions in core areas like Women Empowerment & Sustainable Livelihood, Education, Health and Animal Welfare.

The Company's CSR Policy framework details the mechanisms for undertaking various programs in accordance with Section 135 of the Companies Act, 2013 (the Act) for the benefit of the community.

Women Empowerment & Sustainable Development – Initiatives majorly includes providing access and broadening the reach of financial inclusion activities, entrepreneurship initiatives and other vocation-based training, overall ensuring a sustainable framework to function. Gender consciousness, Technology and Innovation would be the cross cutting across all these key initiatives

Education - Initiatives includes innovation and incubation programs, Promoting learning enhancement amongst children, in schools, Child care institutions and in communities, innovative teaching methodology, ongoing community- based education programs and institution-based programs. Efforts are being taken to remain digitally connected to the children, despite challenges.

Health - We believe that good health is cardinal to human well-being and enables one to achieve life goals. This financial year as well, Health and Nutrition focus and outlay remained concentrated on issues like combating malnutrition and access to preventive health services especially with special focus on women health and access of healthcare services to tribal padas.

Animal Welfare - Capri's animal welfare program highlights our vision of respect and care for all life on Earth. Delivering essentials for a harmonious co-existence between humans and street animals like cat & dogs. Our initiatives of medical assistance, rescue mission, and support to street dwellers in caring for these animals, has brought us 2,237 beneficiaries, further creating a better future for all to live in.

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	2

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.capriloans.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 ₹)
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. ₹ 19,973.89 Lacs

5. (a) Two percent of average net profit of the company as per section 135(5)
   ₹ 399.48 Lacs

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.
   NA

   (c) Amount required to be set off for the financial year, if any
   NA

   (d) Total CSR obligation for the financial year (7a+7b-7c). 399.48 Lacs

   The Company is required to spend an amount of 399.48 Lacs as CSR expenditure during the financial year 2022-23

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	Amount	Date of transfer
₹ 419.69 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/ Schedule VII 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 curent 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	
				State	District						Name	CSR Registration Number
1	Sustainable Livelihood Enhancement and Women Empowerment	Clause (ii) (iii) (i) (x) of Schedule VII	Yes	Rajasthan	Udaipur, Rajsamand, Baran, Udaipur, & Dholpur	Three Years	274.18	274.18	NA	No	Seva Mandir	CSR00000288
				Karnataka	Chikkaballapura						Buzz India Trust	CSR00002928
				Chhattisgarh	Surguja, Rajnandgaon, Gariyabandh						Professional Assistance for Development Action (PRADAN)	CSR00000973
				Maharashtra	Mumbai, Raigad						Save the Children India	CSR00000158
				Madhya Pradesh	Ujjain, Khargone						Arpan Seva Sansthan	CSR00000826
											Swades Foundation	CSR00000440
											Manjari Foundation	CSR00000074
											Women'S Integrated And Synergistic Empowerment Association (Wise)	CSR00002167
			No	Nagaland	Kohima, Dimapur, Mokokchung, Wokha, Phek, Peren, Mon, Kiphire, Noklak, Tuensang, Zunheboto, Chumukedima, Niuland						Entrepreneurs Associates	CSR00005848
				Manipur	Senapati, Chandel, Ukhrul							
				Assam	Karbi Anglong							

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/ Schedule VII 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 curent 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**	
				State	District						**Name**	**CSR Registration Number**
				Maharashtra	Palghar						Swami Vivekanand Educational Pratisthan	CSR00009183
				Rajasthan	Udaipur						Kshamtalaya Foundation	CSR00002738
2	Education Initiative	Clause (ii) of Schedule VII	Yes	Madhya Pradesh	Bhopal, Burhanpur, Chhindwara, Indore, Itarsi, Jabalpur, Kati, Khandwa, Ujjain and Ratlam	Three Years	80.50	80.50	NA	No	Catalysts for Social Action	CSR00002803
3	Health Initiative	Clause (i) (iii) of Schedule VII	Yes	Andhra pradesh, Assam, Bihar, Bangladesh, Chattisgarh, Delhi, Haryana, Uttar pradesh, Himachal pradesh, Jammu Kashmir, Jharkhand, Karnataka, Kerala, West bengal Madhya Pradesh, Maharashtra, Manipur, Odisha, Punjab, Rajasthan, Tamilnadu, Uttrakhand	PAN INDIA	Three Years	25.00	25.00	NA	No	Win Over Cancer	CSR00001982
4	Animal Welfare	Clause (iv) of Schedule VII	Yes	Maharashtra	Mumbai		10.00	10.00	NA	No	The Welfare of Stray Dogs	CSR00002417
5	Awareness and Engagement with Community	Clause (ii) of Schedule VII	Yes	Delhi	Delhi		0.55	0.55	NA	Yes	-	-
	Total						**390.22**	**390.22**				

(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		Amount spent for the project (₹ In Lacs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Education Initiative	Clause (ii) of Schedule VII	Yes	Maharashtra	Mumbai	9.50	No	Save the Children India	CSR00000158

(d) Amount spent in Administrative Overheads - **19.97 Lacs**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 419.69 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)	399.48 Lacs
(ii)	Total amount spent for the Financial Year	419.69 Lacs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	20. 21 Lacs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	20.21 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)
				Name of the Fund	Amount (₹ in lacs)	Date of transfer	
-	-	-	-	-	-	-	-

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

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

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 capitalasset).

Sr. No.	Details relating to the asset so created or acquired through CSR spent in the financial year.			
	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	17.03.2023	₹7,500	Catalysts For Social Action, 711/712, Bhaveshwar Arcade Annex, Nityanad nagar, LBS marg, Nr. Shreyas Cinema, Ghatkopar (W) - 400086.	Book Self with Glass 3"x5" - Aashra Home near Jhijhari police station, katni, MadhyaPradesh
2	11.03.2023	₹38,749	Catalysts For Social Action, 711/712, Bhaveshwar Arcade Annex, Nityanad nagar, LBS marg, Nr. Shreyas Cinema, Ghatkopar (W) - 400086.	One plus 55Inches smart LED - Babawadi Mandavgan Mulanche Balgruh, Zarekar Lane, Near DPACA CCI Ahmednagar, Maharashtra
3	17.03.2023	₹35,320	Catalysts For Social Action, 711/712, Bhaveshwar Arcade Annex, Nityanad nagar, LBS marg, Nr. Shreyas Cinema, Ghatkopar (W) - 400086.	1No Of Notice Board, White Board & Board Stand Bal Grah, Lal pura Nagzhiri, Ujjain ,Madhya Pradesh
4	17.03.2023	₹1,140	Catalysts For Social Action, 711/712, Bhaveshwar Arcade Annex, Nityanad nagar, LBS marg, Nr. Shreyas Cinema, Ghatkopar (W) - 400087.	1 NOS OF BENQ Projector, 3 Nos of White Board 1.5*2 & 1 Notice Board 2*3 Balika Grah Ujjain, Lal pura Nagzhiri, Ujjain ,Madhya Pradesh
5	21.03.2023	₹4,590	Catalysts For Social Action, 711/712, Bhaveshwar Arcade Annex, Nityanad nagar, LBS marg, Nr. Shreyas Cinema, Ghatkopar (W) - 400086.	1 Nos Of Display Board, White Board (6*4) & stand Hindu Bal Seva Sadan, Moghat Road, Lal Chowki, Khandwa,Madhya Pradesh
6	19.02.2023	₹47,300	Catalysts For Social Action, 711/712, Bhaveshwar Arcade Annex, Nityanad nagar, LBS marg, Nr. Shreyas Cinema, Ghatkopar (W) - 400086.	1 NOS OF BENQ Projector, 3 Nos of Library Table 7"*3ft*3ft Jeevodaya Girls Home, Chirag Jeevodaya Society, ward No - Nehruganj, Behind Janata Talkies, Itarsi , Hosangabad (Dist.) Madhya Pradesh
7	23.03.2023 & 19.03.2023	₹53,840	Catalysts For Social Action, 711/712, Bhaveshwar Arcade Annex, Nityanad nagar, LBS marg, Nr. Shreyas Cinema, Ghatkopar (W) - 400086.	1 NOS OF BENQ Projector, 1 Nos of Book Shelf (6*6), Book stand 2*5, Canvas Stand, Display Board (6*4), White Board, White Board Stand Navjeevan Children's Home, House No.2, Ganesh Talai,Khandwa,Madhya Pradesh
8	19.03.2023	₹5,340	Catalysts For Social Action, 711/712, Bhaveshwar Arcade Annex, Nityanad nagar, LBS marg, Nr. Shreyas Cinema, Ghatkopar (W) - 400086.	1 Nos Of Display Board (6*4), White Board, White Board Stand, Canvas Stand Shara Bal Grah, Near New Indira Montessiory school, New Indira Colony,Bhurhanpur,Madhya Pradesh
Total-1		**₹1,93,779**		
1	20.03.2023	₹10,73,710	Gaon Vikas Samiti Sthapna Pachhapur, Pacchapur, Pacchapur Gram Panchayat, Sudhagad Taluka, Raigad District, PIN: 410205.	Pacchapur Vishnunagar Drinking Water Scheme(Pacchapur, Pacchapur (GP), Sudhagad, Raigad 410205), Pacchapur, Pacchapur Gram Panchayat, Sudhagad Taluka, Raigad District PIN: 410205

Sr. No.	Details relating to the asset so created or acquired through CSR spent in the financial year.			
	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.**
2	20.03.2023	₹16,49,351	Gram Vikas Samiti Madhali ali, Madhali Ali, Warandh Gram Panchayat, Mahad Taluka, Raigad District PIN: 402306	Madhali Ali Drinking Water Scheme (Madhali Ali, Warandh (GP), Mahad, Raigad 402306), Madhali Ali, Warandh Gram Panchayat, Mahad Taluka, Raigad District PIN: 402306
3	25.03.2023	₹4,34,976	Swades Samiti Kani Khute Dake, Kani Dhangarwadi, Kalamb Gram Panchayat, Sudhagad Taluka, Raigad District PIN: 410205	Kani Dhangarwadi Drinking Water Scheme (Kani Dhangarwadi, Kalamb (GP), Sudhagad, Raigad 410205), Kani Dhangarwadi, Kalamb Gram Panchayat, Sudhagad Taluka, Raigad District PIN: 410205
4	05.08.2022	₹ 77,969	Vishnu Kashiram Waghe, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad PIN: 402302	Household Sanitation Repair, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad 402302
5	05.08.2022		Devidas Satosh Vaghe, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad PIN: 402302	Household Sanitation Repair, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad 402302
6	05.08.2022		Nathu Babu Vale, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad PIN: 402302	Household Sanitation Repair, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad 402302
7	05.08.2022		Ramchandra Ratan Jadhav, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad PIN: 402302	Household Sanitation Repair, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad 402302
8	05.08.2022		Navnath Harishchandra Jadhav, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad PIN: 402302	Household Sanitation Repair, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad 402302`
9	05.08.2022		Baliram Tukaram Katekar, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad PIN: 402302	Household Sanitation Repair, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad 402302
10	05.08.2022		Prakash Baliram Waghe, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad PIN: 402302	Household Sanitation Repair, Laxmiwadi hamlet, Kharvali GP, Kalij Revenue Village, Mahad block, Raigad 402302
Total-2		**₹32,36,006**		
1	16.09.2022	₹1,71,360	Kala Kendra, Ground floor,Parampara complex,Ambedkar Maarg, Near Maheshwar Public School,Maheswar-451224	6 Nos of Juki Machine, Ground floor,Parampara complex,Ambedkar Maarg, Near Maheshwar Public School,Maheswar-451224
2	16.09.2022	₹1,14,240	Kala Kendra, Indira nagar,Ujjain 456001	4 Nos of Juki Machine, Indira nagar,Ujjain 456001
3	04.11.2022	₹41,890	Wise, FM-23, First Floor, Scheme No. 94, Pipliyahana Square, Indore - 452016	1 Nos of Laptop, FM-23, First Floor, Scheme No. 94, Pipliyahana Square, Indore - 452016

Sr. No.	Details relating to the asset so created or acquired through CSR spent in the financial year.			
	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.**
4	21.11.2022	₹8,900	Kala Kendra, Ground floor,Parampara complex,Ambedkar Maarg, Near Maheshwar Public School,Maheswar-451224	1 Nos of Overlock Machine, Ground floor,Parampara complex,Ambedkar Maarg, Near Maheshwar Public School,Maheswar-451224
5	27.01.2023	₹1,12,000	Kala Kendra, Indira nagar,Ujjain 456001	4 Nos of Juki Machine, Indira nagar,Ujjain 456001
6	17.02.2023	₹31,575	Kala Kendra, Ground floor,Parampara complex,Ambedkar Maarg, Near Maheshwar Public School,Maheswar-451224	2 Nos of Loom, Ground floor,Parampara complex,Ambedkar Maarg, Near Maheshwar Public School,Maheswar-451224
7	31.03.2023	₹27,500	Kala Kendra, Ground floor,Parampara complex,Ambedkar Maarg, Near Maheshwar Public School,Maheswar-451224	
Total-3		**₹5,07,465**		
Total (1+2+3) =		**₹39,37,250**		

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/- Bhagyam Ramani 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 2022-23	Mr. Rajesh Sharma (Managing Director) – 7.60x
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:** 1) Mr. Rajesh Sharma (Managing Director) - NIL **Key Managerial Personnel:** Mr. Yashesh Bhatt, Company Secretary - 5%
iii	The percentage increase in the median remuneration of employees in the financial year	14.56%
iv	The number of permanent employees on the rolls of Company	7604 employees as on 31.03.2023 (2847 employees as on 31.03.2022)
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 NA. Remuneration of Managing Director was not increased during FY 2022-23.
vi	It is hereby affirmed that the remuneration is paid as per the Remuneration Policy for the Directors, Key Managerial Personnel and employees	

* Remuneration does not include variable pay.

Note: Employee performance is appraised based on the performance of the Company during the previous year.

ANNEXURE - V

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity: L65921MH1994PLC173469
2. Name of the Listed Entity: Capri Global Capital Limited
3. Year of incorporation: 1994
4. Registered office address: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel Mumbai - 400013
5. Corporate address: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel Mumbai - 400013
6. E-mail: secretarial@capriglobal.in
7. Telephone:022-40888100
8. Website: www.capriloans.in
9. Financial year for which reporting is being done: April 1, 2022, to March 31, 2023
10. Name of the Stock Exchange(s) where shares are listed: NSE and BSE
11. Paid-up Capital: ₹ 41,23,05,688
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: Keshav Singhal, VP – ESG, keshav.singhal@capriglobal.in , 022-40888100
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together): Standalone

II. Products/services

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

S. No.	Description of MainActivity	Description of Business Activity	% of Turnover of the entity
1	Financial and insurance service	Financial and insurance service	100%

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

S. No.	Product/Service	NIC Code	% of total Turnovercontributed
1	Financial and insurance service	64920	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	NA	Refer page 12-13	Refer page 12-13
International	NA	NA	NA

17. 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 a wide range of segments including MSMEs, individuals, institutions and other diverse customer groups.

IV. Employees

18. 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)	7,602	6,700	88%	902	12%
2.	Other than Permanent (E)	0	0	-	0	-
3.	**Total employee (D + E)**	7,602	6,700	88%	902	12%
	WORKERS					
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	**Total workers (F + G)**	NA	NA	NA	NA	NA

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)	NA	NA	NA	NA	NA
2.	Other than Permanent (E)	NA	NA	NA	NA	NA
3.	Total differently abled employees (D + E)	NA	NA	NA	NA	NA
	DIFFERENTLY-ABLED WORKERS					
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than permanent (G)	NA	NA	NA	NA	NA
6.	Total differently abled workers (F + G)	NA	NA	NA	NA	NA

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.6%
KMP	2	0	0%

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total*	Male	Female	Total*	Male	Female	Total*
Permanent Employees	24.3%	8.8%	19%	23.7%	19.7%	24%	14.3%	5.6%	20%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

* Total includes CGCL and CGHFL. CGCL standalone total turnover rate is 19.8% (FY 22-23), 23.5% (FY 21-22) and 20.1% (FY 20-21).

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

21. (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

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) - 11,489.94 Million

(iii) Net worth (in ₹) - 33,340.01 Million

VII. Transparency and Disclosures Compliances

23. 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 2022-23			FY 2021-22		
		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	Nil	Nil	-	Nil	Nil	-
Customers	Yes	284	3	All 3 open complaints were efficiently resolved and successfully closed by April 13, 2023.	183	0	-
Value Chain Partners	No	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

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

24. 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.	Increasing demand for Credit	Opportunity	With the ongoing growth of the economy, there is a foreseeable surge in the demand for loans, especially among small businesses and individuals who aspire to purchase homes, secure financing for their ventures, or obtain personal loans to meet their financial needs..	Capri Global has displayed exceptional agility in recognizing the escalating demand for credit in recent years. As a testament to our proactive approach, we have not only established new offices across multiple locations in India but have also diversified our range of credit offerings to cater to evolving market requirements.	**Positive:** With an increase in our product segments, we can cater to a wide array of clients from all over India

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)
2.	Creating Impact through lending	Opportunity	In line with the global shift towards a sustainable future, Capri Global is actively contributing to this transformative movement. Through our provision of Loans to customers, we aim to create a dual impact—fostering environmental & social well-being while fostering economic growth.	At Capri Global, we are striving to serve our customers while creating impact. We are continuously innovating in products and services and working towards customer excellence and delivering impact on the ground.	**Positive:** Impact lending products are designed to benefit a wider range of customers, while simultaneously generating revenue for our business. These products not only cater to the specific needs of environmentally conscious individuals and businesses but also align with our commitment to Sustainable Development Goals (SDGs)..
3	Digitization	Opportunity	Digitization enhances operational efficiency, streamlines processes, enables real-time data analysis, improves customer experience, and facilitates innovation, ensuring competitiveness and ability to adapt in the rapidly changing business environment.	We are striving to transform Capri Global from a traditional NBFC to a FinTech firm by leveraging digitization and advanced technology. We are deploying Data Analytics, AI, Machine learning and latest Apps etc. We have converted most of the business processes to online mode and further accelerating our efforts for enhanced customer experience by using Digital platforms.	**Positive:** Seamless experience for customers leads to an increase in customer base and business growth. Also, digitization helps in achieving efficiency, thus, reduction in costs
4	Corporate Governance	Opportunity and Risk	Robust and efficient corporate governance forms the bedrock of an organization, creating an environment grounded in unwavering principles. A company endowed with sound corporate governance conveys a message of trust, integrity and transparency to the stakeholders.	At Capri, we execute our responsibilities with integrity, ethically and responsibly. We have board level committees with Independent Directors to steer performance of the Company. We also have well-established Policies, System & Procedures and SOPs as part of Governance mechanism.	**Positive:** Robust corporate governance supports in gaining stakeholders' confidence and trust. It is also essential for ESG ratings. **Negative:** Poor governance may lead to challenges in raising capital and hamper execution of identified risk mitigation measures.

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 www.capriloans.in/corporate-governance 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)	No	No	No	No	No	No	No	No	No
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.	-	-	-	-	-	-	-	-	-
Governance, leadership and oversight									
7. Statement by 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 beginning of 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	1-3 Years								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	As and when any compliance is made applicable to the entity, required measures are being taken								

	P 1	P 2	P3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	No*	No*	No*	No*	No*	No*	No*	No*	No*

*The policies are internally evaluated by various department heads, business heads and the management.

Principle-wise Policy Mapping:

Principle	Policies
P1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.	The Company has robust governance mechanisms in place including a Code of Conduct for board members, senior management personnel and employees of the Company, Whistle Blower Policy, Prevention of Money Laundering - PMLA Policy, KYC Policy, Fair Practices Code Policy, Code of Conduct for Prevention of Insider Trading, Policy on Sexual Harassment, Interest Rate Model and Policies & Procedures for determining Interest Rates and other charges, Fraud Risk Management Policy, Model Code of Conduct for Direct Selling Agents (DSAs)/ Direct Marketing Agents (DMAs), and Risk management Policy, etc. There are various other internal SOPs/guidelines as well for responsible business conduct.
P2. Businesses should provide goods and services in a manner that is sustainable and safe	The Company has a fair practice code and customer grievance redressal mechanism which promote a culture where all efforts are directed towards providing good quality and services to all our customers.
P3: Businesses should respect and promote the well-being of all employees, including those in their value chains.	The Company has various policies to support employee well-being. The important ones include the Policy for prevention of sexual harassment, leave policy, medical insurance policy, policy on maternity benefits for female employees, policy on training & education, policy on providing loans to the employees including home loans, car loans etc.
P4: Businesses should respect the interests of and be responsive to all their stakeholders.	The Company's CSR Policy, fair practice code and customer grievance redressal mechanism guide this principle.
P5: Businesses should respect and promote human rights.	The Company's Policy on Code of Conduct, Whistle Blower mechanism and Policy on Sexual Harassment which encourage a workplace environment which is free from any kind of human rights violations.
P6: Businesses should respect and make efforts to protect and restore the environment.	The Company evaluates the social and environmental risks in its lending policies and abstain from lending to environmentally irresponsible projects and business. In addition, the employees of the Company are sensitized to prevent wasteful usage of natural resources and conserve energy.
P7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	While the Company may share its expertise to help in the formulation of public policy, it does not directly engage in lobbying or advocacy activities.
P8: Businesses should promote inclusive growth and equitable development.	The Company's CSR Policy aims at contributing to the social and economic development of the community through a series of interventions to mainstream economically and socially disadvantaged communities and groups and to bring them into the cycle of development and empowerment. The Company has aligned its CSR programs with the developmental agencies with an objective of bringing about a radical transformation in the lives of the communities and integrating them into the mainstream development process of the country.
P9: Businesses should engage with and provide value to their consumers in a responsible manner.	The Fair Practice Code, Code of Conduct, Customer Grievance Redressal Mechanism, Whistle Blower Policy etc. which have been laid down shall provide a facility to its customers, shareholders and others to share their grievances.

We also have a Business Responsibility Policy, which is approved by the Board and acts as an overall guidance and commitment for all the above 9 Principles.

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)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

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	Nil	Nil	Nil
Key Managerial Personnel	Nil	Nil	Nil
Employees other than BoD and KMPs	7,602	Prevention on Sexual Harassment under P3	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 INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil

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, we do have policies such as the Code of Conduct and Anti Money Laundering Policy. The policies are hosted at https://www.capriloans.in/corporate-governance/

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 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

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

	FY 2022-23		FY 2021-22	
	Numbers	Remarks	Numbers	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

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 have a policy on Related Party Transactions.

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 2022-23	FY 2021-22	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) – No

   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.**

   NA

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.**

   NA

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	NA	NA	NA	NA	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	NA	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 2022-23	FY 2021-22
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 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	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	6,700	4,633	69%	6,700	100%	NA	NA	6,700	100%	NA	NA
Female	902	498	55%	902	100%	902	100%	NA	NA	NA	NA
Total	7,602	5,131	67%	7,602	100%	902	100%	6,700	100%	NA	NA
Other than Permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Category	Total (A)	% of workers 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 workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent Workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Benefits	FY 2022-23			FY 2021-22		
	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	96%	NA	Yes	87%	NA	Yes
Gratuity	100%	NA	NA	100%	NA	NA
ESI	32%	NA	Yes	49%	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.

The accessibility of workplaces is an important consideration for us at Capri Global. We recognize the significance of creating an inclusive environment for all stakeholders, including those with disabilities, in line with the requirements of the Rights of Persons with Disabilities Act, 2016.

While we have made changes in improving accessibility, we are continuously working towards enhancing our premises and offices to ensure they are built with a more inclusive process in mind. We are in the process of initiating measures to address any existing barriers and make our workplaces more inclusive. This is also included in our policies that are available publicly and for internal communications too.

Our ongoing commitment to inclusivity reflects our dedication to providing equal opportunities for all individuals within our organization.

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.

At Capri Global, all employees are treated equally and given an equal platform to showcase themselves. We firmly believe in promoting equal opportunities for all individuals, including those with disabilities. 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. Our existing policy on Equal Opportunity covers disability as well. Also, our Business Responsibility Policy Principle 3 (which can be accessed at www.capriloans.in/corporate-governance) guides on Equal Opportunities among other aspects of employee well-being.

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%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	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, we have grievance redressal mechanism in place. The Grievance system can be accessed by any of the employees. Upon receiving of any grievances, it is routed to concerned team and get addressed.
Other than Permanent Employees	NA

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	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 (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Workers						
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil

8. **Details of training given to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	6700	0	0%	1491	22%	2768	484	17%	1848	67%
Female	902	0	0%	212	24%	77	20	26%	9	12%
Total	7602	0	0%	1703	22%	2845	504	18%	1857	65%
Worker										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	6,700	3,725	56%	2,768	1,142	41%
Female	902	462	51%	77	62	81%
Total	7,602	41,87	55%	2,845	1,204	42%
Worker						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

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?

We are working for establishing a formal occupational health and safety management system, but 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 coverage is across the organization.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We place great importance on the safety of our employees and regularly conduct inspections of our branches to proactively identify and address any work-related hazards or risks. These inspections serve as a vital part of our commitment to maintaining a safe working environment.

During these inspections, we thoroughly assess various aspects of the workplace to ensure compliance with safety standards and regulations.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Y/N)

Yes, we have established clear protocols for reporting any risks or hazards within our organization. If employees or personnel identify any potential risks, they are encouraged to report them promptly to the appropriate channels. We prioritize open communication and provide multiple avenues for reporting concerns.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
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 ensures the safety and well-being of all our employees are given the right priority. There are policies available to ensure a safe and healthy workplace. We have been conducting various webinars on Health & Safety toward employee well-being. We also have good ergonomics at our branches. Our commitment to employee health and safety is an integral part of our organizational culture, ensuring a secure and conducive work environment for all.

13. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	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 have implemented various security and safety measures at our branches to ensure the well-being of our employees and the protection of our premises.

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, we have a term insurance policy for all our employees.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that the applicable taxes are deducted and deposited in accordance with extant regulations. This activity is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability. The Company has statutory and internal audit policies and procedures to ensure the above.

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 no. of affected employees/ worker		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
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)**

   No

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.**

   Identifying key stakeholder groups is a crucial step in understanding and engaging with the individuals or entities that have a significant interest in or are affected by the operations of an entity like Capri Global. We conduct a stakeholder mapping exercise to identify internal and external stakeholders.

   Our internal stakeholders include employees, who are an essential part of the organization. They play a vital role in day-to-day operations, contribute to the company's success, and are directly impacted by the decisions and actions of the organization.

   External stakeholders encompass various groups with distinct interests such as investors/shareholders, customers, suppliers, 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, Advertisments, 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	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	Updates on Performance of the Company
Customers	No	Physical and Digital Channels	Need Based	Customer Feedback and Grievances, Information sharing and provide customer support throughout the lifecycle of services
Suppliers	No	Meetings, Emails, Telephone	Need Based	Product/Services delivery
Government/ Regulators	No	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.**

   At Capri Global, we recognize the importance of consultation with stakeholders on economic, environmental, and social topics. Regular stakeholder consultations are conducted through various departments and touchpoints. Basis those interactions, consolidated feedback is shared with Board/Board Committees depending upon the nature of the topic.

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.**

   Stakeholder consultation plays a crucial role in supporting the identification and management of environmental and social topics at Capri Global. We actively seek input and feedback from our stakeholders to shape our policies and activities. Through these consultations, we have incorporated stakeholder inputs into our overall ESG Strategy, Policymaking and identifying opportunities such as initiating systems to measure and monitor GHG Emissions.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   We are committed to contributing towards Sustainable Development and community well-being through our Corporate Social Responsibility (CSR) initiatives. We believe that CSR is not just a mandate, but an opportunity to be an efficient stakeholder in society and create long-lasting, positive change in the lives of people and communities around.

   Our CSR programs are designed to align with the Sustainable Development Goals (SDGs), focusing on education, healthcare, skill development, environment, and women's empowerment for vulnerable/marginsalised stakeholder groups. We have mentioned details on our CSR programs in 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 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	7,602	7,602	100%	2,845	2,845	100%
Other than permanent	NA	NA	NA	NA	NA	NA
Total Employees	7,602	7,602	100%	2,845	2,845	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 POSH and other mandatory trainings under Human Rights

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	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										
Male	6,700	20	0.3%	6,680	99.7%	2,768	42	1.5%	2,726	98.5%
Female	902	5	0.6%	897	99.4%	77	1	1.3%	76	98.7%
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

Category	FY 2022-23					FY 2021-22				
	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	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	NA, as no remunerations is being paid to Board of Directors except for sitting fees	1	NA, as no remunerations is being paid to Board of Directors except for sitting fees
KMP	2	3,863,350	0	NA
Employees other than BoD and KMP	6,698	194,157	902	158,821
Workers	NA	NA	NA	NA

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.

Yes, we have an employee grievance redressal mechanism in place that takes care of human rights-related issues as well. The grievance system can be accessed by all employees. Upon receiving any grievance, it is routed to the concerned team for redressal.

6. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	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. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have well-defined policy frameworks such as the Policy on Equal Opportunity, Policy on Discrimination & Harassment, Prevention of Sexual Harassment, etc. to safeguard employees in the workplace. The policies have a well-laid process redressal mechanism to deal with the complaints. There are defined guidelines to protect confidentiality about the complaint and the complainant.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

We are aligning our systems to make human rights, a part of business agreements and contracts.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. 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 as a result of addressing human rights grievances/ complaints.

NA

2. Details of the scope and coverage of any Human rights due diligence conducted.

We have policies and governance which protect various aspects falling under Human Rights. The coverage is across 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?

The accessibility of workplaces is an important consideration for us at Capri Global. We recognize the significance of creating an inclusive environment for all stakeholders, including those with disabilities, in line with the requirements of the Rights of Persons with Disabilities Act, 2016.

While we have made changes in improving accessibility, we are continuously working towards enhancing our premises and offices to ensure they are built with a more inclusive process in mind. We are in the process of initiating measures to address any existing barriers and make our workplaces more inclusive. This is also included in our policies that are available publicly and for internal communications too.

Our ongoing commitment to inclusivity reflects our dedication to providing equal opportunities for all individuals within 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	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

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 2022-23	FY 2021-22
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)		
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

-We have started measuring and monitoring our energy consumption, 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

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 because of nature of our business

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
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) (i + ii + iii + iv + v)	-	-
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	-	-

-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.

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. 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.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
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

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
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	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

-We are putting measuring and monitoring systems for GHG 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

7. 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.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	-	-
E-waste **(B)**	1,986 Kg	1,047 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)	1,986 Kg	1,047 Kg
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	-	-
(ii) Re-used	1,300 kg	-
(iii) Other recovery operations	-	-
Total	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	1047 Kg
(ii) Landfilling	190 Kg	
(iii) Other disposal operations		
Total	686 Kg	1047 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

9. 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.

Given the nature of our operations, we prioritize the responsible management of waste. Our activities do not generate hazardous or toxic chemical waste. Instead, the waste material we primarily deal with is e-waste, which we handle in an environmentally conscientious manner. We ensure that the e-waste is properly managed and processed by authorized recyclers, adhering to strict environmental regulations.

10. 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	NA	NA	NA

11. 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	NA	NA	NA	NA	NA

12. 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-compliances, 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	NA	NA	NA	NA

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
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)	-	-
Total fuel consumption (E)	-	-
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	-	-

-We have started measuring and monitoring our energy consumption, 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

2. Provide the following details related to water discharged:

Parameter		FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kiloliters)			
(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	-	-

Parameter		FY 2022-23	FY 2021-22
(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, 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

3. **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 2022-23	FY 2021-22
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

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY (Current Financial Year)	FY (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

-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

5. 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

6. 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:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
NA	NA	NA	NA

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Capri Global takes the security and continuity of our operations seriously. To safeguard against potential disasters, we have implemented a robust disaster recovery configuration for all our production applications. This entails replicating critical and important business application data to a secondary site at scheduled intervals.

Our dedicated IT team conducts daily health checks on the disaster recovery configuration to ensure its operational readiness at all times. Furthermore, we proactively conduct periodic recovery drills for the relevant applications, validating both the data integrity and the accessibility of services from the disaster recovery site.

8. 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

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

0%

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.

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	NA	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	NA	NA	NA	NA	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	NA	NA	NA	NA	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 INR)
NA	NA	NA	NA	NA	NA	NA

3. Describe the mechanisms to receive and redress grievances of the community.

As part of our commitment to robust CSR governance, we have established a comprehensive grievance mechanism. Prior to implementing our projects, we conduct a thorough needs assessment of the community and collaborate with reputable implementing agencies. Throughout the project lifecycle, we engage in regular stakeholder interactions with beneficiaries and community members, facilitated by our implementation partners and dedicated CSR team.

These engagement meetings serve as valuable platforms for communities to voice their grievances and provide feedback. We place great importance on actively listening to their concerns and addressing them appropriately. Additionally, we have implemented a stringent monitoring and evaluation system to ensure the successful achievement of project objectives. In cases where corrective measures are required, we swiftly implement them to ensure maximum impact and benefit for the communities we serve.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers	7.72%	7.05%
Sourced directly from within the district and neighboring districts*	64.13%	63.83%

*within district and neighboring districts are considered within State boundary

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 Date	Amount spent in INR
1	Rajasthan	Baran & Dholpur	3,500,000
2	Chhattisgarh	Rajnandagaon	751,157
3	Manipur	Chandel	170,000
4	Nagaland	Kiphrie	155,000

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:**

Sr No	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit shared
NA	NA	NA	NA	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.**

Sr No	Name of authority	Brief of the Case	Correction action taken
NA	NA	NA	NA

6. **Detail of beneficiaries of CSR Projects**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Women Empowerment & Livelihood	33,647	100%
2	Education	5,787	100%
3	Health	81,814	100%
4	Animal Welfare	2,237	-

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.

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 (Current Financial Year)		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
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	0	0		0	0	

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, https://www.capriloans.in/corporate-governance/

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 nature of our business.

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 are available at our branches. Further, our Corporate website also has information about our products and services www.capriloans.in

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Awareness SMS about our Toll Free Number & Care email id is periodically sent to all existing customers, so that customers can reach out to us for any clarification

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.capriloans.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 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.

5. **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

ANNEXURE - VI

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

Dear Sirs and Madam,

I, Rajesh Sharma, Managing Director & Chief Financial Officer of the Company, do hereby certify that:

a) I have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2023 and that to the best of my 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 my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023 are fraudulent, illegal or violative of the Company's code of conduct.

c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I 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 I am aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

d) I 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. I am 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/-
Rajesh Sharma
Managing Director & Chief Financial Officer

Place: Mumbai
Date: May 22, .2023

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, Commitment, Passion, Seamlessness and Speed.

2. Board of Directors

As of March 31, 2023, the Board of Directors (the 'Board') has six members of which five were Independent Directors. The profiles of Directors can be found at https://capriloans.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 on more than seven listed companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 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. Seven board meetings were held during the year on April 23, 2022; May 21, 2022; July 28, 2022; August 9; 2022; November 4, 2022 ; January 28, 2023 and February 13, 2023. The gap between two meetings did not exceed one hundred and twenty days.

2.4. 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, 2023 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 Companies1				Number of committee positions held in other public companies[2]		No. of equity shares held in CGCL as on March 31, 2023
			Held during their tenure	Attended		Listed	Name of the Listed Company	Category of Directorship	Unlisted	Chairman	Member	
Mr. Rajesh Sharma[3]	00020037	Managing Director	7	6	Yes	0	NA	NA	1	NIL	NIL	1000
Mr. Beni Prasad Rauka	00295213	Non-Executive & Independent Director	7	7	Yes	0	NA	NA	3	1	NIL	NIL
Ms. Bhagyam Ramani	00107097	Non-Executive & Independent Director	7	7	Yes	3	Saurashtra Cement Limited Lloyds Metals and Energy Limited Gujarat Sidhee Cement Limited	Non-Executive & Independent Director	1	1	4	NIL
Mr. Mukesh Kacker	01569098	Non-Executive & Independent Director	7	7	No	0	NA	NA	0	0	0	NIL
Mr. Ajit Mohan Sharan	02458844	Non-Executive & Independent Director	7	7	Yes	1	Dabur India Limited	Non-Executive & Independent Director	2	0	1	NIL
Mr. Desh Raj Dogra	00226775	Non-Executive & Independent Director	7	7	Yes	5	GR Infraprojects Limited Axiscades Technologies Limited S Chand & Company Limited IFB Industries Limited Welspun Corp Limited	Non-Executive & Independent Director	1	3	1	NIL

[1]. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act.

[2]. The 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.

[3]. Mr. Rajesh Sharma, Managing Director is also the Promoter of the Company

2.5. During the Financial Year 2022-23, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

2.6. During the Financial Year 2022-23, an Independent Directors meeting was held on October 8, 2022. 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.

2.7. 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. Rajesh Sharma	Mr. Beni Prasad Rauka	Ms. Bhagyam Ramani	Mr. Mukesh Kacker	Mr. Ajit Mohan Sharan	Mr. Desh Raj Dogra
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.

2.8. 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:// capriloans.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, 2023, 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. The Chairman of the Audit Committee is a Non- Executive Independent Director and was present at last year's Annual General Meeting held on September 26, 2022 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.

f. review with the management, the quarterly financial statement before submission to the Board for their approval;

g. recommend appointment, remuneration and terms of appointment of internal auditors, tax auditors, secretarial auditor and any matters of resignation or dismissal;

h. 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;

i. 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;

j. 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;

k. 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;

l. discuss significant findings with internal auditors and initiate follow up action thereon;

m. 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;

n. review performance of statutory and internal auditors and adequacy of internal control systems;

o. approve transaction with related parties and subsequent modification to terms of contract/ transaction;

p. scrutinize inter-corporate loans and investments;

q. valuation of any of the undertakings or assets as and when necessary;

r. evaluate adequacy of internal financial control and risk management system;

s. 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;

t. 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;

u. review functioning of the Whistle Blower Policy;review the mechanism to track insider trading

v. 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.

w. 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

x. 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;

y. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding H 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

z. 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.

aa. 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.

ab. 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.

ac. 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

five (5) times viz. on April 23, 2022; May 21, 2022; August 9; 2022; November 4, 2022 and January 28, 2023 . 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	Chairman	5	5
Ms. Bhagyam Ramani	Member	5	5
Mr. Mukesh Kacker	Member	5	5

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, 2023, the Nomination and Remuneration Committee comprised of Four (4) Members, all of whom are Non-Executive Independent Directors. The Chairperson of the Nomination and Remuneration Committee is a Non- Executive Independent Director.

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 April 23, 2022; May 21, 2022 and December 26, 2022

. 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
Mr. Beni Prasad Rauka	Member	3	3
Mr. Ajit M Sharan	Member	3	3
Mr. Desh Raj Dogra	Member	3	3

The Company Secretary acts as the Secretary tothe 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. During the year under review the Policy was amendedto widen the objectives of the policy in accordance with RBI Circular dated April 29, 2022, to incorporate Clawback clause for employees and to amend definition of KMP/ Malus and Retention period in accordance with amendment to the listing regulations.

Director Remuneration:

Sl. No.	Name of the Director	Sitting Fees for attending Board & Committee Meetings	Salary and Perquisites	Incentive/ Bonus	Total
1.	Mr. Rajesh Sharma	Nil	24,00,000	Nil	24,00,000
2.	Mr. Beni Prasad Rauka	20,50,000	N.A	N.A	20,50,000
3.	Ms. Bhagyam Ramani	29,50,000	N.A	N.A	29,50,000
4.	Mr. Mukesh Kacker	13,00,000	N.A	N.A	13,00,000
5.	Mr. Ajit Mohan Sharan	9,50,000	N.A	N.A	9,50,000
6.	Mr. Desh Raj Dogra	11,50,000	N.A	N.A	11,50,000

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 appointed as the Managing Director of Capri Global Capital Limited for a period of five years effective from July 4, 2018, to July 3, 2023, on a 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.

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.

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 Directors were 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 three (3) Members, majority of whom are Non-Executive Independent Directors. The Chairman of the Stakeholders Relationship Committee is a Non-Executive Independent Director and he was present at last year's Annual General Meeting to address the queries of the shareholders.

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 four (4) times viz. on May 21, 2022, August 09, 2022, November 04, 2022 and January 28, 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	Chairman	4	4
Ms. Bhagyam Ramani	Member	4	4
Mr. Rajesh Sharma	Member	3	3

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, 2023.

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@caprigloba l.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, 2023, the CSR Committee comprised of Three (3) Members, majority of whom are Non-Executive Independent Directors. The Chairman of the CSR Committee is a Non-Executive Independent Director.

Terms of Reference

The Broad terms of reference of the Corporate Social Responsibility (CSR) Committee, interalia, 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 21, 2022, and November 04, 2022. 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	Chairperson	2	2
Mr. Beni Prasad Rauka	Member	2	2
Mr. Rajesh Sharma	Member	2	2

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, 2023, the Risk Management Committee comprised of Four (4) Members, majority of whom are Non-Executive Independent Directors. The Chairman of the Risk Management Committee is a Managing Director of the Company and he was present at last year's Annual General Meeting to address the queries of the shareholders.

Terms of Reference:

The Broad terms of reference of the Risk Management Committee, interalia, 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 four (4) times viz. on May 13, 2022, July 30, 2022, October 28, 2022 and January 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	4	4
Mr. Beni Prasad Rauka	Member	4	4
Ms. Bhagyam Ramani	Member	4	4
Mr. D.R. Dogra	Member	4	4

The Company Secretary of the Company acts as the Secretary to the Committee.

4. 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
2019-20	July 31, 2020 04.00 P.M	Through Video Conferencing/Other Audio Visual means ('VC/OAVM') Facility At 502 A, Peninsula Business Park, Lower Parel, Mumbai- 400013	• Raising of Funds through issuance of Securities including Debentures and other securities to the extent of ₹ 1,250 Crore • Conversion of Loan into Equity
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	• 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	• Re-Appoint Mr. Rajesh Sharma as Managing Director of the Company • Raising of Funds through issuance of Securities

No postal ballot was conducted during the Financial year 2022-23. None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

5. 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.capriloans.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	Friday
Date	September 1, 2023
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, 2022 to March 31, 2023
Cut off date	Friday, August 25, 2023
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
	2. National Stock Exchange of India Limited Exchange Plaza, 5th 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	INE180C01026(Equity Shares) Non-convertible Debentures INE180C07072 INE180C07098 INE180C07114
Corporate Identification Number (CIN)	L65921MH1994PLC173469

The Annual Listing Fees for the financial year 2023-24 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 5, 2023

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

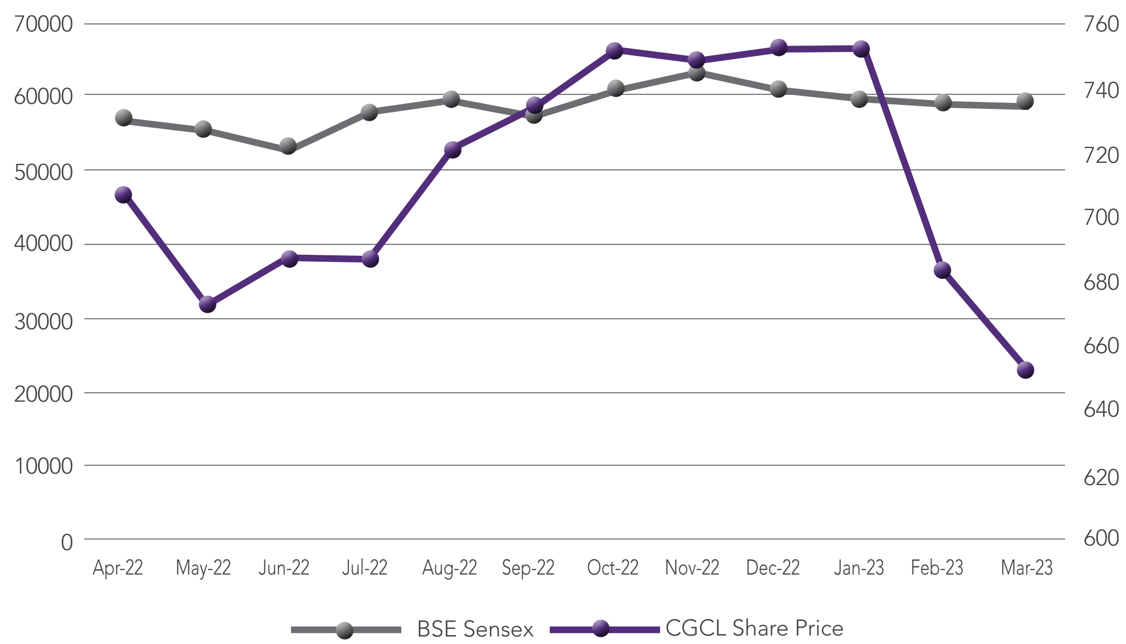
C. Market price data

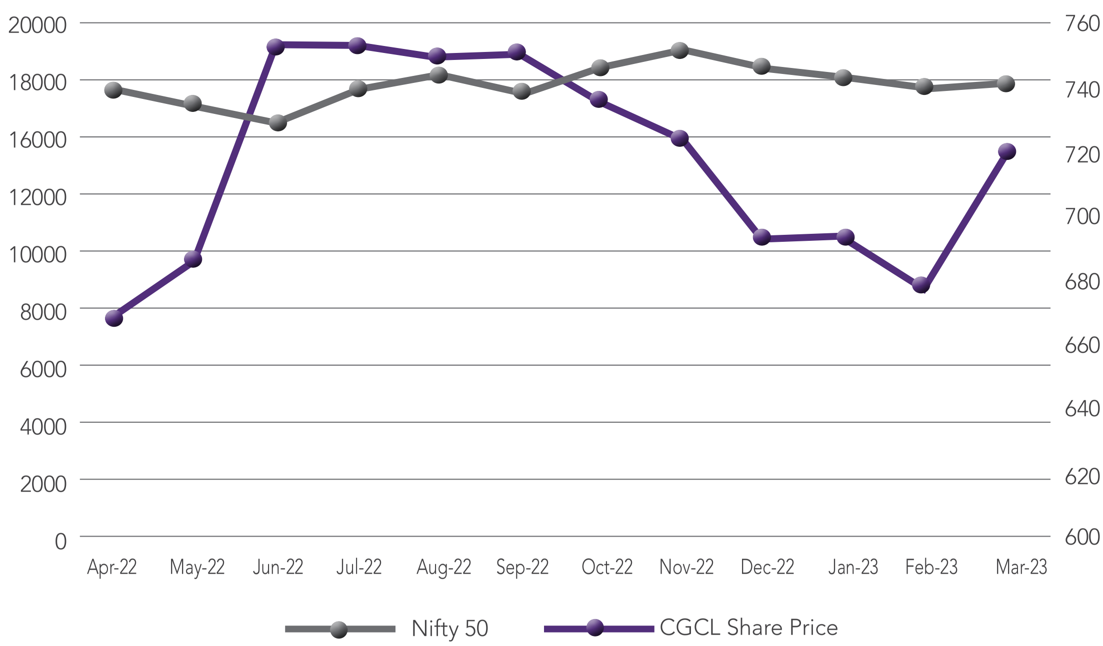
The Equity Shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The monthly high and low share prices on both the exchanges for a period starting from April 2022 to March 2023 are as below:

Month	BSE		NSE	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2022	805.5	612	805	612.10
May 2022	773.15	541.75	774	539.65
June 2022	718.45	653.2	720	652
July 2022	748	671.95	748.15	671
August 2022	750	663	745	661
September 2022	750	689.75	750.90	687.35
October 2022	772.95	717.45	773.60	717.70
November 2022	765.15	727.15	768.80	727.10
December 2022	808.55	735.25	807.95	735.80
January 2023	801.4	739.1	801	739
February 2023	829.6	671.1	790	671.35
March 2023	707.7	565.85	720	566

Sources: www.bseindia.com , www.nseindia.com

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, transmisons, 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	7009	93.5406	3,50,976	0.1704
501-1000	183	2.4423	1,40,242	0.068
1001-2000	116	1.5481	1,65,842	0.0804
2001-3000	44	0.5872	1,11,172	0.0539
3001-4000	22	0.2936	77,271	0.0375
4001-5000	16	0.2135	72,401	0.0351
5001-10000	30	0.4005	2,19,594	0.1065
10001 and above	73	0.9742	20,50,15,346	99.4482
Total	**7,493**	**100**	**20,61,52,844**	**100**

G. CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2023

Category	No. of Equity Shares	Percentage of the total paid–up equity share capital (%)
Shareholding of Promoters and Promoters' Group:		
Promoters	1,878	0.00
Promoters' Group and Persons acting in concert including relatives	14,41,25,949	69.91
Total (A)	**14,41,27,827**	**69.91**
Public Shareholding		
Individuals	19,29,158	0.93
Bodies Corporate	3,12,76,322	15.17
Mutual Funds	32,17,845	1.56
Clearing Members	4,202	0.00
NBFC	13,050	0.01
HUF	1,71,846	0.08
IEPF	38,455	0.02
Non-resident Indians	33,271	0.02
Foreign Portfolio Investors	4,25,690	0.21
Insurance Companies	2,47,00,013	11.98
Others	2,15,165	0.11
Total (B)	**6,20,25,017**	**30.09**
Total (A+B)	**20,61,52,844**	**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, 2023. The International Securities Identification Number (ISIN) allotted to the Company's equity shares under the Depository System is INE180C01026.

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, Credit Analysis and Research Ltd. ("CARE") has revised ratings with respect to the credit facilities availed by the Company as follows:

Nature of Borrowing	Amount (₹ in Mn)	Rating
Long Term Bank Facilities	37,500	CARE A+; Stable (Single A Plus; Outlook: Stable)
Non-Convertible Debentures	4,000	CARE A+; Stable (Single A Plus; Outlook: Stable)

Furthermore, Brickwork Rating India Private Limited revised rating with respect to the bank facilities availed by the Company as follows:

Sl. No.	Instrument/Facility	Amount (₹ in Mn.)	Rating
1	Cash Credit	1,200	BWR AA- / Stable
2	Term Loans	45,000	
3	Non-Convertible Debentures	500	

Infomerics Valuation and Rating Private Limited has re-affirmed ratings with respect to the credit facilities availed by the Company as follows:

Sl. No.	Instrument/Facility	Amount (₹ in Mn.)	Rating
1	Cash Credit	1050	IVR AA / Stable Outlook (IVR Double A with Stable Outlook)
2	Term Loans	79,900	IVR AA / Stable Outlook (IVR Double A with Stable Outlook)
3	Non-Convertible Debentures	3,000	IVR AA / Stable Outlook (IVR Double A with Stable Outlook)
4	Commercial Papers	3500	IVR A1+ (IVR A One Plus)

K. BRANCHES

Company has 736 branches located across 15 States and UTs in North and West India.

6. 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://capriloans.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, 2023. 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:// capriloans.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, 2023.

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://capriloans.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://capriloans.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 2022-23 is stated in Notes to financial statements, which forms part of this Annual Report.

J. There was no instance during financial year 2022-23 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-paras (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 Bord 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	15000
6	that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Yes

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 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. 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.

2. The Board and separate posts of chairperson and chief executive officer

The Company does not have designated Chairperson appointed by the Board of Directors. The Chairman for the respective Board Meeting is appointed amongst the directors present at the meeting. Further, there is no Chairman Office being maintained by the Independent Director, appointed as a Chairman for respective Board Meeting. However, they are allowed for reimbursement of expenses spent in discharge of his/her duties. The Company has not appointed any Chief Executive Officer.

3. 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.

Pursuant to Reserve Bank of India Circular RBI / 2020-21 / 88 Ref.No.DoS.CO.PPG./ SEC.05 / 11.01.005 / 2020-21 dated February 3, 2021, the Company appointed Head Internal Auditor with effect from March 22, 2023.

4. 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://capriloans.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.

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, weather 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:

1) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order in force;

2) 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;

3) 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

4) 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 of 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 risksand 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

xii. The terms of appointment of KMPs and Senior Management of the Company shall be suitably amended to contain suitable clause on malus/ clawback.

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 DIRCETORS

[Pursuant to Schedule V Part C(10)(i) 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, 2023. 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)(i) 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, 2023 (list below), 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. Rajesh Sharma	00020037	Managing Director	15/05/2007
2	Mr. Beni Prasad Rauka	00295213	Non-Executive Independent Director	12/01/2011
3	Mr. Mukesh Kacker	01569098	Non-Executive Independent Director	11/02/2012
4	Mrs. Bhagyam Ramani	00107097	Non-Executive Independent Director	28/07/2012
5	Mr. Ajit Mohan Sharan	02458844	Non-Executive Independent Director	01/06/2019
6	Mr. Desh Raj Dogra	00226775	Non-Executive Independent Director	01/02/2021

For Sandeep P Parekh & Co.,
Company Secretaries

Sd/-
FCS No: 7118, CP No: 7693
Sandeep P. Parekh

Date: 22.05.2023
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, 2023.

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, 2023.

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: 22.05.2023
UDIN: F007118E000366367

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, 2023, 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 22, 2023
Place: Mumbai

Financial Statements

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 2023, 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 significant 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 2023, and its profit (including 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
Impairment of loans and advances to customers (Refer Note 2.6 for significant accounting policies and Note 39.2 for credit risk disclosures)	
As at 31 March 2023, the Company has reported gross loan assets of ₹ 70,711.03 millions against which an impairment loss of ₹ 1,418.81 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'. The estimation of ECL on financial instruments involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have a material impact on reported profits. Significant management judgement and assumptions involved in measuring ECL is required with respect to: • ensuring completeness and accuracy of the data used to create assumption in the model. • determining the criteria for a significant increase in credit risk. • factoring in future economic assumptions	Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following: • Obtained an understanding of the modelling techniques adopted by the 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;

Independent Auditor's Report (Contd.)

Key Audit Matter	How our audit addressed the key audit matter
• techniques used to determine probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data. During the previous years, RBI announced various relief measures for the borrowers which were implemented by the Company such as "COVID 19 Regulatory Package- Asset Classification and Provisioning" announced by the RBI on 17 April 2020 and RBI circular on "Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package" dated 07 April 2021 (collectively referred to as 'the RBI circulars'), and "Resolution Framework for COVID-19 related Stress" (the 'Resolution Framework') dated on 6 August 2020 and 4 June 2021, which have been collectively considered by the management in identification, classification and provisioning of loan assets for impairment. On the basis of an estimate made by the management, an overlay to the tune of ₹ 20.27 millions has been carried by the Company as at 31 March 2023 on loans basis their performance and outstanding position. The basis of estimates and assumptions involved in arriving at the overlay are monitored by the Company periodically and significantly depend on future developments in the economy. **Disclosure** 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 significant auditor attention. Accordingly, we have identified this as a key audit matter.	• 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 calculations of ECL, in relation to the completeness and accuracy of data; • Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable; and • Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 39 "Financial risk management" disclosed in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework.

Information other than the 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 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 Director's 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 financial statements of the Company to express an opinion on the financial statements.

Independent Auditor's Report (Contd.)

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;

    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 2023 from being appointed as a director in terms of section 164(2) of the Act;

    f) with respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2023 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 47 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;

        ii. The Company, as detailed in note 56.11.1 to the standalone financial statements, has made provision as at 31 March 2023, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

        iii. There 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, 2023;

        iv. a The management has represented that, to the best of its knowledge and belief, as disclosed in note 54 (xvi) 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 54 (xvi) 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. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **M M Nissim & Co LLP**
Chartered Accountants
Firm's Registration No: 107122W/W100672

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049
UDIN: 23114049BGXMMF3807
Mumbai
22 May 2023

Independent Auditor's Report (Contd.)

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 2023

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. As per information and explanation given to us and as verified by us, the property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

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 Rs 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 2023 for overdue loans

Particulars – Days past due	Total amount outstanding (in millions)	No. of Cases
1-30 days	2,434.96	13,869
31-60 days	3,551.08	12,643
61-90 days	185.91	1,836
More than 90 days	1,379.51	1,308
Total	**7,551.46**	**29,656**

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 operations of the Company aggregates to Rs 1,379.51 millions as at 31 March 2023 in respect of 1,308 number of loans. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.

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 an 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 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 147	105.32	18.74	Assessment Year 2016-17	CIT (Appeals)
Income Tax Act, 1961	Assessment u/s 143 (3)	3.26	2.90	Assessment Year 2017-18	CIT (Appeals)
Income Tax Act, 1961	Assessment u/s 147	3.01	Nil	Assessment Year 2017-18	CIT (Appeals)
Income Tax Act, 1961	Assessment u/s 143 (3)	4.47	Nil	Assessment Year 2018-19	CIT (Appeals)
Income Tax Act, 1961	Assessment u/s 143 (3)	6.10	6.09	Assessment Year 2020-21	CIT (Appeals)
Income Tax Act, 1961	Assessment u/s 143 (3)	13.35	13.35	Assessment Year 2021-22	CIT (Appeals)

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.

Independent Auditor's Report (Contd.)

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 subsidiary.

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 an instance of fraud on the Company by its customers amounting to Rs 11.18 million as included in Note 49 to the accompanying standalone financial statements. The Company has initiated necessary action against the customers connected to such instance.

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. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

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 2022. We were unable to obtain the Internal auditors report for the quarter ended 31 March 2023 on 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. The 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

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049
UDIN: 23114049BGXMMF3807
Mumbai
22 May 2023

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 2023

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 2023, 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 2023, 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

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049
UDIN: 23114049BGXMMF3807
Mumbai
22 May 2023

STANDALONE BALANCE SHEET

as at March 31, 2023

(₹ in millions)

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS				
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3	14,447.89	910.86
(b)	Bank Balances other than cash and cash equivalents	4	134.25	16.12
(c)	Bank Balances other than cash and cash equivalents	4	-	-
(d)	Receivables	5	321.43	81.64
(e)	Loans	6	69,292.22	45,770.88
(f)	Investments	7	3,599.45	6,441.71
(g)	Other financial assets	8	705.32	217.01
Total Financial Assets			**88,500.56**	**53,438.22**
(2)	**Non-Financial assets**			
(a)	Current Tax Assets (Net)	9	189.75	90.94
(b)	Deferred tax assets (Net)	10	365.10	293.17
(c)	Property, plant and equipment	11	2,657.68	253.42
(d)	Capital work-in-progress	11	25.22	-
(e)	Intangible Assets Under Development	11	73.71	12.39
(f)	Other intangible assets	11	53.86	20.33
(g)	Other non-financial assets	12	1,058.33	331.59
Total Non-Financial Assets			**4,423.65**	**1,001.84**
Total Assets			**92,924.21**	**54,440.06**
EQUITY AND LIABILITIES				
LIABILITIES				
(1)	**Financial Liabilities**			
(a)	Derivative financial instruments	15A	58.05	8.63
(b)	Payables	13		
	(A) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		6.16	0.99
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		839.31	271.21
	(B) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		105.92	62.04
(c)	Debt Securities	14	4,386.14	4,560.88
(d)	Borrowings (Other than Debt Securities)	15B	49,497.74	29,182.81
(e)	Other Financial Liabilities	16	4,031.26	2,222.26
Total Financial Liabilities			**58,924.58**	**36,308.82**
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (Net)	17	5.80	24.85
(b)	Provisions	18	176.86	135.53
(c)	Other non-financial liabilities	19	111.85	76.33
Total Non-Financial Liabilities			**294.51**	**236.71**
Total Liabilities			**59,219.09**	**36,545.53**
(3)	**EQUITY**			
(a)	Equity Share Capital	20	412.31	351.31
(b)	Other equity	21	33,292.81	17,543.22
Total Equity			**33,705.12**	**17,894.53**
Total Equity and Liabilities			**92,924.21**	**54,440.06**

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/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2023

(₹ in millions)

	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
Revenue from Operations				
(i)	Interest Income	22	8,892.41	6,471.07
(ii)	Dividend Income		-	1.23
(iii)	Fees and commission Income	23	1,494.87	489.35
(iv)	Net Gain on Derecognition of Financial Instruments	24	512.48	170.01
(v)	Net gain on fair value changes	25	103.98	194.12
(vi)	Sale of Service		145.11	137.06
(vii)	Other operating income	26	290.87	172.23
(I)	**Total Revenue from Operations**		**11,439.71**	**7,635.07**
(II)	Other Income	27	50.22	20.44
(III)	**Total Income (I+II)**		**11,489.93**	**7,655.51**
Expenses				
(i)	Finance costs	28	3,831.38	2,354.85
(ii)	Fees and commission Expense		257.76	190.79
(iii)	Impairment on financial instruments	29	477.33	797.23
(iv)	Employee benefit expenses	30	3,550.25	1,514.48
(v)	Depreciation and amortisation expense	11	389.67	73.14
(vi)	Other expenses	31	1,084.70	555.77
(IV)	**Total expenses**		**9,591.09**	**5,486.26**
(V)	**Profit before Tax (III-IV)**		**1,898.85**	**2,169.25**
	Tax expense			
	- Current tax	34	475.87	624.71
	- Deferred tax	35	4.40	(80.10)
	- Tax Pertaining to earlier years		3.21	5.80
(VI)	**Total tax expense**		**483.48**	**550.41**
(VII)	**Net Profit After Tax**		**1,415.37**	**1,618.84**
(VIII)	**Other comprehensive income**	32		
	(A) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		(6.49)	0.01
	Income Tax impact on above		1.63	(0.00)
	Total (A)		**(4.86)**	**0.01**
	(B) Items that will be reclassified to profit or loss			
	Fair Value Gain on time value of forward element of forward contract in hedging relationship		(19.80)	(4.30)
	Income Tax impact on above		4.98	1.08
	Total (B)		**(14.82)**	**(3.22)**
	Other Comprehensive Income (A) + (B)		(19.68)	(3.21)
(IX)	**Total comprehensive income (VII+VIII)**		**1,395.69**	**1,615.63**
(X)	**Earnings per equity share (of ₹ 2 Each)**			
	Basic (₹)		7.65	8.82
	Diluted (₹)		7.56	8.72

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/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

STANDALONE CASH FLOW STATEMENT

For the year ended March 31, 2023

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash Flow From Operating activities		
Profit before tax from continuing operations	1,898.85	2,169.25
Adjustments for:		
Depreciation & amortisation	389.67	73.14
Impairment on financial instruments	477.32	797.23
Net Gain on Fair Valuation of Financial Instruments	(103.98)	(194.12)
Net Gain on Derecognition of Financial Instruments	(512.48)	(170.01)
Loss/(Gain) on sale of Fixed Assets	0.81	0.39
Write off - Fixed Assets	0.56	-
Gain on early termination of Lease	(6.26)	(1.75)
Gain on sale of Investment Property	-	(0.14)
Gain on sale of Investments	-	(0.28)
Share Based Payments to employees	141.75	50.10
Dividend income	-	(1.23)
Interest on Lease liability	134.36	19.88
Interest income	(8,892.41)	(6,471.07)
Finance cost	3,697.02	2,354.85
Interest received	8,833.83	6,412.66
Interest Paid	(3,872.61)	(2,467.30)
Dividend received	-	1.23
Operating Profit before working capital changes	**2,186.44**	**2,572.82**
Working capital changes		
(Increase)/Decrease in		
Loans	(23,933.02)	(10,775.12)
Trade receivables & Other Financial Assets	(220.42)	(59.69)
Other Non-financial Assets	(726.73)	(151.75)
Increase/(Decrease) in		
Trade payables	600.76	232.31
Other financial liability	234.83	233.34
Other Non-financial liability	35.89	55.06
Provision	47.95	(16.35)
Cash used in Operations	**(21,774.30)**	**(7,909.38)**
Income tax paid	(666.65)	(730.27)
Net cash flows from/(used in) operating activities	**(22,440.95)**	**(8,639.65)**
Cash Flow From Investing activities		
Increase/(decrease) in Fixed deposits not considered as cash and cash equivalent	(117.32)	84.12
Purchase of fixed and intangible assets	(1,117.95)	(74.04)
Intangible Assets Under Development	(61.32)	(11.70)
Capital work-in-progress	(25.22)	-
Proceeds from sale of property plant and equipment	3.55	3.91
Sale/(Purchase) of investment in Mutual Funds (net)	2,095.87	(518.26)
Proceeds from Sale of investment	969.30	3,050.60
Purchase of investment	(116.83)	(1,757.04)
Dividend received	-	-
Net cash flows from/(used in) investing activities	**1,630.08**	**777.59**

STANDALONE CASH FLOW STATEMENT

For the year ended March 31, 2023

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash Flow From Financing activities		
Debt securities Redeemed (Net)	(176.79)	(2,166.67)
Proceed from Borrowings other than debt securities	28,212.82	13,200.00
Repayment of Borrowings other than debt securities Repaid	(7,693.48)	(4,361.15)
Other short term loan (net)	-	654.26
Payments for the principal portion of the lease liability	(128.53)	(23.27)
Payments for the interest portion of the lease liability	(134.36)	(19.88)
Dividends paid	(79.83)	(70.14)
Proceed from issue of equity Shares	14,347.87	21.60
Net cash flows from financing activities	**34,347.70**	**7,234.76**
Net increase in cash and cash equivalents	13,536.83	(627.29)
Cash and cash equivalents as at beginning of the year	**911.07**	**1,538.15**
Cash and cash equivalents as at end of the year	**14,447.89**	**910.86**
Components of cash and cash equivalents		
Cash on hand	160.33	11.40
Balances with banks		
In current accounts	3,017.80	893.21
Cheques on hand	17.60	6.25
Fixed deposits with original maturity of 3 Months or less	11,252.16	-
Total cash and cash equivalents	**14,447.89**	**910.86**

1. Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
2. Figures in brackets represent outflows.

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For **M M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

(1) Current year

(₹ in millions)

Balance as at April 01, 2022	Changes in equity share capital due to prior period errors	Restated balance as at April 01, 2022	Changes in equity share capital during the current year	Balance as at March 31, 2023
351.31	-	351.31	61.00	412.31

(2) Previous year

(₹ in millions)

Balance as at April 01, 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 01, 2021	Changes in equity share capital during the current year	Balance as at March 31, 2022
350.57	-	350.57	0.74	351.31

B. OTHER EQUITY

(₹ in millions)

	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	Total
Balance as at April 1, 2021	642.05	4,491.79	8,292.52	78.77	2,407.96	8.99	-	15,922.08
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	**642.05**	**4,491.79**	**8,292.52**	**78.77**	**2,407.96**	**8.99**	**-**	**15,922.08**
Profit for the year	-	-	1,618.84	-	-	-	-	1,618.84
Other Comprehensive income / (losses)	-	-	-	-	-	0.01	(3.22)	(3.22)
Dividends	-	-	(70.14)	-	-	-	-	(70.14)
Transfer from retained earnings	-	-	(323.77)	-	-	-	-	(323.77)
Addition during the Year	-	49.34	-	26.31	323.77	-	-	399.42
Balance as at March 31, 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	-	-	-	-	-	-	-	-

STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2023

(₹ in millions)

	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	Total
Restated balance as at April 1, 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)	-	-	-	-	-	(4.86)	(14.82)	(19.68)
Dividends	-	-	(87.87)	-	-	-	-	(87.87)
Transfer from retained earnings	-	-	(283.07)	-	-	-	-	(283.07)
On account of ESOP exercised	-	25.34	-	87.88	283.07	-	-	456.79
Securities premium proceeds received on rights issue of equity shares	-	14,268.06	-	-	-	-	-	14,268.06
Balance as at March 31, 2023	**642.05**	**18,834.53**	**10,561.87**	**253.45**	**3,014.80**	**4.14**	**(18.04)**	**33,292.81**

In terms of our report attached

For **M M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

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), providing long term finance for construction of residential houses in India, Indirect Lending, Gold Loan in India and in providing ancillary services related to the said business activities. The 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 for the year ended March 31, 2023 were authorised for issue in accordance with a resolution of the board of directors on May 22, 2023.

2. Significant accounting policies

2.1 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 - 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 2.3 (i),(iii),(iv),(v)]. Accounting policies have been consistently applied to all periods presented unless otherwise stated.

Any application of guidance / clarification / directions issued by RBI or other regulations are implemented prospectively when they become applicable.

The 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 (₹) and all values are rounded to two decimal Millions, except when otherwise indicated.

2.2. Presentation of financial statement

The Company presents its balance sheet in the order of liquidity.

The Company prepares and present its Standalone 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 Company and/or its counterparties

2.3 Revenue from operations

(i) Interest Income

Interest income is recognised by applying EIR to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL, taking

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

into account the amount outstanding and the applicable interest rate. In case of credit-impaired financial assets (as set out in note no. 2.6 (viii) 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 expected 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 costs, and all other premiums or discounts.

   Loan processing fees on loans is collected towards processing of loan, this is amortised on EIR basis over the average life (after considering the pre payment adjustment) of the loan for MSME, contractual tenure for construction finance and Indirect loans and average life for Gold loan.

(ii) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

(iii) 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 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/delay payment of instalment on the contractual date & Foreclosure charges are 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

(iv) Sale of service

Sale of services includes advertising income, representing income earned from the activities incidental to the business and is recognised when the service is performed. Revenue is net of applicable indirect taxes as per the terms of the contract.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(v) 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 cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

However, Net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

(vi) Assignment transactions

In accordance with Ind AS 109, in case of assignment transactions with significant transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognized from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition to the extent of portion trasnsferred, the whole of the interest spread at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognized as profit on derecognition of financial asset.

(vii) Securitization transactions

In accordance with Ind AS 109, in case of securitization transactions, the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

2.4 Expenses

(i) Finance costs

Finance costs on borrowings is paid towards availing of loan, is amortised on EIR basis over the contractual life of loan.

The EIR in case of a financial liability is computed

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the liability.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, Rating Fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the eligible employees of the 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

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 for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The 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 IRDA approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

(iii) Leases Rent

The 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

At the date of commencement of the lease, the Company recognizes a ROU asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. ROU assets represent the 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.

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.

(iv) Other income and expenses

All Other income and expense are recognized in the period they occur.

(v) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Taxes

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income or directly in equity when they relate to items that are recognized in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date

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For the year ended March 31, 2023

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.

2.5 Foreign currency translation

(i) Functional and presentational currency

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the year- end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.6 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.

(i) 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.

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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.

(ii) Financial assets measured at amortised cost

Debt instruments

These financial assets comprises of bank balances, receivables, investments and other financial assets. Debt instruments are measured at amortised cost where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and

b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

(iii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and

b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in Profit and Loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument- by-instrument basis. As at reporting date, there are no equity instruments measured at FVTOCI.

Amounts presented in other comprehensive income are not subsequently transferred to profit or loss.

Dividends on such investments are recognised in Profit or Loss.

(iv) Items at fair value through profit or loss (FVTPL)

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at FVTPL are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments designated as measured at FVTPL

Upon initial recognition, financial instruments may be designated FVTPL. A financial asset may only be designated at FVTPL if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at FVTPL if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in the 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.

(v) Debt securities and other borrowed funds

After initial measurement, debt issued, and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the Effective Interest Rate (EIR).

(vi) Reclassification

If the business model under which the 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.

(vii) Recognition and Derecognition of financial assets and liabilities

Recognition:

a) Loans and Advances are initially recognised when the Financial Instruments are transferred to the customers.

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b) Investments are initially recognised on the settlement date.

c) Debt securities and borrowings are initially recognised when funds are received by the Company.

d) 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 way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The 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 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:

i. The Company has transferred substantially all the risks and rewards of the asset, or

ii. 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

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consideration paid is recognised in the Statement of Profit or Loss.

(viii) 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, in this section all referred to as 'financial instruments. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into Micro, Small and Medium Enterprises (MSMEs), Construction Finance Indirect Lending and Gold Loan.

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 and advances up to 0-30 days default under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31 to 90 days are classified under this stage. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. more than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

Credit-impaired financial assets:

At each reporting date, the 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) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;

d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

e) The disappearance of an active market for a security because of financial difficulties.

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The mechanics of ECL:

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - Probability of default ("PD") is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

Loss Given Default (LGD) - Loss Given Default ("LGD") is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

Forward looking information

While estimating the expected credit losses, the 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.

(ix) 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.

(x) 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

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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 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.

(xi) 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 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

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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 zwithin 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.

2.7 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.

2.8 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress.

Depreciation

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

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2.9 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.

2.10 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 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 a contingent liability but discloses its existence in the financial statements.

2.12 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.

2.13 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

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reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

(i) **Defined employee benefit assets and liabilities** - Refer 2.4(ii)

(ii) **Impairment of loans portfolio -** Refer 2.6(viii)

(iii) **Effective Interest Rate (EIR) method -** Refer 2.3(i) and 2.4(i)

(iv) **Lease accounting -** Refer 2.4(iii)

(v) **Impairment test of non-financial assets -** Refer 2.4(v)

(vi) **Useful life of property, plant, equipment and intangibles -** Refer 2.8 & 2.9

(vii) **Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions -** Refer 2.4(vi)

(viii) **Recognition and Measurement of Provision and Contingencies -** Refer 2.10 and 2.11

(ix) **Determination of the fair value of financial instruments -** Refer 2.6(x)

(x) **Business Model Assessment -** Refer 2.6(i)

2.14 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) on 31st March 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023.

Indian Accounting Standard (Ind AS) 1 – Presentation of financial statements – This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies.

The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward.

The Company does not expect this amendment to have any material impact in its financial statements.

Indian Accounting Standard (Ind AS) 8 – Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

The Company does not expect this amendment to have any material impact in its financial statements.

Indian Accounting Standard (Ind AS) 12 – Income taxes – This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

The Company does not expect this amendment to have any material impact in its financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 3. Cash and cash equivalents

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	160.33	11.40
Cheques on hand	17.60	6.25
Balances with banks:		
- In Current Accounts	3,017.80	893.21
- Fixed deposits with original maturity of 3 Months or less	11,252.16	-
Total	**14,447.89**	**910.86**

Note 4. Bank balances other than cash and cash equivalents

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks		
- Original Maturity more than 3 months	134.06	15.91
- Unclaimed Dividend Account	0.19	0.21
Total	**134.25**	**16.12**

Out of the above ₹ 134.06 millions (March 2022 - ₹ 15.91 millions) balance in deposit accounts with banks are being earmarked towards overdraft facilities, bank guarantee and against customer advance.

Deposits are made for varying period from 6 month to 2 years and earn interest from 4.9% to 7.7% p.a

Note 5. Receivables

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured considered good		
- Outstanding for a period exceeding six months from the due date of payment	-	-
- Outstanding for a period less than six months	332.83	81.64
Total – Gross (A)	**332.83**	**81.64**
Less: Provision for impairment	(11.40)	-
Total – Net (A)	**321.43**	**81.64**

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, 2023

Ageing schedule

(1) Current year

(₹ in millions)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	321.43	-	-	-	-	321.43
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-

Note: Ageing of receivable is determined from the date of transaction

(2) Previous year

(₹ in millions)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	81.64	-	-	-	-	81.64
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-

Note: Ageing of receivable is determined from the date of transaction.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 6. Loans and advances

(₹ in millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	At amortised cost	Total	At amortised cost	Total
Secured				
Term Loans	70,707.99	70,707.99	47,177.33	47,177.33
Unsecured				
Loan to employees	3.04	3.04	0.94	0.94
Total – Gross (A)	**70,711.03**	**70,711.03**	**47,178.27**	**47,178.27**
Less: Expected Credit Loss	(1,418.81)	(1,418.81)	(1,407.39)	(1,407.39)
Total – Net (A)	**69,292.22**	**69,292.22**	**45,770.88**	**45,770.88**
(i) Secured by Tangible Assets	67,297.03	67,297.03	44,055.00	44,055.00
(ii) Secured by Book Debts	3,410.96	3,410.96	3,122.33	3,122.33
(iii) Unsecured	3.04	3.04	0.94	0.94
Total – Gross (B)	**70,711.03**	**70,711.03**	**47,178.27**	**47,178.27**
Less: Expected Credit Loss	(1,418.81)	(1,418.81)	(1,407.39)	(1,407.39)
Total – Net (B)	**69,292.22**	**69,292.22**	**45,770.88**	**45,770.88**
Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others	70,711.03	70,711.03	47,178.27	47,178.27
Total - Gross (C)	**70,711.03**	**70,711.03**	**47,178.27**	**47,178.27**
Less: Expected Credit Loss	(1,418.81)	(1,418.81)	(1,407.39)	(1,407.39)
Total – Net (C)	**69,292.22**	**69,292.22**	**45,770.88**	**45,770.88**

Note 1 - 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.

Note 2 - Underlying for the term loans secured by tangible assets are properties and Gold Jewellery

Note 3 - The Company does not have any loans outside India.

Note 7. Investments

(₹ in millions)

Investments	As at March 31, 2023			
	At Fair Value Through profit or loss (1)	At Amortized Cost (2)	Others* (3)	Total (4)=(1)+(2)+(3)
Investments in Mutual funds	300.98	-	-	300.98
Investments in Debt Securities				
- Pass Through Certificates	-	48.47	-	48.47
Investments in Subsidiaries	-	-	3,250.00	3,250.00
Total	**300.98**	**48.47**	**3,250.00**	**3,599.45**
(i) Investments outside India	-	-	-	-
(ii) Investments in India	300.98	48.47	3,250.00	3,599.45
Total	**300.98**	**48.47**	**3,250.00**	**3,599.45**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(₹ in millions)

Investments	As at March 31, 2022			
	At Fair Value Through profit or loss	At Amortized Cost	Others*	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)
Investments in Mutual funds	2,304.43	-	-	2,304.43
Investments in Debt Securities				
- Debt Instrument	-	247.66	-	247.66
- Pass Through Certificates	-	591.51	-	591.51
Investments in Equity Instruments	48.11	-	-	48.11
Investments in Subsidiaries	-	-	3,250.00	3,250.00
Total	**2,352.54**	**839.17**	**3,250.00**	**6,441.71**
(i) Investments outside India	-	-	-	-
(ii) Investments in India	2,352.54	839.17	3,250.00	6,441.71
Total	**2,352.54**	**839.17**	**3,250.00**	**6,441.71**

* As per para 10 of Ind AS 27, the Company has opted to account the investments in subsidiary entity at cost.

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
	Numbers/Units	Numbers/Units
Investment in Subsidiaries		
1. Capri Global Housing Finance Limited Equity Shares of ₹ 10/- each fully paid up	71,203,790	71,203,790
Investment in Equity		
1. Equity Shares of CARE Ratings Limited of ₹10/- each fully paid up	-	94,242
Investment in Mutual Funds		
1. ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	9,290,561
2. DSP Liquidity Fund - Direct Plan - Growth	46,707	-
3. ICICI Pru. Floating Interest Fund -Direct Growth	452,359	-
4. Aditya Birla Sun Life Savings Fund - DG	-	676,390
5. ICICI Prudential Money Market Fund Regular Growth	-	198,269
6. ICICI Prudential Money Market Fund Direct Growth	-	1,629,144
7. Nippon India Money Market Fund Direct Growth	-	185,170
8. Aditya Birla Sun Life Money Manager Fund - Direct Growth	-	669,388
9. Aditya Birla Sun Life Liquid Fund - Direct Growth	-	583,100
10. Nippon Indian Liquid Fund Direct Growth	-	38,440
Investment in Bonds		
6.Edelweiss Financial Services Ltd - 11 NCD 05OCT23 FVRS10LAC	-	250
Investment in Pass Through Certificates		
2. INDIAN RECEIVABLE TRUST 2019 SERIES 5 - SERIES A2 PTC 01MR19	143	1,168

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 8. Other Financial Assets

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	113.37	25.11
Interest Accrued but not due on Debt Instruments	-	2.03
Interest Accrued but not due on PTC	0.29	3.06
Receivable from Subsidiary Company	1.61	16.75
Spread receivable on assigned portfolio	589.77	168.45
Other Receivable	0.28	1.61
Total	**705.32**	**217.01**

Note 9. Current Tax Assets (Net)

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Tax	189.75	90.94
[Net of provision for tax March 2023 ₹ 3,618.32 Millions (31 March 2022 ₹ 2,940.50 Millions)]		
Total	**189.75**	**90.94**

Note 10. Deferred Tax Assets

The major components of deferred tax assets and liabilities are :

(₹ in millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Assets	Liabilities	Assets	Liabilities
a) Depreciation	34.63	-	20.27	-
b) Amortised finance cost	-	0.29	-	0.65
c) Provisions for Loans	371.20	-	297.69	-
d) Provision for Employee Benefits	23.54	-	12.28	-
e) Others (net)	28.46	-	5.01	-
f) Amortised Fees Income	1.01	-	2.79	-
g) Unrealised gain on Financial Instruments at FVTPL	-	0.15	-	1.82
h) ECL on Interest on NPA	55.13	-	-	-
i) Gain on derecognition of financial instruments	-	148.43	-	42.40
Total	**513.97**	**148.87**	**338.04**	**44.87**
Net Deferred Tax Asset		**365.10**		**293.17**

Refer Note 35 for Deferred tax Movement

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 11. Property, plant and equipment & Intangible Assets

Current Year:

Property, plant and equipment :

(₹ in millions)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2022	Additions	Deductions	As at March 31, 2023	As at April 01,2022	For the Year	Deductions	As at March 31, 2023	As at March 31, 2023	As at March 31,2022
Buildings										
Buildings	2.70	-	-	2.70	0.60	0.10	-	0.70	2.00	2.10
Leasehold Premises	22.85	164.29	0.43	186.71	17.65	19.59	0.35	36.89	149.82	5.20
Computer Hardware	92.41	159.55	7.19	244.77	56.80	68.96	6.75	119.01	125.76	35.61
Furniture and Fixtures	42.96	366.59	0.27	409.28	31.96	39.69	0.18	71.47	337.81	11.00
Office Equipments	23.43	214.01	2.19	235.25	19.55	39.22	2.06	56.71	178.54	3.88
Vehicles	56.65	11.36	9.57	58.44	39.40	6.60	6.80	39.20	19.24	17.25
Electrical Installation	9.64	140.60	0.22	150.02	7.54	14.67	0.19	22.02	128.00	2.10
Right of Use	284.35	1,744.07	46.20	1,982.22	108.07	172.84	15.19	265.72	1,716.50	176.28
Total	**534.99**	**2,800.47**	**66.07**	**3,269.39**	**281.57**	**361.67**	**31.52**	**611.72**	**2,657.68**	**253.42**

Note: The Company confirms that the title deeds of immpovable property are held in the name of the Capri Global Capital Limited.

Capital work-in-progress:

(₹ in millions)

Particulars	GROSS BLOCK			
	As at April 01,2022	Additions	Deductions	As at March 31, 2023
Computer Hardware	-	71.17	65.84	5.33
Furniture & Fixtures	-	207.26	192.20	15.06
Office Equipments	-	175.24	170.40	4.84
Electrical Installation	-	51.77	51.77	-
Total	**-**	**505.44**	**480.22**	**25.22**

Intagible Assets under development:

(₹ in millions)

Particulars	GROSS BLOCK			
	As at April 01,2022	Additions	Deductions	As at March 31, 2023
Software	12.39	92.29	30.97	73.71
Total	**12.39**	**92.29**	**30.97**	**73.71**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Intangible assets :

(₹ in millions)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2022	Additions	Deductions	As at March 31, 2023	As at April 01,2022	For the Year	Deductions	As at March 31, 2023	As at March 31, 2023	As at March 31,2022
Software	89.63	61.53	-	151.16	69.30	28.00	-	97.30	53.86	20.33
Total	**89.63**	**61.53**	**-**	**151.16**	**69.30**	**28.00**	**-**	**97.30**	**53.86**	**20.33**

Previous Year

Property, plant and equipment :

(₹ in millions)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2021	Additions	Deductions	As at March 31, 2022	As at April 01,2021	For the Year	Deductions	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
Buildings :										
Buildings	2.70	-	-	2.70	0.49	0.11	-	0.60	2.10	2.21
Leasehold Premises	22.85	-	-	22.85	15.83	1.82	-	17.65	5.20	7.02
Computer Hardware	65.16	40.10	12.85	92.41	51.77	17.11	12.08	56.80	35.61	13.39
Furniture and Fixtures	42.22	1.45	0.71	42.96	29.02	3.51	0.57	31.96	11.00	13.20
Office Equipments	24.32	2.48	3.37	23.43	21.12	1.57	3.14	19.55	3.88	3.20
Vehicles	56.72	8.51	8.58	56.65	39.49	5.32	5.41	39.40	17.25	17.23
Electrical Installation	9.64	-	-	9.64	6.81	0.73	-	7.54	2.10	2.83
Right of Use	264.10	41.09	20.84	284.35	91.26	28.73	11.92	108.07	176.28	172.84
Total	**487.71**	**93.63**	**46.35**	**534.99**	**255.79**	**58.90**	**33.12**	**281.57**	**253.42**	**231.92**

Intagible Assets under development :

(₹ in millions)

Particulars	GROSS BLOCK			
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022
Software	0.69	12.71	1.01	12.39
Total	**0.69**	**12.71**	**1.01**	**12.39**

Intangible assets :

(₹ in millions)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2021	Additions	Deductions	As at March 31, 2022	As at April 01,2021	For the Year	Deductions	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
Software	68.13	21.50	-	89.63	55.06	14.24	-	69.30	20.33	13.07
Total	**68.13**	**21.50**	**-**	**89.63**	**55.06**	**14.24**	**-**	**69.30**	**20.33**	**13.07**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 12. Other Non-Financial Assets

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Advances	178.75	156.95
Less: Provision on Capital Advances	-	3.71
Net Capital Advances	**178.75**	**153.24**
Assets Held for sale	187.94	42.98
Less: Provision on Assets held for sale	42.98	42.98
Net Assets Held for Sale	**144.96**	**-**
Prepaid Expenses	68.39	26.25
Accrued Income	419.04	141.29
Advance to vendor	226.11	7.07
Other Assets	21.08	3.74
Total	**1,058.33**	**331.59**

Note 13. Payables

Trade Payables

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises*	6.16	0.99
Total outstanding dues of creditors other than micro enterprises and small enterprises	839.31	271.21
Total	**845.47**	**272.20**

* The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of Information available with the Company. The amount of principal and interest outstanding during the year is given below.

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
1) Principal amount due and remaining unpaid	6.16	0.99
2) Interest due on (1) above and the unpaid interest	-	-
3) Interest paid on all delayed payment under the MSMED Act	-	-
4) Payment made beyond the appointed day during the year	-	-
5) Interest due and payable for the period of delay other than (3) above	-	-
6) Interest accrued and remaining unpaid	-	-
7) Amount of further interest remaining due and payable in succeeding years	-	-

Note: Trade Payable includes amount due to Related Parties as on March 31, 2023 ₹ Nil (As at March 2022 ₹ Nil)

Ageing schedule

(1) Current year

(₹ in millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	6.14	0.00	0.02	-	6.16
(ii) Others	824.82	12.87	1.15	0.46	0.01	839.31
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-

Note: Ageing of payable is determined from the date of transaction

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(2) Previous year

(₹ in millions)

Particulars		Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	0.00	0.99	-	-	-	0.99
(ii)	Others	267.32	2.69	0.08	1.13	-	271.22
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iii)	Disputed dues - Others	-	-	-	-	-	-

Note: Ageing of payable is determined from the date of transaction

Other Payables

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Accrued Employee Benefit Expense	105.92	62.04
Total	**105.92**	**62.04**

Ageing schedule

(1) Current year

(₹ in millions)

Particulars		Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Others	-	104.49	1.43	-	-	105.92

Note: Ageing of payable is determined from the date of transaction

(2) Previous year

(₹ in millions)

Particulars		Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Others	-	61.99	0.05	-	-	62.04

Note: Ageing of payable is determined from the date of transaction

Note 14. Debt Securities

(₹ in millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortised Cost	Total	At Amortised Cost	Total
Non Convertible Debentures	4,386.14	4,386.14	4,560.88	4,560.88
Total (A)	**4,386.14**	**4,386.14**	**4,560.88**	**4,560.88**
Debt securities in India	4,386.14	4,386.14	4,560.88	4,560.88
Debt securities outside India	-	-	-	-
Total (B)	**4,386.14**	**4,386.14**	**4,560.88**	**4,560.88**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Terms of repayment, nature of security & rate of interest in case of Non Convertible Debentures.

(₹ in millions)

Name of Security	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2023	As at March 31, 2022
Series 4 (FV ₹10 Lacs)	09-08-2029	Bullet payment on maturity	10.23%	1,500.00	1,500.00
Series 8 (FV ₹10 Lacs)	23-07-2023	Payable in 3 equal annual instalments	8.80%	166.67	333.33
Series 6 (FV ₹10 Lacs)	05-06-2023	Bullet payment on maturity	9.00%	500.00	500.00
Series 5 (FV ₹10 Lacs)	22-05-2023	Bullet payment on maturity	8.80%	2,000.00	2,000.00
Total (A)				**4,166.67**	**4,333.33**
Add: Interest accrued but not due (B)				219.85	229.98
Less: Unammortised borrowing cost (C)				(0.38)	(2.43)
Total (A+B-C)				**4,386.14**	**4,560.88**

Disclosure under regulation 53(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Debenture Trustees:

Catalyst Trusteeship Limited
604, Windsor, Off CST Road,
Kalina, Santacruz East,
Mumbai - 400098.
Contact : + 91 (022) 49220555

Disclosure under regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Related party transaction - Refer Note 41

Disclosure under regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Asset Cover

The above NCD's are secured against first pari-passu charge by way of hypothecation on the immovable property, loan receivables/ book debts, bank balances and investments of the company with asset cover range of 1.25 to 1.33 times.

The company has not defaulted in the repayment of debt securities and interest thereon for the year ended March 31, 2023 and March 31, 2022 respectively.

Note 15A - Derivative financial instruments

(₹ in millions)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Notional Amounts *	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts *	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives:						
- Forwards	9,563.89	-	58.05	4,238.82	-	8.63
Total Derivative Financial Instruments	**9,563.89**	**-**	**58.05**	**4,238.82**	**-**	**8.63**
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	4,238.82	-	8.63
Total Derivative Financial Instruments	**9,563.89**	**-**	**58.05**	**4,238.82**	**-**	**8.63**

* Notional amount of the respective currency has been converted as at March 31,2023 exchange rate.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 15B. Borrowings (Other Than Debt Securities) - At Amortised Cost

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loans from Banks*	45,336.46	23,991.32
Term Loans from others**	3,517.78	4,489.94
Loan Repayable on Demand		
From Banks (Cash Credit)	643.50	701.55
From Banks (Overdraft)	-	-
Others		
Commercial Paper- Unsecured	-	-
Total (A)	**49,497.74**	**29,182.81**
Borrowings in India	49,497.74	29,182.81
Borrowings outside India	-	-
Total (B)	**49,497.74**	**29,182.81**

*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 and weighted average cost for FY 22-23 is 8.64% p.a. and for FY 21-22 is 8.44% p.a.

** 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 ₹ 2800 million.

Borrowings other than above: 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 of borrowings for FY 22-23 is 8.32% p.a. and for FY 21-22 is 8.27% p.a.

Terms of repayment & rate of interest in case of Borrowings (Other than Debt Securities)

(₹ in millions)

Nature of Facility	Maturity Range	Interest Range	As at March 31, 2023	As at March 31, 2022
Term Loans	0-3 yrs	8.05% - 9.90%	17,640.55	5,416.05
Term Loans	3-5 yrs	8.25% - 10.20%	17,743.79	13,184.78
Term Loans	5-7 yrs	8.25% - 9.40%	13,756.79	9,999.43
Cash Credit	NA	8.20% - 11.20%	643.50	701.55
Total (A)			**49,784.63**	**29,301.81**
Add: Interest accrued but not due (B)			19.93	8.19
Less : Unamortised borrowing cost (C)			(306.82)	(127.19)
Total (A+B-C)			**49,497.74**	**29,182.81**

The company has not defaulted in the repayment of borrowings (other than debt) and interest thereon for the year ended March 31, 2023 and March 31, 2022 respectively.

The quarterly returns/statements of current assets filed by the company with the banks or financial institutions are in agreement with the books of accounts.

Note 16. Other Financial Liabilities

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Book Overdraft	2,155.88	1,893.70
Unclaimed dividend	0.19	0.21
Margin money received from Customers	87.53	95.39
Advance from Customers	8.55	1.55
Lease Liability	1,770.38	196.21
Other Financial Liabilities	8.73	35.20
Total	**4,031.26**	**2,222.26**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 17. Current tax liabilities (Net)

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Tax [net of advance tax of March 31,2023 ₹ 5.80 Millions (March 31,2022 ₹ 563.79 Millions)]	5.80	24.85
Total	**5.80**	**24.85**

Note 18. Provisions

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision on non-fund exposure	63.28	76.39
Provision for Employee Benefits		
- Gratuity	20.04	10.36
- Compensated Absences	93.54	48.78
Total	**176.86**	**135.53**

Note 19. Other non-financial liabilities

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues	100.58	76.33
Other non financial liability	11.27	-
Total	**111.85**	**76.33**

Note 20. Equity Share Capital

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
36,00,00,000 Equity Shares of ₹ 2 each	720.00	720.00
(Previous Year 36,00,00,000 Equity Shares of ₹ 2 each)		
	720.00	**720.00**
Issued, subscribed and fully paid up		
20,61,52,844 Equity Shares of ₹ 2 each	412.31	351.31
(Previous Year 17,56,54,055 Equity Shares of ₹ 2 each)		
	412.31	**351.31**

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount (₹ in millions)	Number	Amount (₹ in millions)
Equity shares outstanding as at the beginning of the year	17,56,54,055	351.31	17,52,85,355	350.57
Issued during the year*	3,04,98,789	61.00	3,68,700	0.74
Equity shares outstanding as at the end of the year	**20,61,52,844**	**412.31**	**17,56,54,055**	**351.31**

*During the year, the Company has allotted 1,83,000 equity shares of ₹ 2/- each for consideration of ₹ 12.49 millions as ESOPs. In previous year, the Company had allotted 3,68,700 equity shares of ₹ 2/- each for consideration of ₹ 21.60 millions as ESOPs.

*During the year, the Company has allotted 3,03,15,789 equity shares of face value of ₹ 2/- each ("Rights Equity Shares") at a premium of ₹ 473/- per share aggregating up to ₹ 14,400 millions

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Details of shareholders holding more than 5 percent shares in the Company are given below:

(₹ in millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	%	Number	%
Capri Global Holdings Pvt. Ltd.	9,82,25,914	47.65%	6,78,24,643	38.61%
Capri Global Advisory Services Pvt. Ltd.	-	-	1,75,17,060	9.97%
Life Insurance Corporation Of India	1,99,75,981	9.69%	1,18,00,000	6.72%
Rajesh Sharma	4,59,00,035	22.27%	4,59,00,035	26.13%

Details of Promoters holding shares in the Company are given below:

(₹ in millions)

Promoter Name	As at March 31, 2023		As at March 31, 2022		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Individuals / Hindu Undivided Family					
Ramesh Chandra Sharma	278	0.00%	-	0.00%	0.00%
Rajesh Sharma	1,000	0.00%	500	0.00%	100.00%
Jahnavi Sharma	200	0.00%	100	0.00%	100.00%
Jinisha Sharma	200	0.00%	100	0.00%	100.00%
Raghav Sharma	200	0.00%	100	0.00%	100.00%
Promoter Trust					
Rajesh Sharma	4,59,00,035	22.27%	4,59,00,035	26.13%	0.00%
Bodies Corporate					
Capri Global Holdings Private Limited	9,82,25,914	47.65%	6,78,24,643	38.61%	44.82%
Capri Global Advisory Services Private Limited	-	0.00%	1,75,17,060	9.97%	-100.00%
Total	**14,41,27,827**	**69.91%**	**13,12,42,538**	**74.72%**	**9.82%**

Terms/Rights attached to equity shares:

1. The Company has only one class of equity share having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.
2. 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.

Shares reservation :

In FY 2022-23 No. of 30,60,400 (FY 2021-22 No. of 30,40,800) shares of ₹ 2 each towards outstanding employee stock options granted (Refer Note 45)

Objective for managing capital:

The 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 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 21. Other equity

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934		
Opening Balance	2,731.73	2,407.96
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	283.07	323.77
Closing balance	**3,014.80**	**2,731.73**
Securities premium		
Opening Balance	4,541.13	4,491.79
Add: On account of ESOP Exercised	25.34	49.34
Add: Proceed from right issue	14,268.06	-
Closing balance	**18,834.53**	**4,541.13**
General Reserve		
Opening Balance	642.05	642.05
Closing balance	**642.05**	**642.05**
Other reserves & surplus - Employee stock option outstanding		
Opening Balance	105.08	78.77
Add/Less: Amount transferred from surplus balance in the Statement of Profit and Loss	148.37	26.31
Closing balance	**253.45**	**105.08**
Retained earnings (Surplus in profit & loss account)		
Opening Balance	9,523.23	8,301.51
Profit for the year / period	1,415.37	1,618.84
Other Comprehensive Income	(19.68)	(3.21)
Dividend Paid	(87.87)	(70.14)
Transfer to Reserve Fund under Section 45 I C(1) of Reserve Bank of India Act,1934	(283.07)	(323.77)
Closing balance	**10,547.98**	**9,523.23**
TOTAL	**33,292.81**	**17,543.22**

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Statutory Reserve pursuant to Section 45-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.

Employee stock option outstanding reserves

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, 2023

Rights Issue

During the year, the Company has allotted 3,03,15,789 equity shares of face value of ₹ 2/- each ("Rights Equity Shares") at a premium of ₹ 473/- per share aggregating up to ₹ 14,400 Millions in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018, as amended, and various applicable circulars that have been issued by the Securities and Exchange Board of India ("SEBI") from time to time.

The total expenses on rights issue ₹ 71.31 Millions has been adjusted against securities Premium.

The object of the Issue is to augment the capital base of the Company. The net proceeds to be utilised to meet the future capital requirements, which are expected to arise out of growth of Company's business and assets, including but not limited to, onward lending under company's four lending vertical viz; MSME loans, construction finance loans, Indirect lending and gold loans, ensuring compliance with applicable regulatory requirements, payment of operating expenditure and funding growth opportunities for the above verticals.

(₹ in millions)

Total shares issued and subscribed (nos.)	Proceeds received from rights issue	Expenses incurred related to rights issue	Net proceeds available for utilisation	Utilised till March 31, 2023	Balance unutilised balance as on March 31, 2023
3,03,15,789	14,400.00	110.00	14,290.00	2,039.19	12,250.81

The balance net proceeds will be utilised by financial year 2024.

Note 22. Interest Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost
Interest on Loans	8,758.43	6,269.39
Interest on deposits	62.23	20.66
Interest income from investments	67.66	179.39
Interest on Others	4.09	1.63
Total	**8,892.41**	**6,471.07**

Note 23. Fee and commission Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Application fees	57.81	22.39
Commission on loan sourcing	1,437.06	466.96
Total	**1,494.87**	**489.35**

Note 24. Net Gain on Derecognition of Financial Instruments

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain on derecognition of financial instruments	523.75	170.01
Loss on sale of pool DA	(11.27)	-
Total	**512.48**	**170.01**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 25. Net gain on fair value changes

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments in Shares	11.55	139.49
- Mutual Fund & Bonds	92.43	54.63
(B) Total Net gain on fair value changes	**103.98**	**194.12**
(C) Fair Value changes:		
-Realised	103.39	186.90
-Unrealised	0.59	7.22
Total Net gain on fair value changes	**103.98**	**194.12**

Note 26. Other Operating Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Foreclosure Fees	139.64	80.19
Bad Debts Recovered	-	0.34
Other charges	151.23	91.70
Total	**290.87**	**172.23**

Note 27. Other Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit on sale of Investment Property	-	0.14
Profit on sale of Investment	-	0.28
Service Fees from Subsidiary	40.77	12.00
Write Back	1.16	5.88
Other Income	8.29	2.14
Total	**50.22**	**20.44**

Note 28. Finance Costs

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at Amortised Cost
Interest on borrowings Other than debt Securities	3,276.36	1,775.96
Interest on Bank Overdraft	1.94	-
Interest on debt securities	411.50	551.89
Interest on Bank CC	7.22	7.12
Interest on Lease Liability	134.36	19.88
Total	**3,831.38**	**2,354.85**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 29. Impairment on financial instruments (at Amortised Cost)

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loans and advances to customers	2.38	408.19
Loan commitments	(13.11)	48.75
Others Impairment	16.39	-
Bad Debts Written Off	471.67	340.29
Total	**477.33**	**797.23**

Note 30. Employee Benefits Expenses

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Bonus	3,143.14	1,364.44
Contribution to Provident Fund and Other Funds	177.84	71.62
Staff Training and Welfare Expenses	87.52	28.32
Share Based Payments to employees	141.75	50.10
Total	**3,550.25**	**1,514.48**

Note 31. Other Expenses

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Advertising	16.73	4.54
Auditors' Remuneration	4.44	4.20
Business Development Expenses	43.64	22.92
Corporate Social Responsibility Expenses	39.97	38.67
Directors' Fees and Commission	9.05	6.41
Electricity Charges	43.16	5.57
Legal and Professional Expenses	233.31	157.69
Loss On Sale of Fixed Assets	0.81	0.39
Membership & Subscription Expenses	3.51	2.47
Processing Fees on Co Lending	7.66	0.03
Postage, Telephone and Fax	41.56	19.44
Printing and Stationery	24.41	14.00
Recruitment Expenses	15.98	36.12
Rent	24.26	20.15
Software Expenses	121.15	46.82
Filing & Other Fees to ROC	0.05	0.03
Travelling and Conveyance	197.75	89.00
Service fees Subsidiary	61.10	33.10
NOC Review Charges	19.18	13.52
Write off - Others	1.03	1.34
Write off - Fixed Assets	0.56	-
Miscellaneous Expenses	175.39	39.36
Total	**1,084.70**	**555.77**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

1. Auditors' Remuneration

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) For Statutory Audit	2.23	1.50
b) For Tax Audit	0.33	0.30
c) For Limited Review	1.05	0.90
d) For other services (Certification Fees and Interim audit Fees)	0.34	0.97
e) For reimbursement of expenses	0.14	0.06
f) GST to the extent of ITC not availed	0.35	0.47
Total	**4.44**	**4.20**

2. Corporate Social Responsibility Expenses

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross Amount Required to be spent during the year	39.97	38.67
Amount spent during the year on CSR		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	39.97	38.67
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities		

3. **Nature of CSR activities -** Women Empowerment, Livelihood Initiative, Education Initiative, Health Initiative and Animal Welfare.

4. **Disclosure in relation to undisclosed income -** There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

5. **Details of Crypto currency or Virtual currency -** The Company has not traded or invested in crypto currency or virtual currency during the financial year

Note 32. Other Comprehensive Income

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurement gain on defined benefit plan	(6.49)	0.01
Income tax relating to these items	1.63	(0.00)
Items that may be reclassified to profit or loss		
Fair Value Gain on time value of forward element of forward contract in hedging relationship	(19.80)	(4.30)
Income tax relating to these items	4.98	1.08
Total comprehensive income for the year (net of tax)	**(19.68)**	**(3.21)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 33 - MSME Loans

1.1 Credit quality of assets

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade #								
Performing								
High grade	32,421.23	-	-	32,421.23	24,458.84	-	-	24,458.84
Standard grade	1,591.65	-	-	1,591.65	1,468.90	-	-	1,468.90
Sub-standard grade	-	2,047.00	-	2,047.00	-	1,204.54	-	1,204.54
Past due but not impaired	-	-	-	-	-	1,564.06	-	1,564.06
Restructured	-	1,209.89	-	1,209.89	-	1,937.56	-	1,937.56
Non Performing								-
Individually impaired	-	-	1,305.84	1,305.84	-	-	1,276.66	1,276.66
Total	**34,012.88**	**3,256.89**	**1,305.84**	**38,575.61**	**25,927.74**	**4,706.16**	**1,276.66**	**31,910.56**

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is as follows:

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	25,927.74	4,706.16	1,276.66	31,910.56	20,450.58	3,531.02	1,389.58	25,371.18
New assets originated and Increase in loan exposure in existing loan facility	14,720.12	145.29	20.43	14,885.84	11,510.38	-	-	11,510.38
Assets derecognised or repaid (excluding write offs)	(6,920.57)	(469.79)	(178.27)	(7,568.63)	(4,010.62)	(519.24)	(264.42)	(4,794.28)
Transfers to Stage 1	1,363.63	(1,104.51)	(259.12)	-	549.53	(334.83)	(214.70)	-
Transfers to Stage 2	(797.03)	876.33	(79.30)	-	(2,205.65)	2,287.75	(82.10)	-
Transfers to Stage 3	(202.42)	(549.45)	751.87	-	(265.18)	(203.52)	468.70	-
Amounts written off*	(78.59)	(347.14)	(226.44)	(652.17)	(101.30)	(55.02)	(20.40)	(176.72)
Gross carrying amount closing balance	**34,012.88**	**3,256.89**	**1,305.84**	**38,575.61**	**25,927.74**	**4,706.16**	**1,276.66**	**31,910.56**

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the company.

1.3 Reconciliation of ECL balance is given below:

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	189.15	691.08	393.17	1,273.40	135.58	381.95	394.91	912.44
New assets originated	48.15	5.92	0.52	54.59	79.66	-	-	79.66
Assets derecognised or repaid (excluding write offs)	(108.55)	(35.03)	(4.64)	(148.22)	(21.74)	(66.34)	(80.72)	(168.80)
Transfers to Stage 1	11.51	(100.44)	(70.15)	(159.08)	6.08	(4.78)	(1.30)	(0.01)
Transfers to Stage 2	(7.27)	158.89	(23.85)	127.76	(210.43)	216.87	(6.44)	0.00
Transfers to Stage 3	(1.59)	(100.30)	194.71	92.82	(67.13)	(59.67)	126.80	(0.01)
Other movements (on account of change in EAD)	30.55	124.02	(10.17)	144.40	268.29	223.94	18.77	511.00
Amounts written off	(1.77)	(111.68)	(141.25)	(254.70)	(1.16)	(0.89)	(58.85)	(60.90)
ECL allowance - closing balance	**160.17**	**632.46**	**338.35**	**1,130.98**	**189.15**	**691.08**	**393.17**	**1,273.40**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Resturctured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Loan Given Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	23.38	27.04

Loan Given Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	1.99	2.56
Stage 2	75.28	36.92
Stage 3	100.00	100.00

Details of collateral received against loan portfolio :

Nature of security against advances :

Underline securities for the assets secured by tangible assets - Property & and book debts.

Advances (LTV band wise) :

(₹ in millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	12,706.05	267.76
>50% <= 70%	18,047.71	378.07
>70% <=90%	6,515.86	146.80
>90% <=100%	0.15	0.00

Credit impaired advances (LTV band wise) :

(₹ in millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	340.51	88.00
>50% <= 70%	729.95	188.83
>70% <=90%	235.38	61.53
>90% <=100%	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 33.1- Construction Finance Loans

1.1 Credit quality of assets

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade #								
Performing								
High grade	21,477.98	-	-	21,477.98	15,209.18	-	-	15,209.18
Standard grade	-	-	-	-	3.05	-	-	3.05
Sub-standard grade	-	170.38	-	170.38	-	569.57	-	569.57
Past due but not impaired	-	-	-	-	-	-	-	-
Non Performing	-	-	-					
Individually impaired	-	-	60.88	60.88	-	-	23.18	23.18
Total	**21,477.98**	**170.38**	**60.88**	**21,709.24**	**15,212.23**	**569.57**	**23.18**	**15,804.98**

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is as follows:

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	15,212.23	569.57	23.18	15,804.98	11,018.45	791.41	16.75	11,826.61
New assets originated and Increase in loan exposure in existing loan facility	13,768.53	54.67	-	13,823.20	8,404.76	-	-	8,404.76
Assets derecognised or repaid (excluding write offs)	(7,694.35)	(175.07)	(49.52)	(7,918.94)	(3,951.11)	(311.73)	-	(4,262.84)
Transfer to Stage 1	292.11	(292.11)	-	-	(553.73)	553.73	-	-
Transfer to Stage 2	(95.54)	95.54	-	-	351.44	(351.44)	-	-
Transfer to Stage 3	(5.00)	(82.22)	87.22	-	(23.18)	-	23.18	-
Amounts written off	-	-	-	-	(34.40)	(112.40)	(16.75)	(163.55)
Gross carrying amount closing balance	**21,477.98**	**170.38**	**60.88**	**21,709.24**	**15,212.23**	**569.57**	**23.18**	**15,804.98**

1.3 Reconciliation of ECL balance is given below:

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	107.90	21.29	4.80	133.99	65.85	4.08	16.75	86.68
New assets originated	101.68	2.92	11.10	115.70	108.66	-	-	108.66
Assets derecognised or repaid (excluding write offs)	(65.20)	(7.22)	-	(72.42)	(8.76)	(0.83)	-	(9.59)
Transfers to Stage 1	12.22	(13.34)	-	(1.12)	(21.19)	21.18	-	-
Transfers to Stage 2	(0.51)	6.49	-	5.98	2.52	(2.53)	-	-
Transfers to Stage 3	(0.03)	(0.44)	44.98	44.51	(4.80)	-	4.80	-
Amounts written off	-	-	-	-	(34.40)	(0.61)	(16.75)	(51.76)
ECL allowance - closing balance	**156.06**	**9.70**	**60.88**	**226.64**	**107.90**	**21.29**	**4.80**	**133.99**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
For the year ended March 31, 2023

Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Loan Given Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	24.33	20.70

Probability of Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	3.64	2.56
Stage 2	19.71	4.05
Stage 3	100.00	100.00

Note 33.2- Gold Loans

1.1 Credit quality of assets

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade #								
Performing								
High grade	9,750.46	-	-	9,750.46	-	-	-	-
Standard grade	782.93	-	-	782.93	-	-	-	-
Sub-standard grade	-	523.63	-	523.63	-	-	-	-
Past due but not impaired	-	185.91	-	185.91	-	-	-	-
Non Performing	-	-	-					
Individually impaired	-	-	12.78	12.78	-	-	-	-
Total	**10,533.39**	**709.54**	**12.78**	**11,255.71**	**-**	**-**	**-**	**-**

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is as follows:

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-	-	-	-	-
New assets originated	10,533.39	709.54	12.78	11,255.71	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**10,533.39**	**709.54**	**12.78**	**11,255.71**	**-**	**-**	**-**	**-**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

1.3 Reconciliation of ECL balance is given below:

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	-	-	-	-	-	-	-	-
New assets originated	57.01	3.51	0.67	61.19	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
ECL allowance - closing balance	**57.01**	**3.51**	**0.67**	**61.19**	**-**	**-**	**-**	**-**

Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Loan Given Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	5.17	-

Probability of Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	11.56	-
Stage 2	11.56	-
Stage 3	100.00	-

Details of collateral received against loan portfolio :

Nature of security against advances :

Underline securities for the assets secured by tangible assets (Gold jewellery)

Advances (LTV band wise) :

(₹ in millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	304.26	1.68
>50% <= 70%	4,506.18	21.14
>70% <=90%	6,432.49	37.70
>90% <=100%	-	-
>100%	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Credit impaired advances (LTV band wise) :

(₹ in millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	0.18	0.01
>50% <= 70%	12.57	0.65
>70% <=90%	0.03	0.00
>90% <=100%	-	-

Note 34 - Income Taxes relating to continuing operations

1. Income Tax recognised in statement of profit and loss

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Tax		
In respect of the current year	475.87	624.71
In respect of prior years	3.21	5.80
	479.08	**630.51**
Deferred Tax		
In respect of the current year	4.40	(80.10)
Total Income tax expense recognised in the current year relating to continuing operations	**483.48**	**550.41**

2. Reconciliation of income tax expense for the year:

(₹ in millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Standalone Profit Before tax	1,898.85	2,169.25
Total tax expense (As per P&L)		
- Current tax	475.87	624.71
- Deferred tax	4.40	(80.10)
Total Tax Expenses	**480.27**	**544.61**
Effective tax rate (%)	25.29	25.11
Adjustments of allowable and non-allowable income and expenses:		
Effect on Effective Tax rate due Permenant Difference		
a) Non allowability of Claim of CSR	39.97	38.67
b) Earlier years provision for ECL / Lease adjustments	-	8.83
c) STT & Brokerage	(0.25)	0.72
d) Loss on Sale of Fixed assets	-	(0.42)
e) Deduction under Chapter VI A u/s 80M & 80JJA	(26.97)	(8.77)
Total (A)	**12.75**	**39.03**
Difference due to Tax Rate of STCG	11.55	139.49
Total (B)	**11.55**	**139.49**
Total of items affecting tax rate (A+B)	**24.30**	**178.52**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

3. Reconciliation of income tax rate is as follows:

(in %)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Normal Tax Rate	22.00	22.00
Surcharge (@ 10% of Normal Tax Rate)	2.20	2.20
Health and Education Cess	0.97	0.97
Total Tax Rate	**25.17**	**25.17**
Effect in Tax rate due to permenant difference	0.17	0.45
Difference due to Tax Rate of STCG	(0.05)	(0.51)
Effecttive Tax Rate	**25.29**	**25.11**

Note 35 - Deferred Tax

(₹ in millions)

Particulars	Deferred Tax Assets As at March 31, 2022	Income Statement 2022-23	OCI 2022-23	Deferred Tax Assets As at March 31, 2023
Deferred Tax Assets:				
Provision for Employee Benefits	12.28	11.26	-	23.54
Depreciation	20.27	14.36	-	34.63
Impairment allowance for financial assets	297.69	128.64	-	426.33
Unmortised fees on loans	2.79	(1.78)	-	1.01
Others	5.01	23.46	-	28.46
Deferred Tax Liabilities:				
Financial Instruments at FVTPL	(1.82)	1.66	-	(0.15)
Unmortised fees on borrowings	(0.65)	0.36	-	(0.29)
Gain on derecognition of financial instruments*	(42.40)	(106.03)	-	(148.43)
Deferred Tax Assets (net)	**293.17**	**71.93**	**-**	**365.10**

* 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.

(₹ in millions)

Particulars	Deferred Tax Assets As at March 31, 2021	Income Statement 2021-22	OCI 2021-22	Deferred Tax Assets As at March 31, 2022
Deferred Tax Assets:				
Provision for Employee Benefits	10.04	2.24	-	12.28
Depreciation	19.38	0.89	-	20.27
Impairment allowance for financial assets	166.59	131.10	-	297.69
Unmortised fees on loans	13.75	(10.96)	-	2.79
Others	7.68	(2.67)	-	5.01
Deferred Tax Liabilities:				
Financial Instruments at FVTPL	(1.83)	0.01	-	(1.82)
Unmortised fees on borrowings	(2.54)	1.89	-	(0.65)
Gain on derecognition of financial instruments*	-	(42.40)	-	(42.40)
Deferred Tax Assets (net)	**213.07**	**80.10**	**-**	**293.17**

Deferred Tax Assets / Liabilities are calculated at the applicable rate of 25.17%.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 36 - Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. They have been classified to mature and/or be repaid within 12 months. With regards to loans and advances to customers, the Company uses the same basis of expected repayment as used for estimating the EIR.

(₹ in millions)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial Assets						
Cash and cash equivalents	14,447.89	-	14,447.89	910.86	-	910.86
Bank Balances other than cash and cash equivalents	131.75	2.50	134.25	16.04	0.08	16.12
Receivables	321.43	-	321.43	81.64	-	81.64
Loans	18,220.43	51,071.79	69,292.22	6,939.30	38,831.58	45,770.88
Investments	306.36	3,293.09	3,599.45	2,358.39	4,083.32	6,441.71
Other financial Assets	136.73	568.59	705.32	82.44	134.57	217.01
Total Financial Assets	**33,564.59**	**54,935.97**	**88,500.56**	**10,388.67**	**43,049.55**	**53,438.22**
Non-Financial assets						
Current Tax Assets (Net)	189.75	-	189.75	90.94	-	90.94
Deferred tax assets (Net)	-	365.10	365.10	-	293.17	293.17
Property, plant and equipment	-	2,657.68	2,657.68	-	253.42	253.42
Capital work-in-progress	-	25.22	25.22	-	-	-
Intangible Assets Under Development	-	73.71	73.71	12.39	-	12.39
Other intangible assets	-	53.86	53.86	-	20.33	20.33
Other non-financial assets	727.86	330.47	1,058.33	177.13	154.46	331.59
Total Non financial Assets	**917.61**	**3,506.04**	**4,423.65**	**280.46**	**721.38**	**1,001.84**
Total Assets	**34,482.20**	**58,442.01**	**92,924.21**	**10,669.13**	**43,770.93**	**54,440.06**
LIABILITIES						
Financial Liabilities						
Derivative financial instruments	58.05	-	58.05	8.63	-	8.63
Payables						
- Trade Payables	843.83	1.64	845.47	272.20	-	272.20
- Other Payables	104.49	1.43	105.92	62.04	-	62.04
Debt Securities	2,886.14	1,500.00	4,386.14	396.65	4,164.23	4,560.88
Borrowings (Other than debt securities)	13,877.67	35,620.07	49,497.74	6,458.24	22,724.57	29,182.81
Other financial liabilities	2,405.70	1,625.56	4,031.26	1,931.84	290.42	2,222.26
Total Financial Liabilities	**20,175.88**	**38,748.70**	**58,924.58**	**9,129.60**	**27,179.22**	**36,308.82**
Non-Financial Liabilities						
Deferred tax liabilities (Net)	-	-	-	-	-	-
Current tax liability	5.80	-	5.80	24.85	-	24.85
Provisions	60.49	116.37	176.86	25.47	110.07	135.53
Other Non Financials Liabilities	111.85	-	111.85	76.32	-	76.32
Total Non-Financial Liabilities	**178.14**	**116.37**	**294.51**	**126.64**	**110.07**	**236.70**
Total Liabilities	**20,354.02**	**38,865.07**	**59,219.09**	**9,256.24**	**27,289.29**	**36,545.52**
Net	**14,128.18**	**19,576.94**	**33,705.12**	**1,412.89**	**16,481.64**	**17,894.54**

Capital Management

The primary objectives of the Company's capital management policy 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 Policy, objectives and processes are under constant review by the Board. For details of Capital to Risk Assets Ratio (CRAR) refer Note no. 56.1.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 37 - Change in liabilities arising from financing activities

(₹ in millions)

Particulars	As at April 1, 2022	Cash flows	Other*	As at March 31, 2023
Debt Securities	4,560.88	(176.79)	2.05	4,386.14
Borrowings other than debt securities	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**

(₹ in millions)

Particulars	As at April 1, 2021	Cash flows	Other*	As at March 31, 2022
Debt Securities	6,844.54	(2,288.42)	4.76	4,560.88
Borrowings other than debt securities	19,693.78	8,839.33	649.70	29,182.81
Total liabilities from financing activities	**26,538.32**	**6,550.91**	**654.46**	**33,743.69**

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, conversation factor of derivative instruments.

Note 38- Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

Ind AS 109, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

38.1 Financial instruments by category

(₹ in millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	FVTPL	Amortised cost	FVTOCI	Total	FVTPL	Amortised cost	FVTOCI	Total
Financial assets								
Investments								
- Mutual funds	300.98	-	-	300.98	2,304.43	-	-	2,304.43
- Equity instruments	-	-	-	-	48.11	-	-	48.11
- Debt Instrument	-	-	-	-	-	247.66	-	247.66
- Pass Through Certificates	-	48.47	-	48.47	-	591.51	-	591.51
Trade receivables	-	321.43	-	321.43	-	81.64	-	81.64
Loans	-	69,292.22	-	69,292.22	-	45,770.88	-	45,770.88
Cash and cash equivalents	-	14,447.89	-	14,447.89	-	910.86	-	910.86
Bank Balances other than above	-	134.25	-	134.25	-	16.12	-	16.12
Other financial Assets	-	705.32	-	705.32	-	217.01	-	217.01
Total financial assets	**300.98**	**84,949.58**	**-**	**85,250.56**	**2,352.54**	**47,835.68**	**-**	**50,188.22**
Financial liabilities								
Derivative financial instruments	-	-	58.05	58.05	-	-	8.63	8.63
Borrowings (including Debt Securities)	-	53,883.88	-	53,883.88	-	33,743.69	-	33,743.69
Trade payables	-	951.39	-	951.39	-	334.24	-	334.24
Other financial liabilities	-	4,031.26	-	4,031.26	-	2,222.26	-	2,222.26
Total financial liabilities	**-**	**58,866.53**	**58.05**	**58,924.58**	**-**	**36,300.19**	**8.63**	**36,308.82**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

38.2 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2023						
Financial assets						
Financial Investments at FVTPL						
Listed equity investments	7	-	-	-	-	-
Mutual funds	7	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**

(₹ in millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2023						
Financial assets						
Cash and cash equivalents	3	14,447.89	-	-	-	14,447.89
Bank Balance other than above	4	134.25	-	-	-	134.25
Trade Receivable	5	321.43	-	-	-	321.43
Loans						-
Loans to employees	6	3.04	-	-	-	3.04
Loans - SME,CF,IRL& GL		69,289.18	-	-	67,192.51	67,192.51
Investments						
- Pass Through Certificates	7	48.47			48.47	48.47
Other financial assets	8	705.32	-	-	705.32	705.32
Total financial assets		**84,949.58**	**-**	**-**	**67,946.30**	**82,852.91**
Financial Liabilities						
Trade Payable	13	951.39	-	-	951.39	951.39
Debt Securities	14	4,386.14	-	4,289.37	-	4,289.37
Borrowings other than Debt Securities	15B	49,497.74	-	-	49,497.74	49,497.74
Other Financial Liabilities	16	4,031.26	-	-	4,031.26	4,031.26
Total financial liabilities		**58,866.53**	**-**	**4,289.37**	**54,480.39**	**58,769.76**

(₹ in millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2022						
Financial assets						
Financial Investments at FVTPL						
Listed equity investments	7	48.11	48.11	-	-	48.11
Mutual funds	7	2,304.43	-	2,304.43	-	2,304.43
Total financial assets		**2,352.54**	**48.11**	**2,304.43**	**-**	**2,352.54**
Financial liabilities		-	-	-	-	-
Derivative financial instruments		8.63	-	8.63	-	8.63
Total financial liabilities		**8.63**	**-**	**8.63**	**-**	**8.63**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(₹ in millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2022						
Financial assets						
Cash and cash equivalents	3	910.86	-	-	-	910.86
Bank Balance other than above	4	16.12	-	-	-	16.12
Trade Receivable	5	81.64	-	-	-	81.64
Loans						-
Loans to employees	6	0.94	-	-	-	0.94
Loans - SME & CF		45,769.94	-	-	46,047.48	46,047.48
Investments						-
- Commercial Paper		-	-	-	-	-
- Debt Securities	7	247.66	-	-	247.66	247.66
- Pass Through Certificates		591.51	-	-	591.51	591.51
Other financial assets	8	217.01	-	-	217.01	217.01
Total financial assets		**47,835.68**	**-**	**-**	**47,103.66**	**48,113.22**
Financial Liabilities						
Trade Payable	13	334.24	-	-	334.24	334.24
Debt Securities	14	4,560.88	-	4,452.63	-	4,452.63
Borrowings other than Debt Securities	15B	29,182.81	-	-	29,182.81	29,182.81
Other Financial Liabilities	16	2,222.26	-	-	2,222.26	2,222.26
Total financial liabilities		**36,300.19**	**-**	**4,452.63**	**31,739.31**	**36,191.94**

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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Note 39.1. 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.

39.2. 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.

39.2.1 Impairment assessment

39.2.1.1 Exposure at Default

The Exposure at Default is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

The advances have been bifurcated into following three stages:

Stage 1 – All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances up to 0-30 days default under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2.

Stage 2 – All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31 to 90 days are classified under this stage. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3 – All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. more than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired."

39.2.1.2 Significant increase in credit risk

The 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 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.

39.2.1.3 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:

a) Significant financial difficulty of the borrower or issuer;

b) A breach of contract such as a default or past due event;

c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise; or

d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

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 is not 90 days past due after such payments. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

39.2.1.4 Probability of Default ("PD") estimation process

Probability of default ("PD") is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

a) The Company has applied 12 months PD to stage 1 advances

b) The Lifetime PD is computed using basic exponentiation technique after considering the residual maturity of the respective loan.

c) PD of 100% is considered for Stage 3 assets.

Days past due are a primary input for the determination of the PD for exposures. The 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.

39.2.1.5 Loss Given Default ("LGD")

Loss Given Default ("LGD") is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default. LGD has been computed using the volatility-based model in case of Gold Loan portfolio.

39.2.1.6 Forward looking information

in its EGL models, the 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

During the current year, the Company has made refinement in the ECL model and said changes have been updated in the ECL policy which is duly approved by the audit committee.

39.2.2 Analysis of risk concentration - Refer Note 56.11.3.2

39.2.3 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

39.3. 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.

The table below summarises the maturity profile of the undiscounted cash flow of the Company's financial liabilities:

Current Year

(₹ in millions)

Particulars	upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 monthsto 6 months	Over 6 months to 1 year	Over 1 year to 3 year	Over 3 year to 5 years	Over 5 years	Total
Debt Securities	-	2,386.16	581.99	230.14	77.31	306.94	306.86	1,768.27	5,657.67
Borrowings	1,117.83	916.46	2,415.74	4,583.01	8,833.94	24,573.71	13,631.72	4,695.85	60,768.26
Trade Payable	951.39	-	-	-	-	-	-	-	951.39
Lease liability	30.43	30.41	37.73	83.95	181.00	739.23	679.66	1,071.22	2,853.63
Other Financial Liability	2,260.88	-	-	-	-	-	-	-	2,260.88

Previous Year

(₹ in millions)

Particulars	upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 monthsto 6 months	Over 6 months to 1 year	Over 1 year to 3 year	Over 3 year to 5 years	Over 5 years	Total
Debt Securities	229.98	213.42	45.00	234.68	77.36	3,209.23	306.90	1,882.99	6,199.56
Borrowings	246.87	578.35	924.07	1,928.48	4,293.63	15,648.74	8,405.64	2,826.74	34,852.52
Trade Payable	334.24	-	-	-	-	-	-	-	334.24
Lease liability	4.69	4.70	4.69	14.24	28.81	107.00	74.11	8.23	246.47
Other Financial Liability	2,026.05	-	-	-	-	-	-	-	2,026.05

39.4. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the company is providing loans to MSME, Construction Finance, Indirect lending and Gold 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/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the

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risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company's statement of profit and loss and equity.

(₹ in millions)

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
2022-23					
Loans (₹)	50 Basis point Up	Impact on Profit before Tax	299.44	Impact on equity	223.71
	100 Basis point Up		598.88		447.42
	50 Basis point Down		(299.44)		(223.71)
	100 Basis point Down		(598.88)		(447.42)
Borrowings (₹)	50 Basis point Up	Impact on Profit before Tax	(248.92)	Impact on equity	(185.97)
	100 Basis point Up		(497.85)		(371.94)
	50 Basis point Down		248.92		185.97
	100 Basis point Down		497.85		371.94
2021-22					
Loans (₹)	25 Basis point Up	Impact on Profit before Tax	116.08	Impact on equity	86.87
	50 Basis point Up		232.16		173.73
	25 Basis point Down		(116.08)		(86.87)
	50 Basis point Down		(232.16)		(173.73)
Borrowings (₹)	25 Basis point Up	Impact on Profit before Tax	(84.09)	Impact on equity	(62.92)
	50 Basis point Up		(168.18)		(125.85)
	25 Basis point Down		84.09		62.92
	50 Basis point Down		168.18		125.85

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 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.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Gearing ratio :

Particulars	As at March 31, 2023	As at March 31, 2022
The gearing ratio at each date were as follows :		
*Debt (I) (₹ in millions)	55,654.26	33,939.90
Cash and bank balances (II) (refer note 3) (₹ in millions)	14,447.89	910.86
Net debt (I - II) (₹ in millions)	41,206.37	33,029.04
Total equity (₹ in millions)	33,705.12	17,894.53
Net debt to equity ratio	1.22	1.85

* Debt includes debt securities, borrowings and lease liabilities.

Note 40A- Defined Contribution Plan

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	As at March 31, 2023	As at March 31, 2022
Employer's contribution to provident fund	147.21	51.59
Employer's contribution to National Pension Scheme	3.71	2.70
Total	**150.92**	**54.29**

Note 40B- 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.

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:-

Principal assumptions used for the actuarial valuations are as follows:

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.20%	5.66%
Expected Rate of return on Plan Asset	7.20%	5.66%
Salary Escalation	9.00%	5.00%
Attrition Rate	For service 2 years and below 50.00% p.a. For service 3 years to 4 years 30.00% p.a. For service 5 years and above 20.00% p.a.	24.00%
Mortality Table	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

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Movements in the present value of the defined benefit obligation are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Present value of benefit obligation at the beginning of the year	43.67	34.62
Interest cost	2.46	1.93
Current service cost	13.00	10.15
Benefit Paid From the Fund	(5.80)	(3.52)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(11.17)	(1.76)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	4.95	(0.12)
Actuarial (Gains)/Losses on Obligations - Due to Experience	13.20	2.36
Present Value of Benefit Obligation at the End of the year	**60.31**	**43.66**

Movements in the fair value of the plan assets are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Fair Value of Plan Assets at the Beginning of the year	33.31	30.15
Interest income	1.87	1.68
Contributions by employer	10.40	4.50
Benefit Paid From the Fund	(5.80)	(3.52)
Return on Plan Assets, Excluding Interest Income	0.49	0.49
Fair Value of Plan Assets at the End of the year	**40.27**	**33.30**

Amount recognized in the balance sheet from the Group's obligation in respect of its defined benefit plans is as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
(Present Value of Benefit Obligation at the end of the year)	(60.31)	(43.67)
Fair value of plan assets	40.28	33.31
Funded status (Surplus/ (Deficit))	(20.04)	(10.36)
Net (Liability)/Asset Recognized in the Balance Sheet	**(20.03)**	**(10.36)**

Net Interest Cost for the year:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Present Value of Benefit Obligation at the Beginning of the year	43.67	34.62
(Fair Value of Plan Assets at the Beginning of the year)	(33.31)	(30.15)
Net Liability/(Asset) at the Beginning	10.36	4.47
Interest Cost	2.46	1.93
(Interest Income)	(1.87)	(1.68)
Net Interest Cost for the year	**0.59**	**0.25**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Service cost:		
Current service cost	13.00	10.15
Net interest expense	0.59	0.25
Expense Recognized	**13.59**	**10.40**

Amounts recognised in the Other Comprehensive Income (OCI) in respect of these defined benefit plans are as follows:

(₹ in millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Return on plan assets (excluding amounts included in net interest expense)	6.98	(0.49)
Actuarial (gains) / losses on defined benefit obligations	(0.49)	0.48
Net (Income)/Expense For the year Recognized in OCI	**6.49**	**(0.01)**

The fair value of the plan assets for India are as follows:

(₹ in millions)

Category of Assets	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Insurer Managed Funds	40.28	33.31
Total	**40.28**	**33.31**

Maturity Analysis of benefit payments

(₹ in millions)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2023	As at March 31, 2022
1st Following Year	9.74	7.89
2nd Following Year	8.92	7.19
3rd Following Year	7.67	7.14
4th Following Year	7.80	5.75
5th Following Year	7.65	5.64
Sum of Years 6 To 10	25.27	14.64
Sum of Years 11 and above	19.89	6.04

The estimates of future salary growth, factored in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Such estimates are very long term and are not based on limited past experience / immediate future. Empirical evidence also suggests that in very long term, consistent high salary growth rates are not possible. The said estimates and assumptions have been relied upon by the auditors.

Sensitivity analysis

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Sensitivity Level	1% increase	1% increase	1% decrease	1% decrease
Impact on defined benefit obligation (in ₹)				
1) Discount Rate	(2.41)	(1.42)	2.64	1.53
2) Future Salary Increases	2.30	1.46	(2.18)	(1.40)
3) Employee Turnover	(0.78)	(0.42)	0.81	0.43

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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.

Note 41: Related party

A. List of Related Parties and related party relationship:

Considering only parties with whom transaction has entered during the FY 2022-23

Sr. No.	Name of the Related Party	Relationship
a)	**Related Parties over which control exists:**	
1	Capri Global Housing Finance Limited	Wholly owned Subsidiary
b)	**Enterprises over which Management and/or their relatives have control**	
1	Capri Global Holdings Private Limited	
2	Parshwanath Buildcon Private Limited	
c)	**Key Management Personnel of the Company**	
1	Mr. Rajesh Sharma	Managing Director and Chief Financial Officer
2	Mr. Beni Prasad Rauka	Independent Director
3	Ms. Bhagyam Ramani	Independent Director
4	Mr. Mukesh Kacker	Independent Director
5	Mr. Ajit Mohan Sharan	Independent Director
6	Mr. Desh Raj Dogra	Independent Director
d)	**Trust under common control:**	
1	Capri Foundation	
2	Money Matters Financial Services Limited Employees Group Gratuity Assurance Scheme	

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e) Details of transactions during the year and closing balances as at the year end:

(₹ in millions)

Sr. No.	Particulars	Wholly owned Subsidiary		Enterprises over which management and/or their relatives have control		Key management personnel		Relative of key management personnel		Trust under common control		Total	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
a.	**Transaction during the year**												
I	**INCOMES :**												
i	**Interest on Loan Given to Subsidiary**												
	Capri Global Resources Private Limited	-	0.04	-	-	-	-	-	-	-	-	-	0.04
ii	**Service Charge Income from Subsidiary**												
	Capri Global Housing Finance Limited	40.77	12.00	-	-	-	-	-	-	-	-	40.77	12.00
iii	**Sale of Investment**	-											
	Capri Global Holdings Pvt. Ltd.	-	-	-	0.28	-	-	-	-	-	-	-	0.28
iii	**Interest income from sale of loans**	-											
	Capri Global Housing Finance Limited	1.04	-	-	-	-	-	-	-	-	-	1.04	-
II	**EXPENSES :**												
i	**Rent Paid**												
	Parshwanath Buildcon Private Limited	-	-	0.15	0.10	-	-	-	-	-	-	0.15	0.10
ii	**Service Charge Expenses to Subsidiary**												
	Capri Global Housing Finance Limited	51.60	26.74	-	-	-	-	-	-	-	-	51.60	26.74
iii	**Salaries, Commission and other benefits**												
	Mr. Rajesh Sharma	-	-	-	-	2.40	2.40		-	-	-	2.40	2.40
	Mr. Pranay Rauka	-	-	-	-	-	-	0.88	-	-	-	0.88	-

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(₹ in millions)

Sr. No.	Particulars	Wholly owned Subsidiary		Enterprises over which management and/or their relatives have control		Key management personnel		Relative of key management personnel		Trust under common control		Total	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
	Ms. Jinisha Sharma	-	-	-	-	-	-	0.80	-	-	-	0.80	-
iv	**Director Sitting Fees**												
	Mr. Beni Prasad Rauka	-	-	-	-	2.23	1.26	-	-	-	-	2.23	1.26
	Ms. Bhagyam Ramani	-	-	-	-	3.11	2.76	-	-	-	-	3.11	2.76
	Mr. Mukesh Kacker	-	-	-	-	1.42	0.84	-	-	-	-	1.42	0.84
	Mr. Desh Raj Dogra	-	-	-	-	1.25	0.78	-	-	-	-	1.25	0.78
	Mr. Ajit Sharan	-	-	-	-	1.04	0.60	-	-	-	-	1.04	0.60
	Mr. Ajay Kumar Relan	-	-	-	-	-	0.16	-	-	-	-	-	0.16
iv	**Employee Benefits**												
	Money Matters Financial Services Limited Employees Group Gratuity Assurance Scheme	-	-	-	-	-	-	-	-	10.40	4.50	10.40	4.50
v	**Corporate Social Responsibility**												
	Capri Foundation	-	-	-	0.63	-	-	-	-	-	-	-	0.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(₹ in millions)

Sr. No.	Particulars	Wholly owned Subsidiary		Enterprises over which Management and/or their relatives have control		Key Management Personnel		Relative of key management personnel		Post-employment benefit plan		Total	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
b	Balance Sheet Items (Transaction during year):												
i	Investment in Equity Shares of Subsidiary												
	Capri Global Housing Finance Limited	-	1,500.00	-	-	-	-	-	-	-	-	-	1,500.00
ii	Loan Given to Subsidiary												
	Capri Global Resources Private Limited	-	0.54	-	-	-	-	-	-	-	-	-	0.54
iii	Loan Paid by Subsidiary												
	Capri Global Resources Private Limited	-	0.74	-	-	-	-	-	-	-	-	-	0.74
Iv	Sale of Investment to Subsidiary												
	Capri Global Housing Finance Limited	361.86	-	-	-	-	-	-	-	-	-	361.86	-
Iv	Sale of loans to Subsidiary	-											
	Capri Global Housing Finance Limited	23.44	-	-	-	-	-	-	-	-	-	23.44	-
c	Balance Sheet Items (Closing Balances):												
i	Investment in Equity Shares of Subsidiary												
	Capri Global Housing Finance Limited	3,250.00	3,250.00	-	-	-	-	-	-	-	-	3,250.00	3,250.00
ii	Other Receivable												
	Capri Global Housing Finance Limited	1.61	16.75	-	-	-	-	-	-	-	-	1.61	16.75

Note: Related party transactions were made on terms equivalent to those that prevail in an arm's length transactions provided that such terms can be substantiated.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note - 42 Segment Information (IND-AS 108)

Operating Segment:

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'.

Note - 43 In Accordance with IND AS - 33 Earnings Per Share

The computation of earning per share is set out below:

Particulars			For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit after tax as per Statement of Profit and Loss	(A)	₹ in millions	1,415.37	1,618.84
Weighted average number of equity shares for calculating Basic EPS	(B)	Nos.	18,49,90,406	18,35,75,044
Weighted average number of equity shares for calculating Diluted EPS	(C)	Nos.	18,70,98,040	18,55,53,681
Basic earnings per equity share (in ₹) (Face value of ₹ 2/- per share)	(A)/(B)	₹	7.65	8.82
Diluted earnings per equity share (in ₹) (Face value of ₹ 2/- per share)	(A)/(C)	₹	7.56	8.72

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Weighted average number of equity shares for calculating EPS	Nos.	18,49,90,406	18,35,75,044
Add : Equity shares for no consideration arising on grant of stock options under ESOP	Nos.	21,07,634	19,78,637
Weighted average number of equity shares in calculation of diluted EPS	Nos.	18,70,98,040	18,55,53,681

Note - 44 Leases

The changes in the carrying value of ROU assets are as follows:

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying value		
Balance as at the beginning of the Year	284.35	264.11
Additions/Modifications	1,744.07	41.09
Terminations	46.20	20.84
Balance as at the end of the Year	**1,982.22**	**284.36**
Accumulated depreciation		
Balance as at the beginning of the Year	108.07	91.27
Depreciation	172.84	28.73
Terminations/modifications	15.19	11.92
Balance as at the end of the Year	265.72	108.08
Net Carrying Value at the end of the Year	**1,716.50**	**176.28**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

The following is the movement in lease liabilities during the year:

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities		
Balance as at the beginning of the Year	196.21	197.55
Additions/Modification	1,681.68	32.42
Terminations/modifications	29.77	10.51
Finance expense	134.36	19.88
Payment of lease liabilities	212.10	43.14
Balance as at the end of the Year	**1,770.38**	**196.21**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023, on an undiscounted basis:

(₹ in millions)

Particulars	31st March 2023	31st March 2022
Less than 1 year	363.52	1.57
1-3 years	739.23	19.33
3-5 years	679.66	202.57
More than 5 years	1,071.22	23.01
Total	**2,853.63**	**246.48**

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 leave and license agreement.

The Company has right to extend lease term as per mutually agreed terms laid down in respective leave and license agreement. The Company takes into account effect of extended lease term while recording the lease assets and lease liabilities accordingly.

Note - 45 Note-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: -

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of options under the Plan	Range of Exercise Price	Number of options under the Plan	Range of Exercise Price
Employee Stock Option Plan	30,60,400	₹ 2 to ₹ 520	30,40,800	₹ 2 to ₹ 300

The activity of the Stock Plans is summarised below:

Particulars	Year ended			
	As at March 31, 2023		As at March 31, 2022	
	Numbers	Exercise Price/ Vesting Price (₹)	Numbers	Exercise Price/ Vesting Price (₹)
Outstanding at the beginning of the year	5,65,400	2.00	7,32,950	2.00
	1,99,500	70.00	2,85,000	70.00
	2,88,400	100.00	4,42,000	100.00
	22,500	130.00	50,500	130.00
	50,000	174.00	50,000	174.00
	20,000	194.90	20,000	194.90
	70,000	225.00	-	-
	8,75,000	250.00	-	-
	9,50,000	300.00	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Particulars	Year ended As at March 31, 2023 Numbers	Exercise Price/ Vesting Price (₹)	As at March 31, 2022 Numbers	Exercise Price/ Vesting Price (₹)
Granted	2,00,000	300.00	10,000	232.80
	75,000	425.00	3,70,000	225.00
	1,00,000	450.00	8,75,000	250.00
	25,000	500.00	9,50,000	300.00
	20,000	510.00	-	-
	10,000	520.00	-	-
Exercised	12,900	2.00	1,29,600	2.00
	1,57,500	70.00	85,500	70.00
	6,600	100.00	1,53,600	100.00
	6,000	130.00	-	-
Forfeited, expired and cancelled	27,900	2.00	37,950	2.00
	22,000	100.00	28,000	130.00
	2,500	130.00	10,000	232.80
	25,000	250.00	3,00,000	225.00
	1,50,000	300.00	-	-
Outstanding at the end of the year	5,24,600	2.00	5,65,400	2.00
	42,000	70.00	1,99,500	70.00
	2,59,800	100.00	2,88,400	100.00
	14,000	130.00	22,500	130.00
	50,000	174.00	50,000	174.00
	20,000	194.90	20,000	194.90
	70,000	225.00	70,000	225.00
	8,50,000	250.00	8,75,000	250.00
	10,00,000	300.00	9,50,000	300.00
	75,000	425.00	-	-
	1,00,000	450.00	-	-
	25,000	500.00	-	-
	20,000	510.00	-	-
	10,000	520.00	-	-

The weigted average fair value of the new ESOPs granted during the year is ₹ 470.72 per share (previous year ₹ 335.20 per share)

The following table summarises information about stock option plans

Exercise Price (₹)	Year ended As at March 31, 2023 Numbers	Weighted Average Remaining Life (Months)	As at March 31, 2022 Numbers	Weighted Average Remaining Life (Months)
2.00	5,24,600	11	5,65,400	21
70.00	42,000	5	1,99,500	6
100.00	2,59,800	2	2,88,400	10
130.00	14,000	13	22,500	19
174.00	50,000	9	50,000	19
194.90	20,000	23	20,000	35
225.00	70,000	31	70,000	44
250.00	8,50,000	34	8,75,000	46
300.00	10,00,000	37	9,50,000	48
425.00	75,000	40		
450.00	1,00,000	40		
500.00	25,000	40		
510.00	20,000	41		
520.00	10,000	42		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Fair value methodology

The fair value of shares 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, dividend yield, expected volatility

The following table summarizes the assumptions used in calculating the grant date fair value.

Particulars	March 31, 2023	March 31, 2022
Expected life of the options	2.5 to 5 Years	3 to 5 Years
Expected volatility	40% to 50%	50% to 60%
Dividend yield	0.18% to 0.30%	1%
Risk-free interest rate	7.09% to 7.39%	4.72% to 6.28%

Expected life of the options: Expected life of the options is the period for which the company expects the Options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised, and the maximum life is the period after which the options cannot be exercised.

Expected volatility: The measure of volatility used in ESOP pricing model is the annualised standard deviation of the continuously compounded rates of return (calculated by log function) on the share over a period prior to the date of grant corresponding to the expected life of the option.

Dividend yield: Dividend Yield has been calculated as an average of dividend yields of six financial years preceding the date of grant. The dividend yield for the year is derived by dividing the dividend per share by the share price as on dividend effective date.

Risk-free interest rate: The rate used to discount employee benefit obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate which relates to the par-yield rate available on ZYC Government Securities (G. Sec.) for the tenure of the expected life of options. (Ref: G Sec. rates available through www.fbil.org.in with prices/yields published by FBIL).

The Weighted average market price of the ESOPs exercised during the year is ₹ 722.35 Per share (previous Year ₹ 530.71 Per share)

ESOP cost recognised in the Statement of Profit and Loss for March 31, 2023 ₹ 141.75 millions (March 31, 2022 ₹ 50.10 millions)

As at March 31, 2023 amount of ₹ 1.61 millions (as at March 31, 2022 ₹ 16.75 millions) being the difference between the exercise price and fair value of the options is receivable from the subsidiary company with which employees are employed.

Note 46 - Expenditure in Foreign Currency

Software Expenses	₹ 5.15 millions (March 31, 2022 ₹ 1.47 millions)
Professional Expenses	₹ 9.24 millions (March 31, 2022 ₹ Nil millions)

Note 47 - Contingent Liabilities

Income Tax matters under dispute: March 31, 2023 ₹ 139.44 millions (March 31, 2022 ₹ 114.27 millions)

Note 48 - Capital and Other Commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for March 31, 2023 ₹ 213.15 millions (March 31, 2022 ₹ 65.27 millions)

b) Amount payable towards acquisition of Property for March 31, 2023 ₹ 53.15 millions (March 31, 2022 ₹ 39.82 millions)

c) Other Commitments- Pending disbursements of sanctioned loans for March 31,2023 ₹ 12,325.40 millions (March 31,2022 ₹ 10,513.73 millions)

Note 49 - Fraud Reporting

The company has reported frauds aggregating March 31, 2023 ₹ 11.18 millions (March 31, 2022 NIL) based on management reporting to risk committee and to the RBI through prescribed returns.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 50 - Details of all collateral used as security for liabilities

(₹ in millions)

Particulars	Carrying amount of financial assets pledged	
	As at March 31, 2023	As at March 31, 2022
Assets type		
Loans receivable as collateral under lending agreements	70,137.64	46,415.70
Loans receivable as collateral under PTC agreements	48.47	594.57
Receivables from investment in securities as collateral	300.98	2,554.12
Cash and other bank balance collateral under lending agreements	14,447.89	910.86

Disclosures as per the Reserve Bank of India

Note 51. Schedule to the Balance Sheet under Annex IV of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(₹ in millions)

Particulars	Amount O/S	Amount Overdue
Liabilities Side		
(1) Loans and advances availed by the non banking financial company inclusive of interest accrued thereon but not paid:		
a) Debentures:		
Secured	4,386.14	-
Unsecured (other than falling within the meaning of public deposits)	-	-
b) Deferred Credits	-	-
c) Term Loans	48,854.24	-
d) Intercorporate loans and borrowings	-	-
e) Commercial Paper	-	-
f) Other Loans (Cash Credit & Overdraft Facility)	643.50	-
Total	**53,883.88**	**-**

Assets Side	Amount Outstanding
(2) Breakup of Loans and Advances including bills receivables (other than those included in (4) below):	
a) Secured	70,707.99
b) Unsecured	3.04
(3) Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities	
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) Repossed Assets	-
iii) Other loans counting towards AFC activities	
a) Loans where assets have been repossessed	-
b) Loans other than (a) above	-
(4) Breakup of Investments:	
Current Investments:	
1. Quoted:	
i) Shares: (a) Equity	-
(b) Preference	-
ii) Debentures and Bonds	5.37

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Assets Side				Amount Outstanding
	iii)	Units of mutual funds		300.98
	iv)	Government Securities		-
	v)	Others (please specify)		-
		- Commercial Paper		
2.	Unquoted:			
	i)	Shares:	(a) Equity	-
			(b) Preference	-
	ii)	Debentures and Bonds		-
	iii)	Units of mutual funds		-
	iv)	Government Securities		-
	v)	Others (please specify)		-
Long Term investments:				
1.	Quoted:			
	i)	Shares:	(a) Equity	-
			(b) Preference	-
	ii)	Debentures and Bonds		43.09
	iii)	Units of mutual funds		-
	iv)	Government Securities		-
	v)	Others (please specify)		-
2.	Unquoted:			
i)	Shares:	(a) Equity		3,250.00
		(b) Preference		-
ii)	Debentures and Bonds			-
iii)	Units of mutual funds			-
iv)	Government Securities			-
v)	Others			-

(5) Borrower groupwise classification of assets financed as in (2) and (3) above: (₹ in millions)

Category	Amount net of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than related parties	69,289.18	3.04	69,292.22
Total	**69,289.18**	**3.04**	**69,292.22**

(6) Investor groupwise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(₹ in millions)

Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries*	5,077.84	3,250.00
b) Companies in the same group	-	-
c) Other related parties	-	-
2. Other than related parties	-	-
Total	**5,077.84**	**3,250.00**

* The fair value of Investment is considered as net worth of Company

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(7) Other information (₹ in millions)

Particulars			Amount
i)	Gross Non Performing Assets		
	a)	Related Parties	-
	b)	Other than related parties	1,379.50
ii)	Net Non Performing Assets		
	a)	Related Parties	-
	b)	Other than related parties	979.60
iii)	Assets acquired in satisfaction of debt		-

Note 52 -There are no Restructured Accounts as per Appendix 4 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Note 53 - Disclosure Pursuant to RBI Notification - RBI/2020-21/17 DOR No. BP. BC/3/21.04.048/2020-21 dated 6 August 2020 (for restructuring of accounts of micro, small and Medium Enterprises (MSME Sector- Restructuring of Advances having exposure less than or equal to ₹ 25 Crores)

Type of Borrower	Number of Accounts restructured	Amount (₹ in millions)
MSMEs (Current year)	-	-
MSMEs (Previous year)	571	1,152.16

Note 54 - Additional regulatory information under division III to schedule III as per notification dated March 24, 2021

(i) Title deeds of Immovable Property:

The Company confirms that, the title deeds of immovable properties are held in the name of the Company.

(ii) Revaluation of Property, Plant and Equipment:

The Company has not revalued Property, Plant and Equipment during the year.

(iii) Revaluation of Intangible Assets:

The Company has not revalued Intangible assets during the year.

(iv) Loans or Advances:

During the year, the Company has not provided any loans or advances granted to promoters, directors and KMPs.

(v) Intangible assets under development ageing schedule:

(₹ in millions)

Intangible Assets under development	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Software)	73.25	0.46	-	-	73.71

(vi) Capital work in progress ageing schedule:

(₹ in millions)

Capital work in progress	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (CWIP)	25.22	-	-	-	25.22

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(vii) Details of Benami Property held:

No proceedings have been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and the rules made thereunder.

(viii) Security of current assets against borrowings:

Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(ix) Wilful Defaulter:

The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(x) Relationship with Struck off Companies: There are no transaction with Struck off companies during the year.

(xi) Registration of charges or satisfaction with Registrar of Companies (ROC):

During the year, there was no delay in registration of charge or satisfaction with ROC and no charge is pending for registration.

(xii) Compliance with number of layers of companies:

The Company has complied with the requirements of number of layers as per Section 186 of Companies Act, 2013.

(xiii) Analytical Ratios:

Ratio		Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	% Variance	Reason for variance (if above 25%)
(a)	Capital to risk-weighted assets ratio (CRAR)	Total Capital Funds	Total risk weighted assets/ exposures	39.86%	29.39%	35.62%	CRAR has increased primarily due to infusion of Fresh Capital on account of Rights Issue
(b)	Tier I CRAR	Net Owned Fund	Total risk weighted assets/ exposures	39.35%	28.77%	36.77%	Tier I Capital has increased due to infusion of Fresh Capital on account of Rights Issue
(c)	Tier II CRAR	Aggregate Tier II Capital	Total risk weighted assets/ exposures	0.51%	0.62%	-17.74%	NA

Ratio		Numerator	Denominator	For the quarter ended March 31, 2023	For the quarter ended March 31, 2022	% Variance	Reason for variance (if above 25%)
(d)	Liquidity Coverage Ratio	Stock of High Quality Liquid Assets	Total Cash Net Outflows over the next 30 calendar days.	257.34%	120.69%	113.23%	LCR has increased primarily due to infusion of Fresh Capital on account of Rights Issue

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(xiv) Compliance with approved Scheme(s) of Arrangements: Not applicable

(xv) Utilisation of Borrowed funds and share premium

Borrowed funds have been utilised for the purpose they have been sanctioned and share premium has been utilised in working capital.

(xvi)

(a) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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.

Note 55: Disclosures in Financial Statements- Notes to Accounts of NBFCs refer to circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 Scale Based Regulation (SBR) dated 19th April 2022

55.1 Exposures

55.1.1 Exposure to Real Estate Sector

(₹ in millions)

Category	As at March 31, 2023	As at March 31, 2022
a) Direct Exposure		
i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Exposure would also include non-fund based (NFB) limits	-	-
ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential budlings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc. Exposure shall also include non-fund based limits	18,301.08	12,676.73
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposure on National Housing Bank (NHB) and Housing Finance Companies (HFCs.)	3,250.00	3,250.00
Total Exposure to real estate sector	**21,551.08**	**15,926.73**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

55.1.2 Exposure to Capital Market

(₹ in millions)

	Particulars	As at March 31, 2023	As at March 31, 2022
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;	-	48.11
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	-	-
ix)	Financing to stockbrokers for margin trading	-	-
x)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
	Total Exposure to Capital Market	**-**	**48.11**

55.1.3 Sectoral exposure

Sectors	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ millions)	Gross NPAs (₹ millions)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ millions)	Gross NPAs (₹ millions)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	**2,232.62**	**38.90**	**1.74%**	**1,599.76**	**14.81**	**0.93%**
2. Industry	-	-				
i. Chemicals & chemical products	3,793.55	83.88	2.21%	3,328.29	63.00	1.89%
ii. Engineering	4,923.47	107.37	2.18%	4,252.84	88.37	2.08%
iii. Food Manufacturing and Processing	3,450.80	117.46	3.40%	3,016.79	89.36	2.96%
iv. Textiles	5,578.53	187.38	3.36%	4,943.83	90.92	1.84%
Total of Industry	**17,746.35**	**496.09**	**2.80%**	**15,541.75**	**331.65**	**2.13%**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Sectors	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ millions)	Gross NPAs (₹ millions)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ millions)	Gross NPAs (₹ millions)	Percentage of Gross NPAs to total exposure in that sector
3. Services						
Professional and Other Services	12,029.62	637.90	5.30%	11,518.85	856.48	7.44%
Total of Services	**12,029.62**	**637.90**	**5.30%**	**11,518.85**	**856.48**	**7.44%**
4. Personal Loans	-	-	-	-	-	-
5. Others, if any						
5.1 Trade						
(i) Retail Trade	7,285.35	114.23	1.57%	4,484.14	52.05	1.16%
(ii) Wholesale Trade	24.01	-	0.00%	1.02	-	0.00%
5.2 Financials intermediation						
(i) Banking and Finance Service	3,389.87	15.90	0.47%	3,178.26	23.18	0.73%
(ii) Investment Company	18.30	-	0.00%	-	-	0.00%
5.3 Transport and other support services	833.31	19.83	2.38%	705.12	22.71	3.22%
5.4 Construction	29,030.28	65.48	0.23%	21,193.02	-	0.00%
5.5 others	11,276.26	12.78	0.11%	7.37	1.41	19.10%
Total of others	**51,857.38**	**228.22**	**0.44%**	**29,568.93**	**99.35**	**0.34%**

55.1.4 Intra-group exposures

i) Total amount of intra-group exposures- Nil

ii) Total amount of top 20 intra-group exposures- Nil

iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers- Nil

55.1.5 Unhedged foreign currency exposure- Not applicable

55.2 Related party transaction

(₹ in millions)

Related Party	Parent (as per ownership or control)		Subsidiary		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous Year	Current year	Previous year
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	3,250.00	3,250.00	-	-	-	-	-	-	-	-	3,250.00	3,250.00
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	1.04	-	-	-	-	-	-	-	-	-	1.04	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Investment to Subsidiaries	-	-	361.86	-	-	-	-	-	-	-	-	-	361.86	-
Sale of loans to Subsidiaries	-	-	23.44	-	-	-	-	-	-	-	-	-	23.44	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

55.3 Disclosure of complaints

55.3.1 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars		As at March 31, 2023	As at March 31, 2022
Complaints received by the NBFC from its customers		284	183
(1)	Number of complaints pending at beginning of the year	0	0
(2)	Number of complaints received during the year	284	183
(3)	Number of complaints disposed during the year	281	183
	Of which, number of complaints rejected by the NBFC	105	77
(4)	Number of complaints pending at the end of the year	3	0
	Maintainable complaints received by the NBFC from Office of Ombudsman		
(5)	Number of maintainable complaints received by the NBFC from Office of Ombudsman	107	81
	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	105	81
	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	2	0
	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
(6)	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note: As IO was appointed in FY'23 Q3 and IO SOP was approved in next Board Meeting held in FY'23 Q4, complaints were referred to IO post approval of SOP by board i.e. since Feb'23.

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCS which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

55.3.2 Top five grounds2 of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
		Current Year			
Ground 1	0	0	0.00%	0	0
Ground 2	0	57	35.71%	0	0
Ground 3	0	0	0.00%	0	0
Ground 4	0	0	0.00%	0	0
Ground 5	0	22	-31.25%	0	0
Ground 6	0	105	41.89%	0	0
Ground 7	0	0	0.00%	0	0
Ground 8	0	0	0.00%	0	0
Ground 9	0	0	0.00%	0	0
Ground 10	0	100	185.71%	3	0
Total	**0**	**284**	**55.19%**	**3**	**0**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
		Previous Year			
Ground 1	0	0	NA	0	0
Ground 2	0	42	NA	0	0
Ground 3	0	0	NA	0	0
Ground 4	0	0	NA	0	0
Ground 5	0	32	NA	0	0
Ground 6	0	74	NA	0	0
Ground 7	0	0	NA	0	0
Ground 8	0	0	NA	0	0
Ground 9	0	0	NA	0	0
Ground 10	0	35	NA	0	0
Total	**0**	**183**	**NA**	**0**	**0**

2 The list of grounds of complaints given below are indicative only.

1. Credit Cards	2. Difficulty in operation of accounts	3. Mis-selling	4. Recovery Agents/ Direct Sales Agents
5. Loans and advances	6. Levy of charges without prior notice/ excessive charges/ foreclosure charges	7. Non-observance of fair practices code	8. Staff behaviour
9. Facilities for customers visiting the office/ adherence to prescribed working hours, etc.	10. Others		

56 Disclosures required in terms of Annexure XIV of the RBI Master Direction DNBR. PD.008/03.10.119/2016-17 dated 1 September 2016 "Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 are mentioned as below:

56.1 Capital Adequacy Ratio

Sr.No.	Items	As at March 31, 2023	As at March 31, 2022
i)	CRAR (%)	39.86%	29.39%
ii)	CRAR - Tier I Capital (%)	39.35%	28.77%
iii)	CRAR - Tier II Capital (%)	0.51%	0.62%
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

56.2 Investments

(₹ in millions)

	As at March 31, 2023	As at March 31, 2022
1 Value of Investments		
(i) Gross Value of Investments		
(a) In India	3,599.45	6,441.71
(b) Outside India,	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	3,599.45	6,441.71
(b) Outside India.	-	-
2 Movement of provisions held towards depreciation on investments.		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

56.3 Derivatives

56.3.1 Forward Rate Agreement (FRA)/ Interest Rate Swap

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The notional principal of swap agreements	9,563.89	4,238.82
(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	N.A
(iv) Concentration of credit risk arising from the swaps	NA	N.A
(v) The fair value of the swap book	58.05	8.63

56.3.2 Exchange Traded Interest Rate (IR) Derivative

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2022 (instrument wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-
(i) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

56.3.3 Disclosures on Risk Exposure in Derivatives

A. 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.

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.

B. Quantitative Disclosure

(₹ in millions)

Category		Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)	9,563.89	-
(ii)	Marked to Market Positions	(58.05)	-
	(a) Assets (+)	-	-
	(b) Liability (-)	58.05	-
(iii)	Credit Exposure	-	-
(iv)	Unhedged Exposures	-	-

56.4 Maturity Pattern of Assets & Liabilities

(₹ in millions)

As at March 31, 2023	1 to 7 days	8 to 14 days	15 days to 30/31 days	Over one Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	514.83	948.08	1,849.27	7,462.28	7,445.97	15,249.85	11,917.61	25,320.10	70,707.99
Investments	-	0.43	300.99	0.43	0.43	1.33	2.76	10.77	11.04	3,271.27	3,599.45
Borrowings	645.96	23.65	82.39	2,711.85	2,591.55	3,712.75	6,995.66	19,812.14	11,707.35	5,600.58	53,883.88
Foreign currecy liabilities	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(₹ in millions)

As at March 31, 2022	1 to 7 days	8 to 14 days	15 days to 30/31 days	Over one Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	-	15.60	1,613.40	1,062.50	345.40	1,120.30	2,782.10	9,129.90	7,463.40	23,644.73	47,177.33
Investments	-	24.30	2,154.40	4.29	134.30	13.30	27.80	416.80	128.40	3,538.12	6,441.71
Borrowings	701.50	20.80	258.97	375.00	729.90	1,520.20	3,248.30	15,494.30	7,405.50	3,989.22	33,743.69
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-

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

56.5 Exposures

56.5.1 Exposure to Real Estate Sector

(₹ in millions)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Direct Exposure		
i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	-	-
ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential budlings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc. Exposure shall also include non-fund based limits	18,301.08	12,676.73
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposure on National Housing Bank (NHB) and Housing Finance Companies (HFCs)*	3,250.00	3,250.00
Invest in Pass Through Certificate	48.47	591.51

* investment made in wholly owned housing Finance Subsidiary Registered with the National Housing Bank .

The above exposure doesn't include advances given based on estimation of underlying business cash flows as part of credit underwriting process though the securities given might include real estate assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

56.5.2 Exposure to Capital Market

(₹ in millions)

Particulars		As at March 31, 2023	As at March 31, 2022
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;	-	48.11
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)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market		**-**	**48.11**

56.6 Details of financing of parent company products

Not applicable as the company is not financing products of parent company.

56.7 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

These details are not applicable to Company as the Company has not exceeded the SGL and GBL as prescribed by RBI during the financial year.

56.8 Unsecured Advances

The exposure to unsecured advances is as at March 31, 2023 ₹ 3.04 millions (March 31, 2022 ₹ 0.94 millions)

56.9 Miscellaneous

56.9.1 Registration number obtained from RBI

B-13.01882

56.9.2 Disclosure of penalties imposed by RBI and other regulators

During the year ended March 31, 2023 no penalties have been imposed by RBI and other regulators (March 31, 2022: Nil)

56.9.3 Related Party Transactions

Refer note 41 to the standalone financial statements

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

56.9.4 Ratings assigned by credit rating agencies and migration of ratings during the year

(₹ in millions)

Sr. No.	Instrument	Rating assigned	Agency	Date of Rating	Amount
1	Term Loans	CARE A+/Stable	CARE Ratings Limited	06-07-2022	37,500.00
2	Non convertible debentures	CARE A+/Stable	CARE Ratings Limited	06-07-2022	4,000.00
3	Term Loans	IVR AA/Stable	Infomerics valuation and rating private limited	31-03-2023	79,900.00
4	Cash Credit	IVR AA/Stable	Infomerics valuation and rating private limited	31-03-2023	1,050.00
5	Non convertible debentures	IVR AA/Stable	Infomerics valuation and rating private limited	31-03-2023	3,000.00
6	Commercial Papers	IVR A1+	Infomerics valuation and rating private limited	31-03-2023	3,500.00
7	Term Loans	BWR AA-/Stable	Brickwork Ratings	25-07-2022	45,000.00
8	Cash Credit	BWR AA-/Stable	Brickwork Ratings	25-07-2022	1,200.00
9	Non convertible debentures	BWR AA-/Stable	Brickwork Ratings	25-07-2022	333.30

56.9.5 Remuneration of Directors

Refer note 41 to the standalone financial statements.

56.9.6 Management

The annual report has a detailed chapter on Management Discussion and Analysis.

56.9.7 Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items that have an impact on the current year's profit.

56.9.8 Revenue Recognition

There has been no instances in which revenue recognition has been postponed pending resolution of significant uncertainties.

56.9.9 Consolidated Financial Statements (CFS)

The Company has prepared Consolidated Financial Statements in accordance with the requirements of Ind AS 110 - Consolidated Financial Statements.

56.10.1 Master Direction Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 (Updated as on December 05, 2022) RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22

a) Details of transfer through assignment in respect of loans not in default:

Particulars	Year ended March 31, 2023
Amount of Loan accounts assigned (₹ in millions)	4,110.63
Retention of Beneficial Economic Interest (in %)	20.00
Weighted Average Maturity (in years)	12.05
Weighted Average Holding Period (in years)	0.33
Coverage of tangible security Coverage (in %)	203.10

The above transaction is pursuant to Co-Lending option II (Direct Assignment) pursuant to RBI notification RBI/2020-21/63/FIDD.CO.Plan.BC.No.8/04.09.01/2020-21 dated September 04, 2020

b) The Company has not acquired any loan not in default during the ended March 31, 2023

c) The Company has transferred stressed loan to subsidiary company during the year ended March 31, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)

Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
No: of accounts	-	32.00	-
Aggregate principal outstanding of loans transferred (₹ in millions)	-	43.95	-
Weighted average residual tenor of the loans transferred (In months)	-	177.27	-
Net book value of loans transferred (at the time of transfer) (₹ in millions)	-	34.60	-
Aggregate consideration (₹ in millions)	-	23.44	-
Additional consideration realized in respect of accounts transferred in earlier years (₹ in millions)	-	-	-

Details of loans acquired during the year

All amounts in (₹ in millions)	From lenders listed in Clause 3	From ARCs
Aggregate principal outstanding of loans acquired	-	-
Aggregate consideration paid	-	-
Weighted average residual tenor of loans acquired (In months)	-	-

56.11 Additional Disclosures

56.11.1 Provisions and Contingencies

(₹ in millions)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year March 31, 2023	For the year March 31, 2022
Provisions for depreciation on Investment	-	-
Provision towards NPA	1.94	-13.70
Provision made towards Income tax	483.48	550.41
Other Provision and Contingencies		
Provision for Standard Assets	9.48	470.53
Floating Provision Against Standard Asset	-	-
Provision for depreciation	389.67	73.14
Provision for gratuity	9.68	5.90
Provision for Compensated Absence	44.77	12.06

56.11.2 Draw Down from Reserves

The Company has not made any draw down from reserves during the current year.

56.11.3 Concentration of Public deposits, Advances, Exposures and NPAs

56.11.3.1 Concentration of Deposits

There are no Public Deposits during the year ended March 31, 2023. Hence Related Disclosures are not applicable.

56.11.3.2 Concentration of Advances

Particulars	As at March 31, 2023	As at March 31, 2022
Total loans & advances to twenty largest borrowers (Amount in ₹ in millions)	7,202.56	6,512.70
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	10.07%	13.65%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

56.11.3.3 Concentration of Exposures

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to twenty largest borrowers / customers (Amount in ₹ in millions)	9,121.50	7,785.90
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	11.04%	13.37%

56.11.3.4 Concentration of NPAs

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to top four NPA accounts (Gross) (Amount in ₹ in millions)	150.32	138.40

56.11.3.5 Sector-wise NPAs

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		As at March 31, 2023	As at March 31, 2022
1	Agriculture & allied activities	-	-
2	MSME	3.39%	4.00%
3	Corporate borrowers	0.28%	0.15%
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	0.11%	-

56.11.4 Movement of NPAs

(₹ in millions)

Particulars		As at March 31, 2023	As at March 31, 2022
(i)	Net NPAs to Net Advances (%) (Net of Overall Provision)	-ve	-ve
	Net NPAs to Net Advances (%) (Net of Provision on NPA)	1.38%	1.91%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	1,299.84	1,406.33
	(b) Additions during the year	872.22	475.11
	(c) Reductions during the year	792.56	581.60
	(d) Closing balance	1,379.50	1,299.84
(iii)	Movement of Net NPAs		
	(a) Opening balance	901.87	994.67
	(b) Additions during the year	729.04	324.73
	(c) Reductions during the year	651.31	417.53
	(d) Closing balance	979.60	901.87
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	397.97	411.67
	(b) Provisions made during the year	143.18	150.37
	(c) Write-off / write-back of excess provisions	141.25	164.07
	(d) Closing balance	399.90	397.97

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

56.11.5 Overseas Assets

The Company does not have any overseas assets.

56.11.6 Off-balance Sheet SPVs sponsored

The Company has not sponsored any SPVs. Accordingly, the disclosure is not applicable

56.11.7 Customer Complaints

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	No. of complaints pending at the beginning of the year	0	0
(b)	No. of complaints received during the year	284	183
(c)	No. of complaints redressed during the year	281	183
(d)	No. of complaints pending at the end of the year	3	0

56.12 Disclosure on liquidity risk pursuant to RBI circular dated 4 November 2019 on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies' is as follows:

56.12.1 Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant Counterparties	Amount (in ₹ millions)	% of Total deposits	% of Total liabilities
1	14	52,395.70	NA	88.48%

56.12.2 Top 20 large deposits

Not Applicable to the Company as it does not accept public deposits.

56.12.3 Top 10 borrowings

Amount (₹ millions) of Borrowings from Top 10 Lenders	% of Total borrowings
47,021.53	86.77%

56.12.4 Funding concentration based on significant instrument/product

Sr. No.	Name of instrument/product	Amount (in ₹ millions)	% of Total liabilities
1	Term Loans from Bank	45,643.28	77.08%
2	Term Loan from Financial Institution	3,517.78	5.94%
3	Non-Convertible Debentures	4,386.52	7.41%
4	Loans repayable on demand from Bank (Cash Credit Facility)	643.50	1.09%

56.12.5 Stock ratios

Particulars	as a % of total public funds*	as a % of total liabilities	as a % of total assets
Commercial papers	N.A.	N.A.	N.A.
Non-Convertible Debentures (original maturity of less than 1 year)	N.A.	N.A.	N.A.
Other short term liabilities #	37.56%	34.37%	21.90%

*"Public funds" includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue.

Other short term liabilities are excluding Commercial paper & short term non-convertible debentures.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

56.12.6 Institutional set-up for liquidity risk management

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 2023, Company maintained LCR of 257.34% which is well above the stipulated norms.

(₹ in millions)

Particulars		For the quarter ended March 31, 2023	
		Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets			
1	**Total High Quality Liquid Assets (HQLA)**	2,305.09	2,305.09
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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(₹ in millions)

Particulars		For the quarter ended March 31, 2023 Total Unweighted Value (average)	For the quarter ended March 31, 2023 Total Weighted Value (average)
6	Other contractual funding obligations	746.03	857.93
7	Other contingent funding obligations	704.97	810.72
8	**TOTAL CASH OUTFLOWS**	**3,115.58**	**3,582.92**
Cash Inflows			
9	Secured lending	-	-
10	Inflows from fully performing exposures	1,356.71	1,017.53
11	Other cash inflows	5,732.43	4,299.32
12	**TOTAL CASH INFLOWS**	**7,089.14**	**5,316.86**
13	**TOTAL HQLA**	**2,305.09**	**2,305.09**
14	**TOTAL NET CASH OUTFLOWS**	**778.89**	**895.73**
15	**LIQUIDITY COVERAGE RATIO (%)**	295.94%	257.34%

(₹ in millions)

Particulars		For the quarter ended December 31, 2022 Total Unweighted Value (average)	For the quarter ended December 31, 2022 Total Weighted Value (average)
High Quality Liquid Assets			
1	**Total High Quality Liquid Assets (HQLA)**	810.88	810.88
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	1,082.21	1,244.55
6	Other contractual funding obligations	615.42	707.73
7	Other contingent funding obligations	1,262.09	1,451.40
8	**TOTAL CASH OUTFLOWS**	**2,959.72**	**3,403.68**
Cash Inflows			
9	Secured lending	-	-
10	Inflows from fully performing exposures	1,804.34	1,353.25
11	Other cash inflows	2,290.88	1,718.16
12	**TOTAL CASH INFLOWS**	**4,095.22**	**3,071.41**
13	**TOTAL HQLA**	**810.88**	**810.88**
14	**TOTAL NET CASH OUTFLOWS**	**739.93**	**850.92**
15	**LIQUIDITY COVERAGE RATIO (%)**	109.59%	95.29%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2023

(₹ in millions)

Particulars		For the quarter ended September 30, 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets			
1	**Total High Quality Liquid Assets (HQLA)**	660.47	660.47
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	876.48	1,007.95
6	Other contractual funding obligations	246.26	283.20
7	Other contingent funding obligations	1,129.40	1,298.81
8	**TOTAL CASH OUTFLOWS**	**2,252.14**	**2,589.96**
Cash Inflows			
9	Secured lending	-	-
10	Inflows from fully performing exposures	1,606.43	1,204.82
11	Other cash inflows	4,787.27	3,590.45
12	**TOTAL CASH INFLOWS**	**6,393.70**	**4,795.27**
13	**TOTAL HQLA**	**660.47**	**660.47**
14	**TOTAL NET CASH OUTFLOWS**	**563.04**	**647.49**
15	**LIQUIDITY COVERAGE RATIO (%)**	117.30%	102.00%

(₹ in millions)

Particulars		For the quarter ended June 30, 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets			
1	**Total High Quality Liquid Assets (HQLA)**	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	990.24	1,138.78
6	Other contractual funding obligations	264.48	304.16
7	Other contingent funding obligations	1,163.50	1,338.02
8	**TOTAL CASH OUTFLOWS**	**2,418.22**	**2,780.96**
Cash Inflows			
9	Secured lending	-	-
10	Inflows from fully performing exposures	1,738.60	1,303.95
11	Other cash inflows	5,145.16	3,858.87
12	**TOTAL CASH INFLOWS**	**6,883.76**	**5,162.82**
13	**TOTAL HQLA**	**479.70**	**479.70**
14	**TOTAL NET CASH OUTFLOWS**	**604.56**	**695.24**
15	**LIQUIDITY COVERAGE RATIO (%)**	79.35%	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, 2023

56.13 Provisioning Details as on 31st March 2023

(₹ in millions)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	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
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
1. Performing Assets						
Standard	Stage 1	66,024.25	373.24	65,651.02	287.34	85.90
	Stage 2	4,136.81	645.67	3,491.14	99.84	545.83
Subtotal of Performing Assets		**70,161.06**	**1,018.91**	**69,142.15**	**387.18**	**631.73**
2. Non-Performing Assets (NPA)						
a. Substandard	Stage 3	804.27	243.57	560.70	93.27	150.30
b. 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)
Subtotal for doubtful		**575.23**	**156.33**	**418.90**	**164.13**	**(7.80)**
c. Loss Assets	Stage 3	-	-	-	-	-
Subtotal of NPA		**1,379.50**	**399.90**	**979.60**	**257.40**	**142.50**
Other items such as 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.	Stage 1	11,064.11	44.53	11,019.58	-	44.53
	Stage 2	9.31	0.05	9.25	-	0.05
	Stage 3	19.44	18.70	0.74	-	18.70
Subtotal		**11,092.86**	**63.28**	**11,029.57**	**-**	**63.28**
Total	Stage 1	66,024.25	417.76	65,606.49	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	960.89	257.40	161.19
	Total	**71,540.56**	**1,482.08**	**70,058.47**	**644.58**	**837.50**

56.14 Provisioning Details as on 31st March 2022

(₹ in millions)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	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
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
1. Performing Assets						
Standard	**Stage 1**	41,139.97	297.04	40,842.93	191.98	105.06
	Stage 2	5,275.73	712.38	4,563.35	150.56	561.82
Subtotal of Performing Assets		**46,415.70**	**1,009.42**	**45,406.28**	**342.54**	**666.88**
2. Non-Performing Assets (NPA)						
a. Substandard	**Stage 3**	563.05	155.37	407.68	57.10	98.27
b. Doubtful						
- up to 1 year	**Stage 3**	339.72	91.86	247.86	71.70	20.16
- 1 to 3 years	**Stage 3**	307.12	83.04	224.08	97.91	(14.87)
- More than 3 years	**Stage 3**	30.50	8.25	22.25	15.25	(7.00)
Subtotal for doubtful		**677.34**	**183.15**	**494.19**	**184.86**	**(1.71)**
c. Loss Assets	**Stage 3**	59.45	59.45	-	59.45	-
Subtotal of NPA		**1,299.84**	**397.97**	**901.87**	**301.41**	**96.56**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
For the year ended March 31, 2023

(₹ in millions)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	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
Other items such as 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.	**Stage 1**	10,170.83	60.40	10,110.43	45.51	14.89
	Stage 2	340.47	15.40	325.07	12.50	2.90
	Stage 3	2.45	0.60	1.85	0.31	0.29
Subtotal		**10,513.75**	**76.40**	**10,437.35**	**58.32**	**18.08**
Total	**Stage 1**	41,139.97	357.44	40,782.53	237.49	119.95
	Stage 2	5,275.73	727.78	4,547.95	163.06	564.72
	Stage 3	1,299.84	398.57	901.27	301.72	96.85
	Total	**47,715.54**	**1,483.79**	**46,231.75**	**702.27**	**781.52**

57: Loans and Advances – Regulatory Restrictions - NBFCs refer to circular RBI/2022-23/29 DOR.CRE. REC.No.25/03.10.001/2022-23 Scale Based Regulation (SBR) dated April 19, 2022

Loans to Directors, Senior Officers and relatives of Directors

(₹ in millions)

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Directors and their relatives	-	-
2	Entities associated with directors and their relatives	-	-
3	Senior Officers and their relatives	-	-

Note 58 Previous year figures

Previous year's figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

In terms of our report attached

For **M M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

Independent Auditor's Report

To the Members of Capri Global Capital Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Capri Global Capital Limited ('the Holding Company') and its subsidiary – Capri Global Housing Finance Limited (the Holding Company and its subsidiary together referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of a subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Impairment of loans and advances to customers (Refer Note 2.7 for significant accounting policies and Note 39.2 for credit risk disclosures)	
As at 31 March 2023, the Group has reported gross loan assets of ₹ 96,547.99 millions against which an impairment loss of ₹ 1,794.47 millions has been recorded. The Group recognized impairment provision for loan assets based on the Expected Credit Loss ("ECL") approach laid down under 'Ind AS 109 – Financial Instruments'. The estimation of ECL on financial instruments involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have a material impact on reported profits. Significant management judgement and assumptions involved in measuring ECL is required with respect to: • ensuring completeness and accuracy of the data used to create assumption in the model	Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following: • Obtained an understanding of the modelling techniques adopted by the Group including the key inputs and assumptions; • Considered the Group's accounting policies for estimation of expected credit loss on loans and assessing compliance with the policies in terms of Ind AS 109; • Understanding management's updated processes, systems and controls implemented in relation to impairment allowance process.

Independent Auditor's Report (Contd.)

Key Audit Matter	How our audit addressed the key audit matter
• determining the criteria for a significant increase in credit risk. • factoring in future economic assumptions • techniques used to determine probability of default, loss given default and exposure at default. These parameters are derived from the Group's internally developed statistical models and other historical data. During the previous years, RBI announced various relief measures for the borrowers which were implemented by the Company such as "COVID 19 Regulatory Package- Asset Classification and Provisioning" announced by the RBI on 17 April 2020 and RBI circular on "Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package" dated 07 April 2021 (collectively referred to as 'the RBI circulars'), and "Resolution Framework for COVID-19 related Stress" (the 'Resolution Framework') dated on 6 August 2020 and 4 June 2021, which have been collectively considered by the management in identification, classification and provisioning of loan assets for impairment. On the basis of an estimate made by the management, an overlay to the tune of ₹ 76.30 millions has been recognized by the Holding Company as at 31 March 2023 on loans basis their performance and outstanding position. The basis of estimates and assumptions involved in arriving at the overlay are monitored by the Holding Company periodically and significantly depend on future developments in the economy. **Disclosure** The disclosures regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material inputs to the ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions is also an area of focus. Considering the significance of the above matter to the overall financial statements, and extent of management's estimates and judgements involved, it required significant auditor attention. Accordingly, we have identified this as a key audit matter.	• Accuracy of the computation of the ECL estimate including reasonableness of the methodology and assumption used to determine macro-economic overlays; • Tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording, monitoring of the impairment loss recognized and staging of assets.; • Assessed the critical assumptions and input data used in the estimation of expected credit loss models for specific key credit risk parameters, such as the movement logic between stages, Exposure at default (EAD), probability of default (PD) or loss given default (LGD); • Evaluated the reports and working for the methodology used in the computation of Through The Cycle PD, Point In Time PD and LGD, among others; • Performed test of details over calculation of ECL, in relation to the completeness and accuracy of the data; • Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable; and • Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 39 "Financial risk management" disclosed in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Board of Director's Responsibilities for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, RBI Guidelines and other accounting principles generally accepted in India. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of respective Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

    - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

Independent Auditor's Report (Contd.)

report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The consolidated financial statements include the audited financial statements of a subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 28,262.84 million as at 31 March, 2023, total revenue (before consolidation adjustments) of ₹ 3,236.72 million and net profit after tax (before consolidation adjustments) of ₹ 620.47 million and net cash outflows of ₹ 1,994.36 million for the year ended on that date, as considered in the consolidated financial statements, which has been audited by its independent auditor. The independent auditor's report on the financial statements of this entity has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and the report of the statutory auditor of a subsidiary company incorporated in India which was not audited by us, we report that the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, we report that there are no qualifications or adverse remarks in these CARO reports.

18. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of a subsidiary, as noted in 'other matters paragraph', we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company and reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on the separate financial statements of the subsidiary as noted in other matter paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 47 to the consolidated financial statements;

ii. The Group has made provision as at 31 March 2023, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India during the year ended 31 March 2023;

iv. a. The management has represented that, to the best of its knowledge and belief as disclosed in note 51A to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The management, as disclosed in the note 51A to the accompanying consolidated financial statements has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed, as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement;

v. The dividend declared during the year ended 31 March 2023 by the Holding Company is in compliance with section 123 of the Act; and

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **M M Nissim & Co LLP**
Chartered Accountants
Firm's Registration No: 107122W/W100672

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049
UDIN: 23114049BGXMMH4757
Mumbai
22 May 2023

Independent Auditor's Report (Contd.)

Annexure I

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 18 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the consolidated financial statements of Capri Global Capital Limited ('the Holding Company') and its subsidiary (collectively referred as 'Group') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the consolidated financial statements of Group, as at that date.

Board of Director's Responsibilities for Internal Financial Controls

2. The respective Board of Directors of the companies included in the Group, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in the subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Group, have in all material respects, adequate internal financial controls with reference to the consolidated financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to the consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049
UDIN: 23114049BGXMMH4757
Mumbai
22 May 2023

CONSOLIDATED BALANCE SHEET

As at March 31, 2023

(₹ in Millions)

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS				
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3	14,767.73	3,225.06
(b)	Bank Balance other than above	4	335.07	306.15
(c)	Receivables	5	322.34	93.26
(d)	Loans	6	94,753.52	62,708.03
(e)	Investments	7	2,150.41	3,774.84
(f)	Other financial assets	8	755.49	210.52
Total Financial Assets			**1,13,084.56**	**70,317.86**
(2)	**Non-Financial assets**			
(a)	Current tax assets (net)	9	195.04	100.38
(b)	Deferred tax assets	10	476.09	366.83
(c)	Property, plant and equipment	11	2,839.92	318.02
(d)	Capital work-in-progress	11	25.22	-
(e)	Intagible Assets under development	11	148.05	23.20
(f)	Other Intangible assets	11	69.67	25.66
(g)	Other non financial assets	12	1,107.60	375.74
Total Non-Financial Assets			**4,861.59**	**1,209.83**
Total Assets			**1,17,946.15**	**71,527.69**
EQUITY AND LIABILITIES				
LIABILITIES				
(1)	**Financial Liabilities**			
(a)	Derivative financial instruments	15A	75.72	12.42
(b)	Payables			
	(A) Trade Payables	13		
	(i) total outstanding dues of micro enterprises and small enterprises		6.52	1.75
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		960.95	333.10
	(B) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		144.99	78.25
(c)	Debt Securities	14	4,386.14	4,560.88
(d)	Borrowings (Other than Debt Securities)	15B	70,726.65	43,761.16
(e)	Other Financial liabilities	16	5,629.85	3,270.64
Total Financial Liabilities			**81,930.82**	**52,018.20**
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (net)	17	12.92	27.89
(b)	Provisions	18	214.96	166.19
(c)	Other non-financial liabilities	19	132.79	90.70
Total Non-Financial Liabilities			**360.67**	**284.78**
Total Liabilities			**82,291.49**	**52,302.98**
(3)	**EQUITY**			
(a)	Equity Share Capital	20	412.31	351.31
(b)	Other equity	21	35,242.35	18,873.40
Total Equity			**35,654.66**	**19,224.71**
Total Equity and Liabilities			**1,17,946.15**	**71,527.69**

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For **M M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2023

(₹ in Millions)

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
Revenue from Operations				
(i)	Interest income	22	11,672.92	8,395.78
(ii)	Dividend income		-	1.23
(iii)	Fee and commission income	23	1,540.97	506.77
(iv)	Net Gain on Derecognition of Financial Instruement	24	557.31	170.01
(v)	Net gain on fair value changes	25	214.00	236.17
(vi)	Sale of Service		265.07	250.65
(vii)	Other operating income	26	383.18	242.51
(I)	**Total Revenue from operations**		**14,633.45**	**9,803.12**
(II)	Other Income	27	16.52	14.41
(III)	**Total Income (I + II)**		**14,649.97**	**9,817.53**
Expenses				
(i)	Finance costs	28	5,311.18	3,308.47
(ii)	Fees and commission Expense		257.76	190.79
(iv)	Impairement of financial instruments	29	641.82	1,056.34
(v)	Employee benefit expenses	30	4,060.78	1,746.04
(vi)	Depreciation and amortisation expense		439.13	98.77
(vii)	Other expenses	31	1,256.46	690.89
(IV)	**Total Expenses**		**11,967.13**	**7,091.30**
(V)	**Profit before tax (III- IV)**		**2,682.84**	**2,726.23**
	Tax expense			
	- Current tax	34	653.96	779.55
	- Deferred tax	35	(6.41)	(109.53)
	- Tax Pertaining to earlier years		(11.25)	5.80
(VI)	**Total tax expense**		**636.30**	**675.82**
(VII)	**Net Profit After Tax**		**2,046.54**	**2,050.41**
(VIII)	**Other comprehensive income**	**32**		
	(A) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		(12.50)	(0.47)
	Income Tax impact on above		3.15	0.12
	Total (A)		**(9.35)**	**(0.35)**
	(B) Items that will be reclassified to profit or loss			
	Fair Value Gain on time value of forward element of forward contract in hedging relationship		(29.53)	(6.10)
	Income Tax impact on above		7.43	1.53
	Total (B)		**(22.10)**	**(4.57)**
	Other Comprehensive Income (A) + (B)		**(31.45)**	**(4.92)**
(IX)	**Total comprehensive income (VII+VIII)**		**2,015.09**	**2,045.49**
(X)	**Earnings per equity share (of ₹ 2 Each)**			
	Basic (₹)		11.06	11.17
	Diluted (₹)		10.94	11.05

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For **M M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

CONSOLIDATED CASH FLOW STATEMENT

For the year ended March 31, 2023

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash Flow From Operating activities		
Profit before tax from continuing operations	2,682.84	2,726.23
Adjustments for:		
Depreciation & amortisation	439.13	98.77
Impairment on financial instruments	631.34	1,056.68
Net Gain on Fair Valuation of Financial Instruments	(214.00)	(236.17)
Net Gain on Derecognition of Financial Instruments	(546.03)	(170.01)
Loss/(Gain) on sale of Fixed Assets	1.07	1.22
Write off - Fixed Assets	1.76	-
Gain on early termination of Lease	(6.26)	(1.75)
Gain on sale of Investment Property	(6.30)	(2.93)
Gain on sale of Investments	-	(0.28)
Share Based Payments to employees	161.59	54.78
Dividend income	-	(1.23)
Interest on Lease liability	147.62	26.12
Interest income	(11,661.61)	(8,395.78)
Finance cost	5,163.56	3,308.47
Interest received	11,512.86	8,285.99
Interest Paid	(5,338.93)	(3,434.45)
Dividend received	-	1.23
Operating Profit before working capital changes	**2,968.64**	**3,316.90**
Working capital changes		
(Increase)/Decrease in		
Loans	(32,538.57)	(16,701.66)
Trade receivables & Other Financial Assets	(216.31)	(55.83)
Other Non-financial Assets	(736.30)	(175.79)
Increase/(Decrease) in		
Trade payables	663.13	261.31
Other financial liability	821.67	836.13
Other Non-financial liability	(116.03)	55.06
Provision	59.93	(15.11)
Cash used in Operations	**(29,093.84)**	**(12,478.99)**
Income tax paid	(844.64)	(922.41)
Net cash flows from/(used in) operating activities	**(29,938.48)**	**(13,401.40)**
Cash Flow From Investing activities		
Increase/(decrease) in Fixed deposits not considered as cash and cash equivalent	(22.33)	235.14
Purchase of fixed and intangible assets	(1,225.31)	(106.55)
Intangible Assets Under Development	(61.32)	(11.70)
Capital work-in-progress	(25.22)	-
Proceeds from sale of property and equipment	3.81	3.98
Proceeds from sale of Investment Properties	10.76	5.01
Sale/(Purchase) of investment in Mutual Funds (net)	(14,797.73)	2,323.90
Proceeds from Sale of investment	17,112.49	3,234.27
Purchase of investment in shares	(474.22)	(2,518.59)
Net cash flows from/(used in) investing activities	**520.93**	**3,165.47**

CONSOLIDATED CASH FLOW STATEMENT

For the year ended March 31, 2023

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash Flow From Financing activities		
Debt securities Redeemed (Net)	(176.79)	(2,416.67)
Proceed from Borrowings other than debt securities	38,312.82	18,640.00
Repayment of Borrowings other than debt securities Repaid	(11,138.77)	(6,514.25)
Other short term loan (net)	-	654.26
Payments for the principal portion of the lease liability	(157.48)	(33.59)
Payments for the interest portion of the lease liability	(147.62)	(26.12)
Dividends paid	(79.83)	(70.14)
Proceed from issue of equity Shares	14,347.89	1,521.60
Net cash flows from financing activities	**40,960.22**	**11,755.10**
Net increase in cash and cash equivalents	11,542.67	1,519.15
Cash and cash equivalents as at beginning of the year	**3,225.06**	**1,705.91**
Cash and cash equivalents as at end of the year	**14,767.73**	**3,225.06**
Components of cash and cash equivalents		
Cash on hand	164.66	14.88
Balances with banks		
In current accounts	3,223.26	1,101.37
Cheques on hand	27.58	8.81
Fixed deposits with original maturity of 3 Months or less	11,352.23	2,100.00
Total cash and cash equivalents	**14,767.73**	**3,225.06**

1. Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
2. Figures in brackets represent outflows.

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For **M M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

(1) Current year

(₹ in Millions)

Balance as at April 01, 2022	Changes in equity share capital due to prior period errors	Restated balance as at April 01, 2022	Changes in equity share capital during the current year	Balance as at March 31, 2023
351.31	-	351.31	61.00	412.31

(2) Previous year

(₹ in Millions)

Balance as at April 01, 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 01, 2021	Changes in equity share capital during the current year	Balance as at March 31, 2022
350.57	-	350.57	0.74	351.31

B. OTHER EQUITY

(₹ in Millions)

	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	Statutory Reserve under Section 29C of the National Housing Bank Act, 1987	Employee Benefit Expenses (Gratuity - OCI)	Hedging Reserve (Forward Contract - OCI)	Total
Balance as at April 1, 2021	642.05	4,491.79	9,035.79	78.77	2,407.96	158.30	7.75	-	16,822.41
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	**642.05**	**4,491.79**	**9,035.79**	**78.77**	**2,407.96**	**158.30**	**7.75**	**-**	**16,822.41**
Profit for the year	-	-	2,050.41	-	-		-	-	2,050.41
Other Comprehensive income / (losses)	-	-	-	-	-		(0.35)	(4.57)	(4.92)
Dividends	-	-	(70.15)	-	-		-	-	(70.15)
Transfer from retained earnings	-	-	(410.17)	-	-		-	-	(410.17)
Addition during the Year	-	49.34		26.31	323.77	86.40	-	-	485.82
Balance as at March 31, 2022	**642.05**	**4,541.13**	**10,605.88**	**105.08**	**2,731.73**	**244.70**	**7.40**	**(4.57)**	**18,873.40**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2023

(₹ in Millions)

	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**	**Statutory Reserve under Section 29C of the National Housing Bank Act, 1987**	**Employee Benefit Expenses (Gratuity - OCI)**	**Hedging Reserve (Forward Contract - OCI)**	**Total**
Restated balance as at April 1, 2022	**642.05**	**4,541.13**	**10,605.88**	**105.08**	**2,731.73**	**244.70**	**7.40**	**(4.57)**	**18,873.40**
Profit for the year	-	-	2,046.54	-	-		-	-	2,046.54
Other Comprehensive income / (losses)	-	-	-	-	-		(9.35)	(22.10)	(31.45)
Dividends	-	-	(87.91)	-	-		-	-	(87.91)
Transfer from retained earnings	-	-	(448.06)	-	-		-	-	(448.06)
Addition during the Year	-	25.34	-	148.37	283.07	164.99	-	-	621.77
Securities premium proceeds received on rights issue of equity shares	-	14,268.06	-	-	-	-	-	-	14,268.06
Balance as at March 31, 2023	**642.05**	**18,834.53**	**12,116.45**	**253.45**	**3,014.80**	**409.69**	**(1.95)**	**(26.67)**	**35,242.35**

In terms of our report attached

For **M M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

1. Corporate Information

Capri Global Capital Limited ("the Company/Holding Company") having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans to Micro, Small and Medium Enterprises (MSMEs), providing long term finance for construction of residential houses in India, Indirect Lending, Gold Loan in India and in providing ancillary services related to the said business activities. The Holding company is NBFC – Investment and Credit Company (NBFC-ICC), holding a Certificate of Registration No. B-13.01882 from the Reserve Bank of India ("RBI") dated November 05, 2007, having CIN: L65921MH1994PLC173469.

Capri Global Housing Finance Limited (the Subsidiary Company) having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans primarily to customers for purchase / construction / repair and renovation of residential property. The Company holds registration certificate No. 07.0139.16 with National Housing Bank under section 29A of the National Housing Bank Act, 1987 dated July 18, 2016

The consolidated financial statements relate to the Holding Company and its Subsidiary Company (together regrouped as the "Group").

The Consolidated financial statements for the year ended March 31, 2023 were authorised for issue in accordance with a resolution of the board of directors on May 22, 2023.

2.1 Basis of Consolidation

(i) The following subsidiary company has been considered in the preparation of the consolidated financial statements:

				% of holding and voting power	
Name of Entity	**Relationship**	**Country of Incorporation**	**Ownership held by**	**As at March 31, 2023**	**As at March 31, 2022**
Capri Global Housing Finance Limited	Subsidiary	India	Capri Global Capital Limited	100%	100%

(ii) Principles of Consolidation:

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) 110 - "Consolidated Financial Statements" notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The consolidated financial statements have been prepared on the following basis:

a) The financial statements of Group have been combined on a line by line basis of like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements as at March 31, 2023.

b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Holding Company's separate financial statements. Appropriate adjustments have been made in the financial statements of the subsidiary with respect to different accounting policies for like transaction and events in similar circumstances for the purpose of preparation of consolidated financial statements.

c) Elimination of the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.

d) The financial statements of the subsidiary used in consolidation are drawn up to the same reporting date as that of the Holding Company i.e. year ended March 31, 2023.

2.2 Statement of compliance and basis of preparation and presentation

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) The Group uses accrual

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

basis of accounting except in case of significant uncertainties [Refer note 2.4 (i),(iii),(iv),(v)]. Accounting policies have been consistently applied to all periods presented unless otherwise stated.

Any application of guidance / clarification / directions issued by RBI or other regulations are implemented prospectively when they become applicable.

The Consolidated financial Statement has been prepared in accordance with and comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The 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 (₹) and all values are rounded to two decimal Millions, except when otherwise indicated.

2.3. 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

2.4 Revenue from operations

(i) Interest Income

Interest income is recognised by applying EIR to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at 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. 2.6 (viii) regarded as 'Stage 3'), The Group recognises interest income on the amortised cost net of impairment loss of the financial asset. If the financial asset is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

The EIR is computed

a. As the rate that exactly discounts estimated future cash payments or receipts through the expected 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 costs, and all other premiums or discounts.

Loan processing fees on loans is collected towards processing of loan, this is amortised on EIR basis over the average life (after considering the pre payment adjustment) of the loan for MSME, contractual tenure for construction finanace and Indirect loans and average life for Gold loan.

(ii) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

(iii) Fees & Commission Income

The Group recognises the fee and commission income not integral to EIR under Ind AS 109 in

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

accordance with the terms of the relevant customer contracts / agreement and when it is probable that The Group 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 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/delay payment of instalment on the contractual date & Foreclosure charges are collected from loan customers for early payment / closure of loan, are recognised on realisation.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery

(iv) Sale of service

Sale of services includes advertising income, representing income earned from the activities incidental to the business and is recognised when the service is performed. Revenue is net of applicable indirect taxes as per the terms of the contract.

(v) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as FVTPL held by The Group on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

However, Net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

(vi) Assignment transactions

In accordance with Ind AS 109, in case of assignment transactions with significant transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognized from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition to the extent of portion trasnsferred, the whole of the interest spread at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognized as profit on derecognition of financial asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

(vii) Securitization transactions

In accordance with Ind AS 109, in case of securitization transactions, The Group retains substantially all the risks and rewards of ownership of a transferred financial asset, The Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

2.5 Expenses

(i) Finance costs

Finance costs on borrowings is paid towards availing of loan, is amortised on EIR basis over the contractual life of loan.

The EIR in case of a financial liability is computed

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the liability.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, Rating Fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the eligible employees of The Group who have opted to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and The Group contribute monthly at a stipulated rate. The Group has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Group fully contributes all ascertained liabilities to the Trustees – CGCL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Financial Services Limited Employee Group Gratuity Assurance Scheme)" and CGHFL Employees Group Gratuity Assurance Scheme (Formerly known as Money Matters Securities Private Limited Employee Group Gratuity Assurance Scheme)" . Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

(iii) Leases Rent

The Group leases most of its office facilities under operating lease agreements that are renewable on a periodic basis at the option of the lessor and the lessee. The lease agreements contain rent free periods and rent escalation clauses.

The Group assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assesses whether: (i) the contract involves the use of an identified asset, (ii) The Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) The Group has the right to direct the use of the asset.

At the date of commencement of the lease, The Group recognizes a ROU asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. ROU assets represent The Group's right to use an underlying asset for the lease term and lease liabilities represent The Group's obligation to make lease payments arising from the lease. For short-term leases and low value leases, The Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

The lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, The Group uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if The Group changes

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

its assessment as to whether it will exercise an extension or a termination option.

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

(iv) Other income and expenses

All Other income and expense are recognized in the period they occur.

(v) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Taxes

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income or directly in equity when they relate to items that are recognized in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity.

Goods and services tax /service tax/value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/service tax/value added taxes paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

ii. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

2.6 Foreign currency translation

(i) Functional and presentational currency

The Consolidated financial statements are presented in Indian Rupees which is also functional currency of The Group and the currency of the primary economic environment in which The Group operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the year- end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.7 Financial instruments

Financial assets and financial liabilities are recognised in The Group's balance sheet on trade date, i.e. when The Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues of financial assets or financial liabilities carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price.

(i) Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and The Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of The Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from The Group's original expectations, The Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process The Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, The Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

(ii) Financial assets measured at amortised cost

Debt instruments

These financial assets comprises of bank balances, receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and

b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

(iii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and

b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in Profit and Loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by The Group in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument- by-instrument basis. As at reporting date, there are no equity instruments measured at FVTOCI.

Amounts presented in other comprehensive income are not subsequently transferred to profit or loss.

Dividends on such investments are recognised in Profit or Loss.

(iv) Items at fair value through profit or loss (FVTPL)

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at FVTPL are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments designated as measured at FVTPL

Upon initial recognition, financial instruments may be designated FVTPL. A financial asset may only be designated at FVTPL if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at FVTPL if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in The Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, The Group has not designated any financial instruments as measured at fair value through profit or loss.

(v) Debt securities and other borrowed funds

After initial measurement, debt issued, and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the Effective Interest Rate (EIR).

(vi) Reclassification

If the business model under which The Group holds financial assets undergoes changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying The Group's financial assets. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described in subsequent paragraphs.

(vii) Recognition and Derecognition of financial assets and liabilities

Recognition:

a) Loans and Advances are initially recognised when the Financial Instruments are transferred to the customers.

b) Investments are initially recognised on the settlement date.

c) Debt securities and borrowings are initially recognised when funds are received by The Group.

d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that The Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI). In case of an existing exposure to the borrower in The Group the newly recognised loans are classified as per the staging of the existing exposure.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, The Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, The Group has transferred its contractual rights to receive cash flows from the financial asset.

A transfer only qualifies for derecognition if either:

i. The Group has transferred substantially all the risks and rewards of the asset, or

ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When The Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of The Group's continuing involvement, in which case, The Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that The Group has retained.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of Profit or Loss.

(viii) Impairment of financial assets

Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, in this section all referred to as 'financial instruments. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has grouped its loan portfolio into Micro, Small and Medium Enterprises (MSMEs), Construction Finance Indirect Lending and Gold Loan.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Based on the above, The Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances up to 0-30 days default under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31 to 90 days are classified under this stage. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. more than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

Credit-impaired financial assets:

At each reporting date, The Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

a) Significant financial difficulty of the borrower or issuer;

b) A breach of contract such as a default or past due event;

c) The restructuring of a loan or advance by The Group on terms that The Group would not consider otherwise;

d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

e) The disappearance of an active market for a security because of financial difficulties.

The mechanics of ECL:

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - Probability of default ("PD") is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

Loss Given Default (LGD) - Loss Given Default ("LGD") is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Forward looking information

While estimating the expected credit losses, The Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, The Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD determined by The Group based on its internal data/external data. While the internal estimates of PD rates by The Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral repossessed

In its normal course of business, the group repossess assets under SARFAESI/ arbitration Act, but do not transfer these assets in its book of accounts. The Group continues to show these loans account as Non-Performing Assets (NPA) in the books, till the liquidation of the secured assets through public auction and realise actual payment against these loans.

(ix) Write-offs

The Group reduces the gross carrying amount of a financial asset when The Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when The Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

(x) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, The Group measures certain categories of financial instruments (as explained in note.) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by The Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that The Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation are significant and are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable

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For the year ended March 31, 2023

to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, The Group will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, The Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, The Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is not recognised at the initial recognition stage.

(xi) Derivative Financial Instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its floating rate borrowings arising from changes in interest rates and exchange rates. At inception of designated hedging relationships.

The Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

2.8 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above.

2.9 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress.

Depreciation

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

2.10 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to The Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end.

Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible under development"

2.11 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

2.12 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of The Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2.13 Earning Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the 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.

2.14 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

(i) Defined employee benefit assets and liabilities - Refer 2.5(ii)

(ii) Impairment of loans portfolio - Refer 2.7(viii)

(iii) Effective Interest Rate (EIR) method - Refer 2.4(i) and 2.5(i)

(iv) Lease accounting - Refer 2.5(iii)

(v) Impairment test of non-financial assets - Refer 2.5(v)

(vi) Useful life of property, plant, equipment and intangibles - Refer 2.9 & 2.10

(vii) Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions - Refer 2.5(vi)

(viii) Recognition and Measurement of Provision and Contingencies - Refer 2.11 and 2.12

(ix) Determination of the fair value of financial instruments - Refer 2.7(x)

(x) Business Model Assessment - Refer 2.7(i)

2.15 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) on 31st March 2023 through Companies (Indian Accounting

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023.

Indian Accounting Standard (Ind AS) 1 – Presentation of financial statements – This amendment requires The Group to disclose its material accounting policies rather than their significant accounting policies.

The Group will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward.

The Group does not expect this amendment to have any material impact in its financial statements.

Indian Accounting Standard (Ind AS) 8 – Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

The Group does not expect this amendment to have any material impact in its financial statements.

Indian Accounting Standard (Ind AS) 12 – Income taxes – This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

The Group does not expect this amendment to have any material impact in its financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 3 - Cash and cash equivalents

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	164.66	14.88
Cheques on hand	27.58	8.81
Balances with banks:		
- In Current Accounts	3,223.26	1,101.37
- Fixed deposits with original maturity of 3 Months or less	11,352.23	2,100.00
Total	**14,767.73**	**3,225.06**

Note 4 - Bank balances other than cash and cash equivalents

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks		
- Original Maturity more than 3 months	334.88	305.94
- Unclaimed Dividend Account	0.19	0.21
Total	**335.07**	**306.15**

Out of the above ₹ 320.46 Millions (March 31, 2022 - ₹ 200.51 Millions) balance in deposit accounts with banks are being earmarked towards Borrowings from National Housing Bank , overdraft facilities, bank guarantee and against customer advance.

Deposits are made for varying period from 10 days to 10 years and earn interest from 4.90% to 7.70% p.a.

Note 5 - Receivables

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured considered good		
- Outstanding for a period exceeding six months from the due date of payment of payment	-	-
- Outstanding for a period less than six months	333.74	93.26
Total – Gross (A)	**333.74**	**93.26**
Less: Provision for impairment	(11.40)	-
Total – Net (A)	**322.34**	**93.26**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Ageing schedule

(1) Current year

(₹ in Millions)

Particulars		Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	-	322.34	-	-	-	-	322.34
(ii)	Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v)	Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-

Note: Ageing of receivable is determined from the date of transaction

(2) Previous year

(₹ in Millions)

Particulars		Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	-	93.26	-	-	-	-	93.26
(ii)	Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v)	Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-

Note: Ageing of receivable is determined from the date of transaction

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 6 - Loans

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
	Total	Total
Secured (Amortised Cost)		
Term Loans	96,544.56	64,413.67
Unsecured (Amortised Cost)		
Loan to employees	3.43	1.13
Total – Gross (A)	**96,547.99**	**64,414.80**
Less : Expected Credit Loss	(1,794.47)	(1,706.77)
Total – Net (A)	**94,753.52**	**62,708.03**
(i) Secured by Tangible Assets	93,133.60	61,291.34
(ii) Secured by Book Debts	3,410.96	3,122.33
(iii) Unsecured	3.43	1.13
Total – Gross (B)	**96,547.99**	**64,414.80**
Less: Expected Credit Loss	(1,794.47)	(1,706.77)
Total – Net (B)	**94,753.52**	**62,708.03**
Loans in India		
(i) Public Sector	-	-
(ii) Others	96,547.99	64,414.80
Total - Gross (C)	**96,547.99**	**64,414.80**
Less: Expected Credit Loss	(1,794.47)	(1,706.77)
Total – Net (C)	**94,753.52**	**62,708.03**

Note 1 - The Group's business model is to Collect contractual cash flows, being the payment of Principal and Interest, accordingly the loans are measured at amortised cost.

Note 2 - Underlying for the term loans secured by tangible assets are properties and Gold Jewellery

Note 3 - The Group does not have any loans outside India.

Note 7 - Investments

(₹ in Millions)

Investments	As at March 31, 2023			As at March 31, 2022		
	At Fair Value Through profit and loss	At Amortized Cost	Total	At Fair Value Through profit and loss	At Amortized Cost	Total
Investments in Mutual funds	1,364.73	-	1,364.73	2,304.43	-	2,304.43
Investments in Debt Securities						
- Debt Instrument	-	-	-	-	247.66	247.66
- Pass Through Certificates	-	785.68	785.68	-	1,174.64	1,174.64
Investments in Equity Instruments	-	-	-	48.11	-	48.11
Total - Gross (A)	**1,364.73**	**785.68**	**2,150.41**	**2,352.54**	**1,422.31**	**3,774.84**
i) Investments outside India	-	-	-	-	-	-
ii) Investments in India	1,364.73	785.68	2,150.41	2,352.54	1,422.31	3,774.84
Total (B)	**1,364.73**	**785.68**	**2,150.41**	**2,352.54**	**1,422.31**	**3,774.84**

* As per para 10 of Ind AS 27, the Group has opted to account the investments in subsidiary entity at cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

(₹ in Millions)

Particulars	As at March 31, 2023 Numbers/Units	As at March 31, 2022 Numbers/Units
Investment in Subsidiaries		
1. Equity Shares of CARE Ratings Limited of ₹ 10/- each fully paid up	-	94,242.00
Investment in Mutual Funds		
1. ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	9,290,561.00
2. DSP Liquidity Fund - Direct Plan - Growth	46,707.43	-
3. ICICI Pru. Floating Interest Fund -Direct Growth	452,358.55	-
4. Aditya Birla Sun Life Savings Fund - DG	692,366.47	676,389.73
5. ICICI Prudential Money Market Fund Regular Growth	-	198,269.03
6. ICICI Prudential Money Market Fund Direct Growth	-	1,629,143.98
7. Nippon India Money Market Fund Direct Growth	-	185,170.45
8. Aditya Birla Sun Life Money Manager Fund - Direct Growth	-	669,388.31
9. Aditya Birla Sun Life Liquid Fund - Direct Growth	-	583,099.82
10. Nippon Indian Liquid Fund Direct Growth	-	38,439.85
11. Baroda Liquid Fund	80,394.50	-
12. Nippon India Money Market Fund	100,752.44	-
13. ICICI Prudential Ultra Short Fund	10,034,017.04	-
Investment in Bonds		
1. Edelweiss Financial Services Ltd - 11 NCD 05OCT23 FVRS10LAC	-	250.00
Investment in Pass Through Certificates		
1. INDIAN RECEIVABLE TRUST 2019 SERIES 5 - SERIES A2 PTC 01MR19	2,318.00	2,318.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 8. Other Financial Assets

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	127.37	32.30
Interest Accrued but not due on Debt Instruments	-	2.03
Interest Accrued but not due on PTC	4.74	6.08
Spread receivable on assigned portfolio	622.01	168.46
Other Receivable	1.37	1.65
Total	**755.49**	**210.52**

Note 9 - Current Tax Assets (Net)

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Tax	195.04	100.38
[net of provision for tax of ₹ 3,850 Millions (March 31, 2022 ₹ 3,129.87 Millions)]		
Total	**195.04**	**100.38**

Note 10. Deferred Tax Assets

The major components of deferred tax assets and liabilities are :

(₹ in Millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Assets	Liabilities	Assets	Liabilities
a) Depreciation	39.16	-	24.25	-
b) Provision for Employee Benefits	29.74	-	15.21	-
c) Unmortised fees on borrowings	-	0.68	-	1.40
d) Impairment allowance for financial assets	464.90	-	359.09	-
e) Unmortised fees on loans	1.55	-	4.21	-
f) Financial Instruments at FVTPL	-	1.05	0.76	-
g) Others	32.46	-	7.11	-
h) Interest Income on NPA	66.56	-	-	-
i) Gain on derecognition of financial instruments	-	156.55	-	42.40
Total	**634.37**	**158.28**	**410.63**	**43.80**
Net Deferred Tax Asset		**476.09**		**366.83**

Refer Note 35 for Deferred tax Movement

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 11 - Property, plant and equipment & Intangible Assets

Current Year:

Property, plant and equipment :

(₹ in Millions)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2022	Additions	Deductions	As at March 31, 2023	As at April 01,2022	For the Year	Deductions	As at March 31, 2023	As at March 31, 2023	As at March 31,2022
Buildings :										
Buildings	2.70	-	-	2.70	0.60	0.10	-	0.70	2.00	2.10
Leasehold Premises	22.85	164.28	0.43	186.70	17.65	19.59	0.35	36.89	149.81	5.20
Computer Hardware	128.83	173.75	10.44	292.14	82.28	79.94	9.84	152.38	139.76	46.55
Furniture and Fixtures	49.37	367.03	0.55	415.85	36.48	40.23	0.41	76.30	339.55	12.89
Office Equipments	33.43	220.76	2.62	251.57	27.42	41.28	2.47	66.23	185.34	6.01
Vehicles	62.71	14.78	11.15	66.34	42.65	7.69	7.96	42.38	23.96	20.05
Electrical Installation	9.82	140.85	0.22	150.45	7.67	14.70	0.19	22.18	128.27	2.15
Right of Use	352.94	1,885.98	64.46	2,174.46	129.87	200.35	26.98	303.24	1,871.22	223.07
Total	**662.65**	**2,967.44**	**89.89**	**3,540.22**	**344.62**	**403.88**	**48.20**	**700.30**	**2,839.92**	**318.02**

Note: The Group confirms that the title deeds of immpovable property are held in the name of the Capri Global Capital Limited.

Capital work-in-progress:

(₹ in Millions)

Particulars	GROSS BLOCK			
	As at April 01,2022	Additions	Deductions	As at March 31, 2023
Computer Hardware	-	71.16	65.84	5.32
Furniture & Fixtures	-	207.25	192.19	15.06
Office Equipments	-	175.23	170.40	4.83
Total	**-**	**453.63**	**428.44**	**25.22**

Intangible Assets under development:

(₹ in Millions)

Particulars	GROSS BLOCK			
	As at April 01,2022	Additions	Deductions	As at March 31, 2023
Software	23.20	156.85	32.00	148.05
Total	**23.20**	**156.85**	**32.00**	**148.05**

Intangible assets :

(₹ in Millions)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2022	Additions	Deductions	As at March 31, 2023	As at April 01,2022	For the Year	Deductions	As at March 31, 2023	As at March 31, 2023	As at March 31,2022
Software	107.22	79.27	-	186.49	81.56	35.26	-	116.82	69.67	25.66
Total	**107.22**	**79.27**	**-**	**186.49**	**81.56**	**35.26**	**-**	**116.82**	**69.67**	**25.66**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended March 31, 2023

Previous Year

Property, plant and equipment :

(₹ in Millions)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2021	Additions	Deductions	As at March 31, 2022	As at April 01,2021	For the Year	Deductions	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
Buildings :										
Buildings	2.70	-	-	2.70	0.49	0.11	-	0.60	2.10	2.21
Leasehold Premises	22.85	-	-	22.85	15.84	1.81	-	17.65	5.20	7.01
Computer Hardware	91.67	51.92	14.76	128.83	75.37	20.80	13.89	82.28	46.55	16.30
Furniture and Fixtures	50.31	1.52	2.46	49.37	34.03	4.25	1.80	36.48	12.89	16.28
Office Equipments	33.22	3.96	3.75	33.43	28.35	2.54	3.47	27.42	6.01	4.87
Vehicles	61.40	9.88	8.58	62.70	42.02	6.04	5.41	42.65	20.05	19.38
Electrical Installation	9.94	-	0.12	9.82	7.02	0.74	0.09	7.67	2.15	2.92
Right of Use	296.79	93.90	37.75	352.94	111.15	42.82	24.10	129.87	223.07	185.64
Total	**568.88**	**161.18**	**67.42**	**662.64**	**314.27**	**79.11**	**48.76**	**344.62**	**318.02**	**254.61**

Intagible Assets under development :

(₹ in Millions)

Particulars	GROSS BLOCK			
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022
Software	0.70	23.52	1.02	23.20
Total	**0.70**	**23.52**	**1.02**	**23.20**

Intangible assets :

(₹ in Millions)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2021	Additions	Deductions	As at March 31, 2022	As at April 01,2021	For the Year	Deductions	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
Software	78.74	28.48	-	107.22	61.93	19.63	-	81.56	25.66	16.81
Total	**78.74**	**28.48**	**-**	**107.22**	**61.93**	**19.63**	**-**	**81.56**	**25.66**	**16.81**

Note 12. Other Non-Financial Assets

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Advances	178.75	156.95
Less: Provision on Capital Advances	-	3.71
Net Capital Advances	**178.75**	**153.24**
Assets Held for sale	187.93	47.44
Less: Provision on Assets held for sale	42.98	42.98
Net Assets Held for Sale	**144.95**	**4.46**
Prepaid expenses	78.36	35.33
Accrued Income	447.20	170.46
Advance to vendor	236.34	7.59
Other Assets	22.00	4.66
Total	**1,107.60**	**375.74**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 13. Payables

Trade Payables

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises*	6.52	1.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	960.95	333.10
Total	**967.47**	**334.85**

*The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of Information available with the Group. The amount of principal and interest outstanding during the year is given below.

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
1) Principal amount due and remaining unpaid	6.52	1.75
2) Interest due on (1) above and the unpaid interest	-	-
3) Interest paid on all delayed payment under the MSMED Act	-	-
4) Payment made beyond the appointed day during the year	-	-
5) Interest due and payable for the period of delay other than (3) above	-	-
6) Interest accrued and remaining unpaid	-	-
7) Amount of further interest remaining due and payable in succeeding years	-	-
Total	**6.52**	**1.75**

Note: Trade Payable includes amount due to Related Parties as on March 31, 2023 ₹ Nil (As at March 2022 ₹ Nil)

Ageing schedule

(1) Current year

(₹ in Millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	6.50	0.00	0.02	-	6.52
(ii) Others	940.76	18.30	1.27	0.60	0.01	960.95
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-

Note: Ageing of payable is determined from the date of transaction

(2) Previous year

(₹ in Millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1.75	-	-	-	1.75
(ii) Others	325.10	6.21	0.24	1.55	-	333.10
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-

Note: Ageing of payable is determined from the date of transaction

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Other Payables

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Accrued Employee Benefit Expense	144.99	78.25
Total	**144.99**	**78.25**

Ageing schedule

(1) Current year

(₹ in Millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Others	-	143.56	1.43	-	-	144.99

Note: Ageing of payable is determined from the date of transaction

(2) Previous year

(₹ in Millions)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Others		78.20	0.05	-	-	78.25

Note: Ageing of payable is determined from the date of transaction

Note 14. Debt Securities

(₹ in Millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortised Cost	Total	At Amortised Cost	Total
Non Convertible Debentures	4,386.14	4,386.14	4,560.88	4,560.88
Total (A)	**4,386.14**	**4,386.14**	**4,560.88**	**4,560.88**
Debt securities in India	4,386.14	4,386.14	4,560.88	4,560.88
Debt securities outside India	-	-	-	-
Total (B)	**4,386.14**	**4,386.14**	**4,560.88**	**4,560.88**

Terms of repayment, nature of security & rate of interest in case of Non Convertible Debtenture.

(₹ in Millions)

Name of Security	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2023	As at March 31, 2022
Series 4 (FV ₹10 Lacs)	09-08-2029	Bullet payment on maturity	10.23%	1,500.00	1,500.00
Series 8 (FV ₹10 Lacs)	23-07-2023	Payable in 3 equal annual instalments	8.80%	166.67	333.33
Series 6 (FV ₹10 Lacs)	05-06-2023	Bullet payment on maturity	9.00%	500.00	500.00
Series 5 (FV ₹10 Lacs)	22-05-2023	Bullet payment on maturity	8.80%	2,000.00	2,000.00
Total (A)				**4,166.67**	**4,333.33**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

(₹ in Millions)

Name of Security	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2023	As at March 31, 2022
Add: Interest accrued but not due (B)				219.85	229.99
Less: Unammortised borrowing cost (C)				(0.38)	(2.44)
Total (A+B-C)				**4,386.14**	**4,560.88**

Disclosure under regulation 53(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Debenture Trustees:

Catalyst Trusteeship Limited
604, Windsor, Off CST Road,
Kalina, Santacruz East,
Mumbai - 400098.
Contact : + 91 (022) 49220555

Disclosure under regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Related party transaction - Refer Note 41

Disclosure under regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Asset Cover

The above NCD's are secured against first pari-passu charge by way of hypothecation on the immovable property, loan receivables/ book debts, bank balances and investments of the Group with asset cover range of 1.25 to 1.33 times.

Note 15A - Derivative financial instruments

(₹ in Millions)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Notional Amounts *	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives:						
- Forwards	14,162.86	-	75.72	6,129.63	-	12.42
Total Derivative Financial Instruments	**14,162.86**	**-**	**75.72**	**6,129.63**	**-**	**12.42**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cashflow Hedging:						
- Currency Derivatives : Forwards	14,162.86	-	75.72	6,129.63	-	12.42
Total Derivative Financial Instruments	**14,162.86**	**-**	**75.72**	**6,129.63**	**-**	**12.42**

* Notional amount of the respective currency has been converted as at March 31,2023 exchange rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 15B - Borrowings (Other Than Debt Securities) - At Amortised Cost

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loans from Banks*	61,211.26	37,022.92
Term Loans from others**	8,871.89	6,036.69
Loan Repayable on Demand		
From Banks (Cash Credit)	643.50	701.55
From Banks (Overdraft)	-	-
Others		
Commercial Paper- Unsecured	-	-
Total (A)	**70,726.65**	**43,761.16**
Borrowings in India	70,726.65	43,761.16
Borrowings outside India	-	-
Total (B)	**70,726.65**	**43,761.16**

* Exclusive charge by way of hypothecation of Group's loan receivables, bank balances with asset cover of 1.20 times in favour of borrowing from SBI of ₹ 1,353.36 Millions.

Borrowings other than above: First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balances and investments with asset cover of 1.10 to 1.33 times.

** Exclusive charge by way of hypothecation of Group's loan receivables with minimum assets cover of 1.25 times in favour of borrowing from NABARD of ₹ 2,800 Millions and asset cover of 1.25 to 1.35 times in favour of borrowing from NHB of ₹ 5,354.11 Millions.

Borrowings other than above: First pari-passu charge by way of hypothecation of the Group's loan receivables / book debts, bank balance and investments with asset cover in the range of 1.10 to 1.33 times.

Terms of repayment & rate of interest in case of Borrowings (Other than Debt Securities)

(₹ in Millions)

Nature of Facility	Maturity Range	Interest Range	As at March 31, 2023	As at March 31, 2022
Term Loans	0-3 yrs	8.05% - 9.90%	21,087.64	5,770.10
Term Loans	3-5 yrs	8.25% - 10.20%	22,913.24	17,623.67
Term Loans	5-7 yrs	8.25% - 9.40%	21,105.35	16,561.00
Term Loans	Beyond 7 years	7.50% - 10.65%	-	1,749.99
Refinance from NHB	0-3 yrs	3% - 6.50%	222.69	347.20
Refinance from NHB	3-5 yrs	3% - 6.50%	582.78	4.85
Refinance from NHB	5-7 yrs	3% - 6.50%	2,431.50	795.91
Refinance from NHB	Beyond 7 years	3% - 6.50%	2,117.15	398.80
Cash Credit	NA	8.20% - 11.20%	643.50	701.55
Total (A)			**71,103.85**	**43,953.07**
Add: Interest accrued but not due (B)			19.93	8.19
Less : Unamortised borrowing cost (C)			(397.13)	(200.10)
Total (A+B-C)			**70,726.65**	**43,761.16**

The Group has not defaulted in the repayment of borrowings (other than debt) and interest thereon for the year ended March 31, 2023 and March 31, 2022 respectively.

The quarterly returns/statements of current assets filed by the Group with the banks or financial institutions are in agreement with the books of accounts

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 16. Other Financial Liabilities

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Book Overdraft	3,552.60	2,817.53
Unclaimed dividend	0.19	0.21
Margin money received from Customer	126.14	139.98
Advances from customers	8.55	1.55
Lease Liability	1,928.87	248.20
Interest Accrued but not due on borrowings	0.22	-
Other Financial Liabilities	13.28	63.17
Total	**5,629.85**	**3,270.64**

Note 17 - Current Tax Liabilities (Net)

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Tax	12.92	27.89
[net of advance tax of March 2023 ₹ 329 Millions (March 31, 2022 ₹ 740.87 Millions)]		
Total	**12.92**	**27.89**

Note 18. Provisions

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision on non-fund exposure	70.11	93.77
Provision for employee benefits		
- Gratuity	28.74	13.15
- Compensated Absences	116.11	59.27
Total	**214.96**	**166.19**

Note 19. Other non-financial liabilities

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Remittances	121.52	90.70
Other non financial liability	11.27	-
Total	**132.79**	**90.70**

Note 20. Equity Share Capital

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
AUTHORISED		
36,00,00,000 Equity Shares of ₹ 2 each	720.00	720.00
(Previous Year 36,00,00,000 Equity Shares of ₹ 2 each)		
	720.00	**720.00**
Issued, subscribed and fully paid up		
20,61,52,844 Equity Shares of ₹ 2 each	412.31	351.31
(Previous Year 17,56,54,055 Equity Shares of ₹ 2 each)		
	412.31	**351.31**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount (₹ in Millions)	Number	Amount (₹ in Millions)
Equity shares outstanding as at the beginning of the year	17,56,54,055	351.31	17,52,85,355	350.57
Issued during the year*	3,04,98,789	61.00	3,68,700	0.74
Equity shares outstanding as at the end of the year	**20,61,52,844**	**412.31**	**17,56,54,055**	**351.31**

*During the year the Holding Company has allotted 1,83,000 equity shares of ₹ 2/- each for consideration of ₹ 12.49 Millions as ESOPs. In previous year the Holding Company had allotted 3,68,700 equity shares of ₹ 2/- each for consideration of ₹ 21.60 Millions as ESOPs.

*During the year, the Holding Company has allotted 3,03,15,789 equity shares of face value of ₹ 2/- each ("Rights Equity Shares") at a premium of ₹ 473/- per share aggregating up to ₹ 14,400 Millions

Details of shareholders holding more than 5 percent shares in the Holding Company are given below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	%	Number	%
Capri Global Holdings Pvt. Ltd.	9,82,25,914	47.65%	6,78,24,643	38.61%
Capri Global Advisory Services Pvt. Ltd.	-	0.00%	1,75,17,060	9.97%
Life Insurance Corporation Of India	1,99,75,981	9.69%	1,18,00,000	6.72%
Rajesh Sharma	4,59,00,035	22.27%	4,59,00,035	26.13%

Details of Promoters holding shares in the Company are given below:

Promoter Name	As at March 31, 2023		As at March 31, 2022		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Individuals / Hindu Undivided Family					
Ramesh Chandra Sharma	278	0.00%	-	0.00%	0.00%
Rajesh Sharma	1,000	0.00%	500	0.00%	100.00%
Jahnavi Sharma	200	0.00%	100	0.00%	100.00%
Jinisha Sharma	200	0.00%	100	0.00%	100.00%
Raghav Sharma	200	0.00%	100	0.00%	100.00%
Promoter Trust					
Rajesh Sharma	4,59,00,035	22.27%	4,59,00,035	26.13%	0.00%
Bodies Corporate					
Capri Global Holdings Private Limited	9,82,25,914	47.65%	6,78,24,643	38.61%	44.82%
Capri Global Advisory Services Private Limited	-	0.00%	1,75,17,060	9.97%	-100.00%
Total	**14,41,27,827**	**69.91%**	**13,12,42,538**	**74.72%**	**9.82%**

Terms/Rights attached to equity shares:

1. The Holding Company has only one class of equity share having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees.

2. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Shares reservation :

In FY 2022-23 No. of 30,60,400 (FY 2021-22 No. of 30,40,800) shares of ₹ 2 each towards outstanding employee stock options granted (Refer Note 45)

Objective for managing capital:

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Holding Company's capital is monitored using, among other measures, the regulations issued by RBI.

There are no shares reserved for issue under options, contracts, commitments for the sale of shares or divestments.

There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash/bonus shares/ bought back.

Note 21. Other equity

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934		
Opening Balance	2,731.73	2,407.96
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	283.07	323.77
Closing balance	**3,014.80**	**2,731.73**
Statutory Reserve Section 29C of the National Housing Bank Act, 1987		
Opening Balance	244.70	158.30
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	164.99	86.40
Closing balance	**409.69**	**244.70**
Securities premium		
Opening Balance	4,541.13	4,491.79
Add: On account of ESOP Exercised	25.34	49.34
Add: Proceed from right issue	14,268.06	-
Closing balance	**18,834.53**	**4,541.13**
General Reserve		
Opening Balance	642.05	642.05
Add: Amount transferred from surplus balance in the statement of profit and loss	-	-
Closing balance	**642.05**	**642.05**
Other reserves & surplus - Employee stock option outstanding		
Opening Balance	105.08	78.77
Add/Less: Amount transferred from surplus balance in the Statement of Profit and Loss	148.37	26.31
Closing balance	**253.45**	**105.08**
Retained earnings (Surplus in profit & loss account)		
Opening Balance	10,608.71	9,043.54
Profit for the year	2,046.54	2,050.41
Other Comprehensive Income	(31.45)	(4.92)
Dividend Paid	(87.91)	(70.15)
Transfer to Reserve Fund Section 29C of the National Housing Bank Act, 1987	(164.99)	(86.40)
Transfer to Reserve Fund under Section 45-IC of Reserve Bank of India Act,1934	(283.07)	(323.77)
Closing Balance	**12,087.83**	**10,608.71**
Total	**35,242.35**	**18,873.40**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Holding Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Statutory Reserve pursuant to Section 45-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.

Statutory Reserve pursuant to Section 29C of the National Housing Bank Act, 1987

Every housing finance institution which is a company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its profit every year as disclosed in the profit and loss account and before any dividend is declared. Explanation - A housing finance institution creating and maintaining any special reserve in terms of clause (viii) of sub-section (1) of section 36 of the Income-tax Act, 1961 (43 of 1961) may take into account any sum transferred by it for the year to such special reserve for the purposes of this sub-section. For the previous comparative periods, company has maintained transfer to statutory reserve on profit calculated under erstwhile GAAP.

Employee Stock Option Reserve

This reserve is used to record the employee stock options which are outstanding. The said reserve will be utilised for issuance of share to the eligible employees.

Rights Issue

During the year, the Holding Company has allotted 3,03,15,789 equity shares of face value of ₹ 2/- each ("Rights Equity Shares") at a premium of ₹ 473/- per share aggregating up to ₹ 14,400 Millions in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018, as amended, and various applicable circulars that have been issued by the Securities and Exchange Board of India ("SEBI") from time to time.

The total expenses on rights issue ₹ 71.31 Millions has been adjusted against securities Premium.

The object of the Issue is to augment the capital base of the Holding Company. The net proceeds to be utilised to meet the future capital requirements, which are expected to arise out of growth of Holding Company's business and assets, including but not limited to, onward lending under Holding Company's four lending vertical viz; MSME loans, construction finance loans, Indirect lending and gold loans, ensuring compliance with applicable regulatory requirements, payment of operating expenditure and funding growth opportunities for the above verticals

(₹ in Millions)

Total shares issued and subscribed (nos.)	Proceeds received from rights issue	Expenses incurred related to rights issue	Net proceeds available for utilisation	Utilised till March 31, 2023	Balance unutilised balance as on March 31, 2023
3,03,15,789	14,400.00	110.00	14,290.00	2,039.19	12,250.81

The balance net proceeds will be utilised by financial year 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended March 31, 2023

Note 22. Interest Income

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost
Interest on Loans	11,442.61	8,100.22
Interest on deposits	88.22	32.71
Interest income from investments	137.04	260.83
Interest on Others	5.05	2.02
Total	**11,672.92**	**8,395.78**

Note 23 - Fee and commission Income

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Application Fees	103.91	39.81
Car Loan Commission	1,437.06	466.96
Total	**1,540.97**	**506.77**

Note 24. Net Gain on Derecognition of Financial Instruments

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain on derecognition of financial instruments	557.31	170.01
Total	**557.31**	**170.01**

Note 25 - Net gain on fair value changes

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments in Shares	16.02	144.75
- Mutual Fund & Bonds	197.98	91.42
(B) Others		
(C) Total Net gain on fair value changes	**214.00**	**236.17**
(D) Fair Value changes:		
-Realised	199.61	228.95
-Unrealised	14.39	7.22
Total Net gain on fair value changes	**214.00**	**236.17**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 26 - Other Operating Income

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Foreclosure Fees	139.64	80.19
Legal Charges Received	20.19	13.93
Other Charges	223.35	148.39
Total	**383.18**	**242.51**

Note 27 - Other Income

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit on sale of Investment Property	6.30	2.93
Write Back	1.55	7.47
Other	8.67	4.01
Total	**16.52**	**14.41**

Note 28. Finance Costs

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at Amortised Cost
Interest on borrowings Other than debt Securities	4,742.90	2,721.83
Interest on Bank Overdraft	1.94	-
Interest on debt securities	411.50	553.40
Interest on Bank CC	7.22	7.12
Interest on Lease Liability	147.62	26.12
Total	**5,311.18**	**3,308.47**

Note 29 - Impairment on financial instruments (at Amortised Cost)

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loans and advances to customers	78.64	562.59
Loan commitments	(23.67)	55.16
Others Impairment	16.38	-
Bad Debts Written Off	570.47	438.59
Total impairment loss	**641.82**	**1,056.34**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 30 - Employee Benefit Expense

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Bonus	3,585.03	1,569.47
Contribution to provident and other funds	213.49	84.65
Share Based Payments to employees	161.59	54.78
Staff Training and Welfare Expenses	100.67	37.14
Total	**4,060.78**	**1,746.04**

Note 31. Other Expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Advertising	20.67	6.17
Auditors' Remuneration (Refer no. 1)	5.49	5.76
Banking Charges	9.21	7.44
Business Development Expenses	43.64	22.92
Corporate Social Responsibility Expenses (Refer no. 2)	48.43	44.92
Directors' Fees and Commission	11.50	7.93
Electricity Charges	51.37	13.07
Legal and Professional Expenses	334.22	224.61
Loss On Sale of Fixed Assets	1.07	1.02
Recruitment Expenses	15.98	36.12
Membership & Subscription Expenses	3.51	2.47
Processing Fees on Co Lending	7.66	0.03
Postage, Telephone and Fax	53.02	33.98
Printing and Stationery	30.57	21.65
Rent	30.45	28.42
Software Expenses	133.44	62.39
Filing & Other Fees to ROC	0.10	0.09
Travelling and Conveyance	226.71	103.85
Service fees*	8.71	3.96
NOC Review Charges	19.18	13.52
Write off - Others	1.03	1.34
Write off - Fixed Assets	1.76	-
Miscellaneous Expenses	198.74	49.23
Total	**1,256.46**	**690.89**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

1. Auditors' Remuneration

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) For Statutory Audit	2.48	1.66
b) For Tax Audit	0.40	0.38
c) For Limited Review	1.21	1.08
d) For other services (Certification Fees and Interim audit Fees)	0.81	2.09
e) For reimbursement of expenses	0.15	0.08
f) GST to the extent of ITC not availed	0.44	0.47
Total	**5.49**	**5.76**

2. Corporate Social Responsibility Expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross Amount Required to be spent during the year	48.43	44.92
Amount spent during the year on CSR	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	48.43	44.92
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Refer note 3 below	Refer note 3 below

3. **Nature of CSR activities -** Women Empowerment, Livelihood Initiative, Education Initiative, Health Initiative,Animal Welfare, Village Development and Sustainable Environment

4. **Disclosure in relation to undisclosed income -** There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

5. **Details of Crypto currency or Virtual currency -** The Group has not traded or invested in crypto currency or virtual currency during the financial year

Note 32 - Other Comprehensive Income

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurement loss (gain) on defined benefit plan	(12.50)	(0.47)
Income tax relating to these items	3.15	0.12
Items that may be reclassified to profit or loss		
Fair Value Gain on time value of forward element of forward contract in hedging relationship	(29.53)	(6.10)
Income tax relating to these items	7.43	1.53
Other comprehensive income for the year, net of tax	**(31.45)**	**(4.92)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 33 - MSME Loans

1.1 Credit quality of assets

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade #								
Performing								
High grade	32,421.23	-	-	32,421.23	24,458.84	-	-	24,458.84
Standard grade	1,610.49	-	-	1,610.49	1,468.90	-	-	1,468.90
Sub-standard grade	-	2,071.71	-	2,071.71	-	1,204.54	-	1,204.54
Past due but not impaired	-	-	-	-	-	1,564.06	-	1,564.06
Restructured	-	1,209.89	-	1,209.89	-	1,937.56	-	1,937.56
Non Performing								
Individually impaired	-	-	1,305.84	1,305.84	-	-	1,276.66	1,276.66
Total	**34,031.72**	**3,281.60**	**1,305.84**	**38,619.16**	**25,927.74**	**4,706.16**	**1,276.66**	**31,910.56**

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is as follows:

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	25,927.74	4,706.16	1,276.66	31,910.56	20,450.58	3,531.02	1,389.58	25,371.18
New assets originated	14,720.12	145.29	20.44	14,885.85	11,510.38	-	-	11,510.38
Assets derecognised or repaid (excluding write offs)	(6,901.73)	(445.08)	(178.27)	(7,525.08)	(4,010.62)	(519.24)	(264.42)	(4,794.28)
Transfers to Stage 1	1,363.63	(1,104.51)	(259.12)	-	549.53	(334.83)	(214.70)	-
Transfers to Stage 2	(797.03)	876.33	(79.30)	(0.00)	(2,205.65)	2,287.75	(82.10)	-
Transfers to Stage 3	(202.42)	(549.45)	751.87	0.00	(265.18)	(203.52)	468.70	-
Amounts written off*	(78.59)	(347.14)	(226.44)	(652.17)	(101.30)	(55.02)	(20.40)	(176.72)
Gross carrying amount closing balance	**34,031.72**	**3,281.60**	**1,305.84**	**38,619.16**	**25,927.74**	**4,706.16**	**1,276.66**	**31,910.56**

* The amount written off are subject to enforcement of collaterals and other legal remedies that are available to the Holding company.

1.3 Reconciliation of ECL balance is given below:

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	189.15	691.08	393.17	1,273.40	135.58	381.95	394.91	912.44
New assets originated	48.15	5.90	0.52	54.57	79.66	-	-	79.66
Assets derecognised or repaid (excluding write offs)	(104.15)	(29.25)	(4.64)	(138.04)	(21.74)	(66.34)	(80.72)	(168.80)
Transfers to Stage 1	11.51	(100.44)	(70.15)	(159.08)	6.08	(4.78)	(1.30)	0.00
Transfers to Stage 2	(7.27)	158.89	(23.85)	127.77	(210.43)	216.87	(6.44)	0.00
Transfers to Stage 3	(1.59)	(100.30)	194.71	92.82	(67.13)	(59.67)	126.80	0.00
Other movements (on account of change in EAD)	30.55	124.02	(10.17)	144.40	268.29	223.94	18.77	511.00
Amounts written off	(1.77)	(111.68)	(141.25)	(254.70)	(1.16)	(0.89)	(58.85)	(60.90)
ECL allowance - closing balance	**164.58**	**638.22**	**338.35**	**1,141.15**	**189.15**	**691.08**	**393.17**	**1,273.40**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

#Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured	<90 DPD & Resturctured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Note - Higher grade has been considered for Customers having 2 or more loans based on the highest DPD

Loan Given Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	23.38	27.04

Loan Given Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	1.99	2.56
Stage 2	75.28	36.92
Stage 3	100.00	100.00

E. Details of collateral received against loan portfolio :

Nature of security against advances :

Underline securities for the assets secured by tangible assets - Property & and book debts.

Advances (LTV band wise) :

(₹ in Millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	12,730.82	273.55
>50% <= 70%	18,064.99	382.11
>70% <=90%	6,517.36	147.16
>90% <=100%	0.15	0.00

Credit impaired advances (LTV band wise) :

(₹ in Millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	340.51	88.00
>50% <= 70%	729.95	188.83
>70% <=90%	235.38	61.52
>90% <=100%	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 33.1- Construction Finance Loans

1.1 Credit quality of assets

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade #								
Performing								
High grade	21,477.98	-	-	21,477.98	15,209.18	-	-	15,209.18
Standard grade	-	-	-	-	3.05	-	-	3.05
Sub-standard grade	-	170.38	-	170.38	-	569.57	-	569.57
Past due but not impaired	-	-	-	-	-	-	-	-
Non Performing								
Individually impaired	-	-	60.88	60.88	-	-	23.18	23.18
Total	**21,477.98**	**170.38**	**60.88**	**21,709.24**	**15,212.23**	**569.57**	**23.18**	**15,804.98**

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	15,212.23	569.57	23.18	15,804.98	11,018.45	791.41	16.75	11,826.61
New assets originated	13,768.53	54.67	-	13,823.20	8,404.76	-	-	8,404.76
Assets derecognised or repaid (excluding write offs)	(7,694.35)	(175.07)	(49.52)	(7,918.94)	(3,951.11)	(311.73)	-	(4,262.84)
Transfer to Stage 1	292.11	(292.11)	-	-	(553.73)	553.73	-	-
Transfer to Stage 2	(95.54)	95.54	-	-	351.44	(351.44)	-	-
Transfer to Stage 3	(5.00)	(82.22)	87.22	-	(23.18)	-	23.18	-
Amounts written off	-	-	-	-	(34.40)	(112.40)	(16.75)	(163.55)
Gross carrying amount closing balance	**21,477.98**	**170.38**	**60.88**	**21,709.24**	**15,212.23**	**569.57**	**23.18**	**15,804.98**

1.3 Reconciliation of ECL balance is given below:

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	107.89	21.30	4.80	133.99	65.85	4.08	16.75	86.68
New assets originated	101.68	2.92	11.10	115.70	108.66	-	-	108.66
Assets derecognised or repaid (excluding write offs)	(65.20)	(7.22)	-	(72.42)	(8.76)	(0.83)	-	(9.59)
Transfers to Stage 1	12.22	(13.34)	-	(1.12)	(21.19)	21.19	-	-
Transfers to Stage 2	(0.51)	6.49	-	5.98	2.53	(2.53)	-	-
Transfers to Stage 3	(0.03)	(0.44)	44.98	44.51	(4.80)	-	4.80	-
Amounts written off	-	-	-	-	(34.40)	(0.61)	(16.75)	(51.76)
ECL allowance - closing balance	**156.06**	**9.71**	**60.88**	**226.64**	**107.89**	**21.30**	**4.80**	**133.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Note - Higher grade has been considered for Customers having 2 or more loans based on the highest DPD

Loan Given Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	24.33	20.70

Probability of Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	3.64	2.56
Stage 2	19.71	4.05
Stage 3	100.00	100.00

Note 33.2- Gold Loans

1.1 Credit quality of assets

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade #								
Performing								
High grade	9,750.46	-	-	9,750.46	-	-	-	-
Standard grade	782.93	-	-	782.93	-	-	-	-
Sub-standard grade	-	523.63	-	523.63	-	-	-	-
Past due but not impaired	-	185.91	-	185.91	-	-	-	-
Non Performing								
Individually impaired	-	-	12.78	12.78	-	-	-	-
Total	**10,533.39**	**709.54**	**12.78**	**11,255.71**	**-**	**-**	**-**	**-**

1.2 An analysis of changes in the gross carrying amount (excluding interest) and the corresponding ECL allowances in relation to lending is, as follows:

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-	-	-	-	-
New assets originated	10,533.39	709.54	12.78	11,255.71	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**10,533.39**	**709.54**	**12.78**	**11,255.71**	**-**	**-**	**-**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

1.3 Reconciliation of ECL balance is given below:

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	-	-	-	-	-	-	-	-
New assets originated	57.01	3.51	0.67	61.19	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
ECL allowance - closing balance	**57.01**	**3.51**	**0.67**	**61.19**	**-**	**-**	**-**	**-**

Internal rating grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Loan Given Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	5.17	-

Probability of Default

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	11.56	-
Stage 2	11.56	-
Stage 3	100.00	-

Details of collateral received against loan portfolio :

Nature of security against advances :

Underline securities for the assets secured by tangible assets (Gold jewellary)

Advances (LTV band wise) :

(₹ in Millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	304.26	1.68
>50% <= 70%	4,506.18	21.14
>70% <=90%	6,432.49	37.70
>90% <=100%	-	-
>100%	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Credit impaired advances (LTV band wise) :

(₹ in Millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	0.18	0.02
>50% <= 70%	12.57	0.65
>70% <=90%	0.03	0.00
>90% <=100%	-	-

Note 33.3 - Housing Loans

1.1 Credit quality of assets

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade*								
Performing								
High grade	24,213.99	-	-	24,213.99	15,272.03	-	-	15,272.03
Standard grade	662.93	-	-	662.93	842.71	-	-	842.71
Sub-standard grade	-	841.88	-	841.88	-	447.97	-	447.97
Past due but not impaired	-	-	-	-	-	517.49	-	517.49
Restructured Assets	-	104.99	-	104.99	-	131.44	-	131.44
Non Performing	-	-	-					
Individually impaired	-	-	324.46	324.46	-	-	261.94	261.94
Total	**24,876.92**	**946.87**	**324.46**	**26,148.25**	**16,114.74**	**1,096.90**	**261.94**	**17,473.58**

1.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is as follows:

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	16,114.74	1,096.90	261.94	17,473.58	10,701.93	757.92	202.06	11,661.91
New assets originated or purchased and increase in existing facility	11,819.52	55.91	3.74	11,879.17	7,921.01	-	-	7,921.01
Assets derecognised or repaid (excluding write offs)	(2,982.21)	(59.40)	(51.10)	(3,092.71)	(1,876.52)	(95.39)	(38.79)	(2,010.70)
Transfers to Stage 1	411.16	(361.07)	(50.09)	(0.00)	233.86	(216.67)	(17.19)	-
Transfers to Stage 2	(367.99)	370.37	(2.38)	-	(703.27)	718.84	(15.57)	0.00
Transfers to Stage 3	(110.84)	(137.26)	248.10	-	(110.92)	(43.62)	154.54	-
Amounts written off	(7.46)	(18.58)	(85.75)	(111.78)	(51.35)	(24.18)	(23.11)	(98.64)
Gross carrying amount closing balance	**24,876.92**	**946.87**	**324.46**	**26,148.25**	**16,114.74**	**1,096.90**	**261.94**	**17,473.58**

1.3 Reconciliation of ECL balance is given below:

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	80.29	141.28	77.85	299.42	35.34	57.58	52.07	144.99
New assets originated or purchased and increase in existing facility	42.33	27.72	8.65	78.70	195.07	-	-	195.07

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(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Assets derecognised or repaid (excluding write offs)	(40.79)	(2.13)	1.10	(41.82)	(5.21)	(21.11)	(14.32)	(40.64)
Transfers to Stage 1	4.59	(39.79)	(14.38)	(49.58)	2.23	(2.12)	(0.11)	0.00
Transfers to Stage 2	(2.34)	60.90	(0.68)	57.88	(114.81)	116.96	(2.15)	(0.00)
Transfers to Stage 3	(0.89)	(24.00)	93.18	68.29	(34.60)	(12.51)	47.11	-
Other movements	-	-	-	-	2.27	2.48	(4.75)	-
Amounts written off	(0.23)	(8.00)	(39.17)	(47.40)	-	-	-	-
ECL allowance - closing balance	**82.96**	**155.98**	**126.55**	**365.49**	**80.29**	**141.28**	**77.85**	**299.42**

* Internal Rating Grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Restructured Assets	0 DPD & Restructured	Stage 2
Individually impaired	>90 DPD & Restructured	Stage 3

Note - Higher grade has been considered for Customers having 2 or more loans based on the highest DPD

Loan Given Default $

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
LGD	34.37	28.68

Probability of Default$

(In %)

Particulars	As at March 31, 2023	As at March 31, 2022
Stage 1	1.02	1.66
Stage 2	37.99	33.21
Stage 3	100.00	100.00

Details of collateral received against loan portfolio :

Nature of security against advances :

Underlying securities for the assets secured by tangible assets - Property & book debts.

Advances (LTV band wise) : (₹ in Millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	8,308.76	68.25
> 50% - <= 70%	7,027.87	57.36
> 70% - <= 90%	10,487.16	113.33

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Credit impaired advances (LTV band wise) :

(₹ in Millions)

LTV ratio	Gross carrying amount of advances	Cumulative loss allowance
<= 50%	53.93	20.90
> 50% - <= 70%	52.54	20.61
> 70% - <= 90%	217.99	85.04

Note 34 - Income Taxes relating to continuing operations

1. Income Tax recognised in statement of profit and loss

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Tax		
In respect of the current year	653.96	779.55
In respect of prior years	(11.25)	5.80
	642.71	**785.35**
Deferred Tax		
In respect of the current year	(6.41)	(109.53)
	(6.41)	**(109.53)**
Total Income tax expense recognised in the current year relating to continuing operations	**636.30**	**675.82**

2. Reconciliation of income tax expense for the year:

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consolidated Profit Before tax	2,682.84	
Total tax expense (As per P&L)		
- Current tax	653.96	779.55
- Deferred tax	(6.41)	(109.53)
- Tax Pertaining to earlier Years	(11.25)	5.80
Total Tax Expenses	**636.30**	**675.82**
Effective tax rate (%)	**24.14%**	**24.58%**
Adjustments of allowable and non-allowable income and expenses:		
Effect on Effective Tax rate due to permanent difference		
a) Non allowability of Claim of CSR, Other Expenses & Special Reserve	94.37	50.12
b) Difference due to Tax Rate of STCG & LTCG	16.02	146.41
c) Deferred Tax Assets/MAT credit reversal u/s 115JB	(11.25)	(8.08)
Total of items affecting tax rate	**99.14**	**188.45**

3. Reconciliation of income tax rate is as follows:

(In %)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Normal Tax Rate	22.00	22.00
Surcharge (@ 10% of Normal Tax Rate)	2.20	2.20
Education cess (including secondary and higher education cess)		
Health and Education Cess	0.97	0.97
Total Tax Rate	**25.17**	**25.17**
Tax Impact on Non allowability of Claim of CSR, Other Expenses & Special Reserve	(0.89)	(0.46)
Tax Impact on Capital Gain on sale of shares, mutual funds, interest, Property etc.	(0.05)	(0.43)
Tax Impact on Deferred Tax Assets/MAT credit Reversal u/s 115JB	(0.42)	0.30
Effective Tax Rate	**23.81**	**24.58**

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Note 35 - Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(₹ in Millions)

Particulars	Deferred Tax Assets	Income Statement	OCI	Deferred Tax Assets
	As at March 31, 2022	2022-23	2022-23	As at March 31, 2023
Deferred Tax Assets:				
Provision for Employee Benefits	15.21	14.51	-	29.73
Depreciation	24.25	14.91	-	39.16
Impairment allowance for financial assets	359.09	105.83	-	464.91
Unmortised fees on loans	4.21	(2.66)	-	1.55
Others	7.11	25.35	-	32.46
Interest Income on NPA	-	66.56	-	66.56
Deferred Tax Liabilities:				
Financial Instruments at FVTPL	0.76	(1.79)	-	(1.04)
Unmortised fees on borrowings	(1.40)	0.70	-	(0.69)
Gain on derecognition of financial instruments*	(42.40)	(114.15)	-	(156.55)
Deferred Tax Assets (net)	**366.83**	**109.27**	**-**	**476.09**

*As per Ind AS 109 'Financial Instruments', on derecognition of loans, the Group recognise difference between the carrying amount (measured at the date of derecognition) and consideration received (including new asset obtained less any new liability assumed) as gain in Statement of profit and loss account. Such gain recognised on derecognition of loans is not a real income as per Income tax Act, 1961, hence is offered to tax over the tenure of loans. Accordingly, deferred tax liability has been created on the Spread receivable on assigned portfolio (Co-lending portfolio).

(₹ in Millions)

Particulars	Deferred Tax Assets	Income Statement	OCI	Deferred Tax Assets
	As at March 31, 2021	2021-22	2021-22	As at March 31, 2022
Deferred Tax Assets:				
Provision for Employee Benefits	12.63	2.58	-	15.21
Depreciation	22.95	1.30	-	24.25
Impairment allowance for financial assets	195.69	163.39	-	359.08
Unmortised fees on loans	18.08	(13.88)	-	4.20
Others	8.03	(0.91)	-	7.12
MAT Credit Entitlement	8.08	(8.08)	-	-
Deferred Tax Liabilities:				
Financial Instruments at FVTPL	(3.81)	4.56	-	0.75
Unmortised fees on borrowings	(4.36)	2.98	-	(1.38)
Gain on derecognition of financial instruments*	-	(42.40)	-	(42.40)
Deferred Tax Assets (net)	**257.29**	**109.54**	**-**	**366.83**

Deferred Tax Assets / Liabilities are calculated at the applicable rate of 25.17%

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Note 36 - Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. They have been classified to mature and/or be repaid within 12 months. With regards to loans and advances to customers, the Group uses the same basis of expected repayment as used for estimating the EIR.

(₹ in Millions)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial Assets						
Cash and cash equivalents	14,767.73	-	14,767.73	3,225.06	-	3,225.06
Bank Balances other than cash and cash equivalents	213.44	121.63	335.07	198.57	107.58	306.15
Receivables	322.34	-	322.34	93.26	-	93.26
Loans	18,970.55	75,782.97	94,753.52	8,366.10	54,341.93	62,708.03
Investments	1,451.84	698.57	2,150.41	2,411.89	1,362.95	3,774.84
Other financial Assets	152.23	603.26	755.49	67.28	143.24	210.52
Total Financial Assets	**35,878.13**	**77,206.43**	**1,13,084.56**	**14,362.16**	**55,955.70**	**70,317.86**
Non-Financial assets						
Current Tax Assets (Net)	195.04	-	195.04	100.38	-	100.38
Deferred tax assets (Net)	-	476.09	476.09	-	366.83	366.83
Property, plant and equipment	-	2,839.92	2,839.92	-	318.02	318.02
Capital work-in-progress	-	25.22	25.22	-	-	-
Intangible Assets Under Development	74.33	73.72	148.05	12.38	10.82	23.20
Other intangible assets	-	69.67	69.67	-	25.66	25.66
Other non-financial assets	773.84	333.76	1,107.60	217.09	158.65	375.74
Total Non financial Assets	**1,043.21**	**3,818.38**	**4,861.59**	**329.85**	**879.98**	**1,209.82**
Total Assets	**36,921.34**	**81,024.81**	**1,17,946.15**	**14,692.01**	**56,835.68**	**71,527.69**
LIABILITIES						
Financial Liabilities						
Derivative financial instruments	75.72	-	75.72	12.42	-	12.42
Payables						
-Trade Payables	965.82	1.65	967.47	334.85	-	334.85
-Other Payables	143.56	1.43	144.99	78.25	-	78.25
Debt Securities	2,886.14	1,500.00	4,386.14	396.65	4,164.23	4,560.88
Borrowings (Other than debt securities)	17,986.27	52,740.38	70,726.65	9,210.03	34,551.13	43,761.16
Other financial liabilities	3,831.26	1,798.59	5,629.85	2,886.33	384.31	3,270.64
Total Financial Liabilities	**25,888.77**	**56,042.04**	**81,930.82**	**12,918.53**	**39,099.67**	**52,018.20**
Non-Financial Liabilities						
Current tax liability	12.92	-	12.92	27.89	-	27.89
Provisions	83.52	131.44	214.96	48.70	117.49	166.19
Other Non Financials Liabilities	132.79	-	132.79	90.70	-	90.70
Total Non-Financial Liabilities	**229.23**	**131.44**	**360.67**	**167.29**	**117.49**	**284.78**
Total Liabilities	**26,117.99**	**56,173.48**	**82,291.49**	**13,085.83**	**39,217.16**	**52,302.98**
Net	**10,803.35**	**24,851.33**	**35,654.67**	**1,606.18**	**17,618.51**	**19,224.71**

Capital Management

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders value. The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. Capital Management Policy, objectives and processes are under constant review by the Board.

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Note 37 - Change in liabilities arising from financing activities

(₹ in Millions)

Particulars	As at April 1, 2022	Cash flows	Other*	As at March 31, 2023
Debt Securities	4,560.88	(176.79)	2.05	4,386.14
Borrowings other than debt securities	43,761.16	27,174.05	(208.56)	70,726.65
Total liabilities from financing activities	**48,322.04**	**26,997.26**	**(206.51)**	**75,112.79**

(₹ in Millions)

Particulars	As at April 1, 2021	Cash flows	Other*	As at March 31, 2022
Debt Securities	7,093.03	(2,538.42)	6.27	4,560.88
Borrowings other than debt securities	31,002.26	12,089.40	669.49	43,761.16
Total liabilities from financing activities	**38,095.29**	**9,550.98**	**675.76**	**48,322.04**

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, conversation factor of derivative instruments.

Note 38- Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

Ind AS 109, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Note 38 - Fair value measurements

(₹ in Millions)

Particulars	As at March 31, 2023				As at March 31, 2022			
	FVTPL	Amortised cost	FVTOCI	Total	FVTPL	Amortised cost	FVTOCI	Total
Financial assets								
Investments								
- Mutual funds	1,364.73	-	-	1,364.73	2,304.43	-	-	2,304.43
- Equity instruments	-	-	-	-	48.11	-	-	48.11
- Debt Instrument	-	-	-	-	-	247.66	-	247.66
- Pass Through Certificates	-	785.68	-	785.68	-	1,174.64	-	1,174.64
Trade receivables	-	322.34	-	322.34	-	93.26	-	93.26
Loans	-	94,753.52	-	94,753.52	-	62,708.03	-	62,708.03
Cash and cash equivalents	-	14,767.73	-	14,767.73	-	3,225.06	-	3,225.06
Bank Balances other than above	-	335.07	-	335.07	-	306.15	-	306.15
Other financial Assets	-	755.49	-	755.49	-	210.52	-	210.52
Total financial assets	**1,364.73**	**1,11,719.84**	**-**	**1,13,084.56**	**2,352.54**	**67,965.32**	**-**	**70,317.86**
Financial liabilities								
Derivative financial instruments	-	-	75.72	75.72	-	-	12.42	12.42
Borrowings (including Debt Securities)	-	75,112.79	-	75,112.79	-	48,322.04	-	48,322.04
Trade and other payables	-	1,112.45	-	1,112.45	-	413.10	-	413.10
Other financial liabilities	-	5,629.85	-	5,629.85	-	3,270.64	-	3,270.64
Total financial liabilities	**-**	**81,855.08**	**75.72**	**81,930.81**	**-**	**52,005.78**	**12.42**	**52,018.20**

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38.2 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2023						
Financial assets						
Financial Investments at FVTPL						
Listed equity investments	7	-	-	-	-	-
Mutual funds		1,364.73	-	1,364.73	-	1,364.73
Total financial assets		**1,364.73**	**-**	**1,364.73**	**-**	**1,364.73**
Financial Liabilities						
Derivative financial instruments	15A	75.72	-	75.72	-	75.72
Total financial liabilities		**75.72**	**-**	**75.72**	**-**	**75.72**

(₹ in Millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2023						
Financial assets						
Cash and cash equivalents	3	14,767.73	-	-	-	14,767.73
Bank Balance other than above	4	335.07	-	-	-	335.07
Trade Receivable	5	322.34	-	-	-	322.34
Loans						
Loans to employees	6	3.43	-	-	3.43	3.43
Loans - SME & CF		94,750.09	-	-	92,796.32	92,796.32
Investments						
- Pass Through Certificates	7	785.68	-	-	785.68	785.68
Other financial assets	8	755.49	-	-	755.49	755.49
Total financial assets		**1,11,719.83**	**-**	**-**	**94,340.92**	**1,09,766.06**
Financial Liabilities						
Trade and other payable	13	1,112.45	-	-	1,112.45	1,112.45
Debt Securities	14	4,386.14	-	4,289.37	-	4,289.37
Borrowings other than Debt Securities	15B	70,726.65	-	-	70,726.65	70,726.65
Other Financial Liabilities	16	5,629.85	-	-	5,629.85	5,629.85
Total financial liabilities		**81,855.09**	**-**	**4,289.37**	**77,468.95**	**81,758.32**

(₹ in Millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2022						
Financial assets						
Financial Investments at FVTPL						
Listed equity investments	7	48.11	48.11	-	-	48.11
Mutual funds		2,304.43	-	2,304.43	-	2,304.43
Total financial assets		**2,352.54**	**48.11**	**2,304.43**	**-**	**2,352.54**
Financial liabilities		12.42	-	12.42	-	12.42
Total financial liabilities		**12.42**	**-**	**12.42**	**-**	**12.42**

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(₹ in Millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2022						
Financial assets						
Cash and cash equivalents	3	3,225.06	-	-	-	3,225.06
Bank Balance other than above	4	306.15	-	-	-	306.15
Trade Receivable	5	93.26	-	-	-	93.26
Loans						
Loans to employees	6	1.13	-	-	1.13	1.13
Loans - SME & CF		62,706.90	-	-	62,984.63	62,984.63
Investments						
- Debt Instrument	7	247.66	-	-	247.66	247.66
- Pass Through Certificates		1,174.64	-	-	1,174.64	1,174.64
Other financial assets	8	210.52	-	-	210.52	210.52
Total financial assets		**67,965.32**	**-**	**-**	**64,618.58**	**68,243.05**
Financial Liabilities						
Trade and other payable	13	413.10	-	-	413.10	413.10
Debt Securities	14	4,560.88	-	4,452.63	-	4,452.63
Borrowings other than Debt Securities	15B	43,761.16	-	-	43,761.16	43,761.16
Other Financial Liabilities	16	3,270.64	-	-	3,270.64	3,270.64
Total financial liabilities		**52,005.78**	**-**	**4,452.63**	**47,444.90**	**51,897.53**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Short-term financial assets and liabilities For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.

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Note 39.1. Risk Disclosures

Group's risk is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and interest rate risk. It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture.

39.2. Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

39.2.1 Impairment assessment

39.2.1.1 Exposure at Default

The Exposure at Default is an estimate of the exposure at a future default date including the undrawn commitments. EAD is taken as the gross exposure under a facility upon default of an obligor. The principal outstanding, overdue principal, accrued interest, overdue interest less excess received from the customers is considered as EAD for the purpose of ECL computation.

The advances have been bifurcated into following three stages:

Stage 1 – All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances up to 0-30 days default under this category. Stage 1 loans also include facilities where the credit risk has reduced and the loan has been reclassified from Stage 2.

Stage 2 – All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31 to 90 days are classified under this stage. Stage 2 loans also include facilities where the credit risk has reduced, and the loan has been reclassified from Stage 3.

Stage 3 – All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. more than 90 days Past Due is considered as default for classifying a financial instrument as credit impaired.

39.2.1.2 Significant increase in credit risk

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considers an exposure to have significantly increased in credit risk if contractual payments are more than 30 days past due.

39.2.1.3 Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes more than 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate inability to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

a) Significant financial difficulty of the borrower or issuer;

b) A breach of contract such as a default or past due event;

c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or

d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the borrower makes necessary payments & the borrower is not 90 days past due after such payments. The decision whether to classify an asset

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as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

39.2.1.4 Probability of Default (PD) estimation process

Probability of default (PD) is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors.

a) The Group has applied 12 months PD to stage 1 advances

b) The Lifetime PD is computed using basic exponentiation technique after considering the residual maturity of the respective loan.

c) PD of 100% is considered for Stage 3 assets.

Days past due are a primary input for the determination of the PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by portfolio. For some portfolios, rating based published information is used.

The Group employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time. Such statistical models are selected considering the availability of information related to the probability of default for each product. This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors.

For the purpose of determination of impact of forward looking information, the Group applies various macro economic (ME) variables as stated above to each portfolio and assess the trend of the historical probability of defaults as compared to the forecasted probability of default. Based on the directional trend of output, management applies an overlay if required. Overtime, new ME variable may emerge to have a better correlation and may replace ME being used now.

The loans are segmented into homogenous product categories to determine the historical PD/LGD as per similar risk profiles, this segmentation is subject to regular review For portfolios in respect of which the Group has limited historical data, external benchmark information is used to supplement the internally available data.

The Group does not have any historic data of default in case of Gold Loan portfolio, so it has relied upon the published data of competitors

39.2.1.5 Loss Given Default (LGD)

Loss Given Default (LGD) is defined as the loss rate on the exposure, given the borrower has defaulted. LGD is being calculated for all financial instruments under risk parameter approach by way of evaluation of historical data on defaults, recovery amounts, collateral liquidation, direct expenses, and opportunity cost for each default. LGD has been computed using the volatility-based model in case of Gold Loan portfolio.

39.2.1.6 Forward looking information

in its EGL models, the Group relies on a broad range of forward looking information as economic inputs, such as. GDP growth, Consumer Price Index, Unemployment rate, Lending Interest Rate etc The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material

During the current year, the Group has made refinement in the ECL model and said changes have been updated in the ECL policy which is duly approved by the audit committee.

39.2.3 Collateral and other credit enhancements

The Group holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralized against equitable mortgage of property, pledge of shares, hypothecation of assets, physical gold jewellery, undertaking to create security.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement. In case of defaults by customers, where the Group is unable to recover the dues, the Group through a legal process enforces the security and recovers the dues.

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For the year ended March 31, 2023

39.3. Liquidity risk and funding management

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets by monitoring future cash flows and liquidity on a daily basis.

Liquidity risk is managed in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes 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.

The table below summarises the maturity profile of the undiscounted cash flow of the Group's financial liabilities:

Current Year

(₹ in Millions)

Particulars	upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 year	Over 3 year to 5 years	Over 5 years	Total
Debt Securities	-	2,386.16	581.99	230.14	77.31	306.94	306.86	1,768.27	5,657.67
Borrowings	1,416.58	1,234.73	3,043.10	6,077.62	11,765.11	34,635.23	20,279.03	8,508.87	86,960.27
Trade Payable	1,112.45	-	-	-	-	-	-	-	1,112.45
Lease liability	33.98	33.92	41.24	94.36	201.31	813.06	733.79	1,128.80	3,080.46
Other Financial Liability	3,663.99	-	38.61	-	-	-	-	-	3,702.60

Previous Year

(₹ in Millions)

Particulars	upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 year	Over 3 year to 5 years	Over 5 years	Total
Debt Securities	229.98	213.42	45.00	234.68	77.36	3,209.23	306.90	1,882.99	6,199.56
Borrowings	412.14	824.82	1,381.84	2,916.70	6,240.42	23,049.92	12,871.24	5,023.27	52,720.35
Trade Payable	413.10	-	-	-	-	-	-	-	413.10
Lease liability	6.31	6.32	6.30	19.07	37.61	132.18	87.94	16.92	312.65
Other Financial Liability	3,039.19	-	-	-	-	-	-	-	3,039.19

39.4. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the Group is providing loans to MSME Construction Finance, Indirect Lending and Housing Finance. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the

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risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Group's statement of profit and loss and equity.

(₹ in Millions)

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
2022-23					
Loans (₹)	50 Basis point Up	Impact on Profit before Tax	429.65	Impact on equity	321.15
	100 Basis point Up		859.30		642.30
	50 Basis point Down		(429.65)		(321.15)
	100 Basis point Down		(859.30)		(642.30)
Borrowings (₹)	50 Basis point Up	Impact on Profit before Tax	(355.52)	Impact on equity	(265.74)
	100 Basis point Up		(711.04)		(531.48)
	50 Basis point Down		355.52		265.74
	100 Basis point Down		711.04		531.48
2021-22					
Loans (₹)	25 Basis point Up	Impact on Profit before Tax	159.58	Impact on equity	119.42
	50 Basis point Up		319.15		238.83
	25 Basis point Down		(159.58)		(119.42)
	50 Basis point Down		(319.15)		(238.82)
Borrowings (₹)	25 Basis point Up	Impact on Profit before Tax	(120.73)	Impact on equity	(90.34)
	50 Basis point Up		(241.46)		(180.68)
	25 Basis point Down		120.73		90.34
	50 Basis point Down		241.46		180.68

Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

Capital Management :

Group's capital management objective is primarily to safeguard business continuity. The Group's capital raising policy is aligned to macro economic situation and incidental risk factors. 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 enjoys 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.

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For the year ended March 31, 2023

Gearing ratio :

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
The gearing ratio at each date were as follows :		
Debt (I)	77,041.66	48,570.24
Cash and bank balances (II) (refer note 3)	14,767.73	3,225.06
Net debt (I - II)	**62,273.92**	**45,345.18**
Total equity	**35,654.66**	**19,224.71**
Net debt to equity ratio	**1.75**	**2.36**

* Debt includes debt securities, borrowings and lease liabilities.

Note 40A- Defined Contribution Plan

The Group's state governed provident fund scheme are defined contribution plan for its employees. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from Group or retirement whichever is earlier. The benefit vests immediately on rendering of services by the employee.

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Employer's contribution to provident fund	163.93	57.61
Employer's contribution to National Pension Scheme	4.17	2.98
Total	**168.10**	**60.59**

Note 40B- Defined Benefit Plan

The Group has a defined benefit gratuity plan in India (funded). The Group's defined benefit gratuity plan is a final salary plan for its employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation/retirement. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

The following table sets out the status of the Defined Benefit Gratuity Plan as per the actuarial valuation by the independent Actuary appointed by the Group:

Principal assumptions used for the actuarial valuations are as follows:

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.20%	5.66%
Expected Rate of return on Plan Asset	7.20%	5.66%
Salary Escalation	9.00%	5.00%
Attrition Rate	For service 2 years and below 50.00% p.a. For service 3 years to 4 years 30.00% p.a. For service 5 years and above 20.00% p.a.	24.00%
Mortality Table	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

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Movements in the present value of the defined benefit obligation are as follows:

(₹ in Millions)

Particulars	Gratuity Plans As at March 31, 2023	 As at March 31, 2022
Present value of benefit obligation at the beginning of the year	54.24	42.23
Current service cost	15.66	12.36
Interest cost	3.06	2.36
Past service cost (vested benefit)	-	-
Liability transferred in/ acquisitions	-	-
Remeasurement (gains)/losses	-	-
Benefit paid from the fund	(7.19)	(3.80)
Direct payment by the group	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	(13.05)	(2.14)
Actuarial (gains)/losses on obligations - due to change in financial assumptions	6.40	(0.15)
Actuarial (gains)/losses on obligations - due to experience	19.76	3.38
Present value of benefit obligation at the end of the year	**78.88**	**54.24**

Movements in the fair value of the plan assets are as follows:

(₹ in Millions)

Particulars	Gratuity Plans As at March 31, 2023	 As at March 31, 2022
Fair value of plan assets at the beginning of the year	41.09	35.84
Interest income	2.32	2.00
Contributions by employer	13.30	6.43
Assets transferred in/acquisitions	-	-
Expected contributions by the employees	-	-
Benefit paid from the fund	(7.19)	(3.80)
Remeasurement gain (loss)	-	-
Return on plan assets, excluding interest income	0.62	0.62
Fair value of plan assets at the end of the year	**50.14**	**41.09**

Amount recognized in the balance sheet from the Group's obligation in respect of its defined benefit plans is as follows:

(₹ in Millions)

Particulars	Gratuity Plans As at March 31, 2023	 As at March 31, 2022
(Present value of benefit obligation at the end of the year)	(78.88)	(54.25)
Fair value of plan assets	50.14	41.10
Funded status (surplus/ (deficit))	(28.74)	(13.15)
Net (liability)/asset recognized in the balance sheet	**(28.74)**	**(13.15)**

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Net Interest Cost for current period:

(₹ in Millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Present value of benefit obligation at the beginning of the year	54.25	42.23
(Fair value of plan assets at the beginning of the year)	(41.10)	(35.84)
Net liability/(asset) at the beginning	13.15	6.39
Interest cost	3.06	2.35
(Interest income)	(2.32)	(2.00)
Net interest cost for the year	**0.74**	**0.35**

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

(₹ in Millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Service cost:		
Current service cost	15.66	12.36
Expected Contributions by the employees	-	-
Past service cost (amortised) recognised	-	-
Past service cost (vested benefit) recognised	-	-
Net interest expense	0.74	0.36
Expense recognized	**16.40**	**12.72**

Amounts recognised in the other comprehensive income (OCI) in respect of these defined benefit plans are as follows:

(₹ in Millions)

Particulars	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Return on plan assets (excluding amounts included in net interest expense)	6.86	(0.62)
Actuarial (gains) / losses on defined benefit obligations	5.63	1.09
Change in asset ceiling	-	-
Net (income)/expense for the year recognized in OCI	**12.49**	**0.47**

The fair value of the plan assets for India are as follows:

(₹ in Millions)

Category of Assets	Gratuity Plans	
	As at March 31, 2023	As at March 31, 2022
Central Govt. Securities	-	-
State Govt. Securities	-	-
Debt Securities, Money Market Securities and Bank Deposits	-	-
Mutual Funds	-	-
Insurer Managed Funds*	50.14	41.10
Others	-	-
Total	**50.14**	**41.10**

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Maturity analysis of benefit payments

(₹ in Millions)

Projected benefits payable in future years from the date of reporting	As at March 31, 2023	As at March 31, 2022
1st following year	12.40	9.20
2nd following year	11.72	9.18
3rd following year	10.19	9.05
4th following year	10.19	7.32
5th following year	10.10	6.98
Sum of Years 6 To 10	32.93	18.22
Sum of Years 11 and above	26.40	7.63

The estimates of future salary growth, factored in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Such estimates are very long term and are not based on limited past experience / immediate future. Empirical evidence also suggests that in very long term, consistent high salary growth rates are not possible. The said estimates and assumptions have been relied upon by the auditors.

Sensitivity analysis

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Sensitivity level	1% increase	1% increase	1% increase	1% increase
Impact on defined benefit obligation (in ₹)				
1) Discount rate	(3.17)	(1.78)	3.47	1.92
2) Future salary increases	3.11	1.85	(2.94)	(1.77)
3) Employee turnover	(0.98)	(0.51)	1.03	0.52

Note :

- The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
- The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
- Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.
- There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

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Note 41: Related parties disclosure as per Ind AS 24

A. List of Related Parties and related party relationship:

Considering only parties with whom transaction has entered during the FY 2022-23

Sr. No.	Name of the Related Party	Relationship
a)	**Enterprises over which Management and/or their relatives have control**	
	1 Capri Global Holdings Private Limited	
	2 Parshwanath Buildcon Private Limited	
c)	**Key Management Personnel of the Company**	
	1. Mr. Rajesh Sharma	Managing Director
	2. Mr. Beni Prasad Rauka	Independent Director
	3. Ms. Bhagyam Ramani	Independent Director
	4. Mr. Mukesh Kacker	Independent Director
	5. Mr. Ajay Relan	Independent Director
	6. Mr. Ajit Mohan Sharan	Independent Director
	7. Mr. Desh Raj Dogra	Independent Director
	8. Mr. T.R. Bajalia	Independent Director
d)	**Trust under common control:**	
	1. Capri Foundation.	
	2. CGCL Employees Group Gratuity Assurance Scheme.	
	3. CGHFL Employees Group Gratuity Assurance Scheme.	

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B. Details of transactions during the year and closing balances as at the year end:

(₹ in Millions)

Sr. No.	Particulars	Subsidiaries		Enterprises over which management and/or their relatives have control		Key management personnel		Relative of key management personnel		Trust under common control		Total	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
a.	**Statement of Profit and Loss Items:**												
I	**INCOMES :**												
i	**Interest on Loan Given to Subsidiaries**												
	Capri Global Resources Private Limited	-	0.04	-	-	-	-	-	-	-	-	-	0.04
ii	**Sale of Investment**												
	Capri Global Holding Private Limited	-	-	-	0.28	-	-	-	-	-	-	-	0.28
II	**EXPENSES :**												
i	**Rent Paid**												
	Parshwanath Buildcon Private Limited	-	-	0.37	0.20	-	-	-	-	-	-	0.37	0.20
	Capri Global Holding Private Limited	-	-	0.14	0.36	-	-	-	-	-	-	0.14	0.36
ii	**Salaries, Commission and other benefits**												
	Mr. Rajesh Sharma	-	-	-	-	3.60	3.60	-	-	-	-	3.60	3.60
	Mr. Pranay Rauka	-	-	-	-	-	-	0.88	-	-	-	0.88	-
	Ms. Jinisha Sharma	-	-	-	-	-	-	0.80	-	-	-	0.80	-
	Mr. Jayesh Doshi	-	-	-	-	-	-	-	-	-	-	-	-
iii	**Director Sitting Fees**												
	Mr. Beni Prasad Rauka	-	-	-	-	3.08	1.82	-	-	-	-	3.08	1.82
	Ms. Bhagyam Ramani	-	-	-	-	3.91	3.30	-	-	-	-	3.91	3.30
	Mr. Mukesh Kacker	-	-	-	-	1.42	0.84	-	-	-	-	1.42	0.84
	Mr. Desh Raj Dogra	-	-	-	-	1.25	0.78	-	-	-	-	1.25	0.78
	Mr. Ajit Sharan	-	-	-	-	1.04	0.60	-	-	-	-	1.04	0.60
	Mr. Ajay Kumar Relan	-	-	-	-	-	0.16	-	-	-	-	-	0.16
	Mr. T.R. Bajalia	-	-	-	-	0.60	0.42	-	-	-	-	0.60	0.42

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(₹ in Millions)

Sr. No.	Particulars	Subsidiaries		Enterprises over which management and/or their relatives have control		Key management personnel		Relative of key management personnel		Trust under common control		Total	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
iv	**Employee Benefits**												
	Money Matters Financial Services Limited Employees Group Gratuity Assurance Scheme	-	-	-	-	-	-	-	-	13.30	4.50	13.30	4.50
	Money Matters Securities Private Limited Employees Group Gratuity Assurance Scheme	-	-	-	-	-	-	-	-	-	1.93	-	1.93
v	**Corporate Social Responsibility**												
	Capri Foundation	-	-	-	1.07	-	-	-	-	-	-	-	1.07

(₹ in Millions)

Sr. No.	Particulars	Subsidiaries		Enterprises over which Management and/or their relatives have control		Key Management Personnel		Relative of key management personnel		Trust Under Common Control		Total	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
b	**Balance Sheet Items (Closing Balances):**												
i	**Other Payable**												
	Parshwanath Buildcon Private Limited	-	-	-	-	-	-	-	-	-	-	-	-

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Note - 42 Segment Information (IND-AS 108)

Operating Segment:

The Group operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.

Note 43 - In Accordance with IND AS - 33 Earnings Per Share

The computation of earning per share is set out below:

Particulars			For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit after tax as per Statement of Profit and Loss	(A)	₹ in Millions	2,046.54	2,050.41
Weighted average number of equity shares for calculating Basic EPS	(B)	Nos.	18,49,90,406	18,35,75,044
Weighted average number of equity shares for calculating Diluted EPS	(C)	Nos.	18,70,98,040	18,55,53,681
Basic earnings per equity share (Face value of ₹ 2/- per share)	(A)/(B)	₹	11.06	11.69
Diluted earnings per equity share (Face value of ₹ 2/- per share)	(A)/(C)	₹	10.94	11.56

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Weighted average number of equity shares for calculating EPS	Nos.	18,49,90,406	18,35,75,044
Add : Equity shares for no consideration arising on grant of stock options under ESOP	Nos.	21,07,634	19,78,637
Weighted average number of equity shares in calculation of diluted EPS	Nos.	18,70,98,040	18,55,53,681

Note - 44 Leases

The changes in the carrying value of ROU assets are as follows:

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying value		
Balance as at the beginning of the Year	352.94	296.79
Additions/Modifications	1,885.98	93.90
Terminations	64.46	37.75
Balance as at the end of the Year	**2,174.46**	**352.94**
Accumulated depreciation		
Balance as at the beginning of the Year	129.87	111.15
Depreciation	200.35	42.82
Terminations/modifications	26.98	24.10
Balance as at the end of the Year	303.24	129.87
Net Carrying Value at the end of the Year	**1,871.22**	**223.07**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended March 31, 2023

The following is the movement in lease liabilities during the year:

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities		
Balance as at the beginning of the Year	248.20	211.74
Additions/Modification	1,815.91	83.23
Terminations/modifications	37.59	16.36
Finance expense	147.62	26.12
Payment of lease liabilities	245.27	56.53
Balance as at the end of the Year	**1,928.87**	**248.20**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023, on an undiscounted basis:

(₹ in Millions)

Particulars	31st March 2023	31st March 2022
Less than 1 year	404.82	20.05
1-3 years	813.06	44.51
3-5 years	733.79	216.40
More than 5 years	1,128.80	31.70
Total	**3,080.47**	**312.66**

The Group has adequate liquidity for payment of lease liabilities. The Group regularly monitor and pays lease rentals on timely manner as per the terms of respective leave and license agreement.

The Group has right to extend lease term as per mutually agreed terms laid down in respective leave and license agreement. The Group takes into account effect of extended lease term while recording the lease assets and lease liabilities accordingly.

Note 45 - Employee Stock Option

The Holding Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2009 (ESOP 2009) to employees of the Holding Company and Subsidiary spread over a period 1 to 4 years.

Employee Stock Option Plans

A Summary of the general terms of grants under stock options plans are as under: -

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of options under the Plan	Range of Exercise Price	Number of options under the Plan	Range of Exercise Price
Employee Stock Option Plan	30,60,400	₹ 2 to ₹ 520	30,40,800	₹ 2 to ₹ 300

The activity of the Stock Plans is summarised below:

Particulars	Year ended			
	As at March 31, 2023		As at March 31, 2022	
	Numbers	Exercise Price/ Vesting Price (₹)	Numbers	Exercise Price/ Vesting Price (₹)
Outstanding at the beginning of the year	5,65,400	2.00	7,32,950	2.00
	1,99,500	70.00	2,85,000	70.00
	2,88,400	100.00	4,42,000	100.00
	22,500	130.00	50,500	130.00
	50,000	174.00	50,000	174.00
	20,000	194.90	20,000	194.90
	70,000	225.00	-	-
	8,75,000	250.00	-	-
	9,50,000	300.00	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Particulars	Year ended			
	As at March 31, 2023		As at March 31, 2022	
	Numbers	Exercise Price/ Vesting Price (₹)	Numbers	Exercise Price/ Vesting Price (₹)
Granted	2,00,000	300.00	10,000	232.80
	75,000	425.00	3,70,000	225.00
	1,00,000	450.00	8,75,000	250.00
	25,000	500.00	9,50,000	300.00
	20,000	510.00	-	-
	10,000	520.00	-	-
Exercised	12,900	2.00	1,29,600	2.00
	1,57,500	70.00	85,500	70.00
	6,600	100.00	1,53,600	100.00
	6,000	130.00	-	-
Forfeited, expired and cancelled	27,900	2.00	37,950	2.00
	22,000	100.00	28,000	130.00
	2,500	130.00	10,000	232.80
	25,000	250.00	3,00,000	225.00
	1,50,000	300.00	-	-
Outstanding at the end of the year	5,24,600	2.00	5,65,400	2.00
	42,000	70.00	1,99,500	70.00
	2,59,800	100.00	2,88,400	100.00
	14,000	130.00	22,500	130.00
	50,000	174.00	50,000	174.00
	20,000	194.90	20,000	194.90
	70,000	225.00	70,000	225.00
	8,50,000	250.00	8,75,000	250.00
	10,00,000	300.00	9,50,000	300.00
	75,000	425.00	-	-
	1,00,000	450.00	-	-
	25,000	500.00	-	-
	20,000	510.00	-	-
	10,000	520.00	-	-

The weigted average fair value of the new ESOPs granted during the year is ₹ 470.72 per share (previous year ₹ 335.20 per share)

The following table summarises information about stock option plans

Exercise Price (₹)	Year ended			
	As at March 31, 2023		As at March 31, 2022	
	Numbers	Weighted Average Remaining Life (Months)	Numbers	Weighted Average Remaining Life (Months)
2.00	5,24,600	11	5,65,400	21
70.00	42,000	5	1,99,500	6
100.00	2,59,800	2	2,88,400	10
130.00	14,000	13	22,500	19
174.00	50,000	9	50,000	19
194.90	20,000	23	20,000	35
225.00	70,000	31	70,000	44
250.00	8,50,000	34	8,75,000	46
300.00	10,00,000	37	9,50,000	48
425.00	75,000	40		
450.00	1,00,000	40		
500.00	25,000	40		
510.00	20,000	41		
520.00	10,000	42		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Fair value methodology

The fair value of the shares are measured using Black-Scholes-Merton formula. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility.

The following table summarizes the assumptions used in calculating the grant date fair value.

Particulars	March 31, 2023	March 31, 2022
Expected life of the options	2.5 to 5 Years	3 to 5 Years
Expected volatility	40% to 50%	50% to 60%
Dividend yield	0.18% to 0.30%	1%
Risk-free interest rate	7.09% to 7.39%	4.72% to 6.28%

Expected life of the options: Expected life of the options is the period for which the holding company expects the Options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised, and the maximum life is the period after which the options cannot be exercised.

Expected volatility: The measure of volatility used in ESOP pricing model is the annualised standard deviation of the continuously compounded rates of return (calculated by log function) on the share over a period prior to the date of grant corresponding to the expected life of the option.

Dividend yield: Dividend Yield has been calculated as an average of dividend yields of six financial years preceding the date of grant. The dividend yield for the year is derived by dividing the dividend per share by the share price as on dividend effective date.

Risk-free interest rate: The rate used to discount employee benefit obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate which relates to the par-yield rate available on ZYC Government Securities (G. Sec.) for the tenure of the expected life of options. (Ref: G Sec. rates available through www.fbil.org.in with prices/yields published by FBIL).

The Weighted average market price of the ESOPs exercised during the year is ₹ 722.35 Per share (previous Year ₹ 530.71 Per share)

ESOP cost recognised in the Statement of Profit and Loss for March 31,2023 ₹ 141.75 Millions (March 31,2022 ₹ 50.10 Millions)

As at March 31, 2023 amount of ₹ 1.61 Millions (as at March 31, 2022 ₹ 16.75 Millions) being the difference between the exercise price and fair value of the options is receivable from the subsidiary company with which employees are employed.

Note 46 - Expenditure in Foreign Currency

Software Expenses	₹ 5.15 Millions (March 31, 2022 ₹ 1.47 Millions)
Professional Expenses	₹ 9.24 Millions (March 31, 2022 ₹ Nil Millions)

Note 47 - Contingent Liabilities

Income Tax matters under dispute: March 31, 2023 ₹ 141.65 Millions (March 31, 2022 ₹ 115.18 Millions)

Note 48 - Capital and Other Commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for March 31, 2023 ₹ 264.45 Millions (March 31, 2022 ₹ 66.55 Millions)

b) Amount payable towards acquisition of Property for March 31, 2023 ₹ 53.15 Millions (March 31, 2022 ₹ 39.82 Millions)

c) Other Commitments

Pending disbursements of sanctioned loans for March 31, 2023 ₹ 15,441.30 Millions (March 31, 2022 ₹ 13,341.79 Millions)

Note 49 - Fraud Reporting

The group has reported frauds aggregating March 31, 2023 ₹ 11.18 Millions (March 31, 2022 nil) based on management reporting to risk committee and to the RBI through prescribed returns.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 50 - Details of all collateral used as security for liabilities

(₹ in Millions)

Particulars	Carrying amount of financial assets pledged	
	As at March 31, 2023	As at March 31, 2022
Assets type		
Loans receivable as collateral under lending agreements	96,004.97	63,627.34
Loans receivable as collateral under PTC agreements	1,112.21	1,177.71
Receivables from investment in securities as collateral	1,038.21	2,554.12
Cash and other bank balance collateral under lending agreements	14,968.55	3,515.09

Note 51 A- Additional regulatory information under division III to schedule III as per notification dated March 24, 2021

(i) Revaluation of Property, Plant and Equipment:

The Group confirms that, the title deeds of immovable properties are held in the name of the Group

(ii) Revaluation of Intangible Assets:

The Group has not revalued Intangible assets during the year.

(iii) Loans or Advances:

During the year, the Group has not provided any loans or advances granted to promoters, directors and KMPs.

(iv) Intangible assets under development ageing schedule:

(₹ in Millions)

Intangible Assets under development	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Software)	136.98	11.06	-	-	148.04

(v) Capital work in progress ageing schedule:

(₹ in Millions)

Capital work in progress	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (CWIP)	25.22	-	-	-	25.22

(vi) Details of Benami Property held:

No proceedings have been initiated or pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and the rules made thereunder.

(vii) Security of current assets against borrowings:

Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

(viii) Wilful Defaulter:

The Group has not been declared as wilful defaulter by any bank or financial institution or other lender.

(ix) Relationship with Struck off Companies: There are no transaction with Struck off companies during the year.

(x) Compliance with number of layers of companies:

The Group has complied with the requirements of number of layers as per Section 186 of Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

(xi) Compliance with approved Scheme(s) of Arrangements:

The Group has not entered into any scheme of arrangement.

(xii) Utilisation of Borrowed funds and share premium

Borrowed funds have been utilised for the purpose they have been sanctioned and share premium has been utilised in working capital.

(xiii)

(a) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Group has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 51 B - Additional Disclosures

(i) **Events after reporting date -** There have been no events after the reporting date that require disclosure in these financial statements.

Note 52 - Additional information pursuant to para 2 of general instructions for the preparations of Consolidated Financial Statements :

Name of the entity in the Group	Net Assets, i.e. total assets minus total liability		Share in Profit or Loss		Share in Other Comprehensive income		Share in total Comprehensive income	
Particulars	**As % of consolidated net assets**	**Amount (₹ in Millions)**	**As % of Consolidated Profit or Loss**	**Amount (₹ in Millions)**	**As % of Consolidated other comprehensive income**	**Amount (₹ in Millions)**	**As % of total Comprehensive income**	**Amount (₹ in Millions)**
Parent								
Capri Global Capital Limited (net off elimination)	85.45%	30,465.92	69.71%	1,426.74	62.57%	(19.68)	69.83%	1,407.06
Subsidiaries								
Indian								
Capri Global Housing Finance Limited (net off elimination)	14.55%	5,188.74	30.29%	619.80	37.43%	(11.77)	30.17%	608.03
Total	**100.00%**	**35,654.66**	**100.00%**	**2,046.54**	**100.00%**	**(31.45)**	**100.00%**	**2,015.09**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

Note 53 - Previous year figures

Previous year's figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

In terms of our report attached

For **M M Nissim & Co LLP**
Chartered Accountants
(Firm's Registration No. 107122W/W100672)

Sd/-
Gayatri Sonavane
Partner
Membership No. 114049

Place: Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

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

(₹ in Millions)

Particulars	Capri Global Housing Finance Limited
Reporting Period of the Subsidiary if Different from the Holding Company's Reporting Period	**NA**
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	NA
Share Capital	712.04
Reserves & Surplus	4,476.79
Total Assets	28,262.84
Total Liabilities	23,074.01
Investments	1,800.96
Turnover	3,236.72
Profit/(Loss) Before Taxation	773.29
Provision for Taxation	152.82
Profit after Taxation*	620.47
Proposed Dividend	-
% of Shareholding	100

*PAT without considering the Other Comprehensive Income.

Notes:

1. Names of subsidiaries which are yet to commence operations:NIL

2. Names of subsidiaries which have been liquidated or sold during the year :NIL

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

Sd/-
Rajesh Sharma
Managing Director & Chief Financial Officer
DIN 00020037
Place: Mumbai

Sd/-
Beni Prasad Rauka
Independent Director
DIN 00295213
Place: Mumbai

Sd/-
Yashesh Bhatt
Company Secretary
ACS-20491

Place: Mumbai
Date: May 22, 2023

CAPRI GLOBAL
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REPORT YAK
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