

November 1, 2021

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, 5th Floor
Plot No- 'C' Block, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051
Scrip Code: CGCL

Sub: Press Release - Capri Global Capital Ltd Q2FY22 Results

Dear Sir and Madam,

Please find enclosed herewith Press Release titled “Capri Global Capital Ltd Q2FY22 Results” regarding the announcement of Financial Results for the quarter and half year ended September 30, 2021.

You are requested to kindly take the same on records.

Thanking you,

Yours faithfully,
for **Capri Global Capital Limited**

(Harish Agrawal)
Senior Vice President & Company Secretary

Encl.: As above

Capri Global Capital Limited

Registered Office:

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CAPRIGLOBAL

Capri Global Capital Limited

Press Release : Q2 FY22 Results

31st October 2021

AUM

INR 52,712 Mn

27.1% YoY / 6.5% QoQ

Disbursements

INR 5,850 Mn

208.5% YoY / 89.7% QoQ

Gross Stage 3

3.3%

PCR 81.9% / Restr. Ass. 4.2%

Consolidated PAT

INR 525 Mn

-14.0% YoY / 14.2% QoQ

Capri Global reports 27% YoY Growth in AUM; Consolidated PAT at a robust Rs525mn

	(Rs. Mn.)				
CONSOLIDATED FINANCIALS	Q2FY22	Q2FY21	Y-o-Y	Q1FY22	Q-o-Q
AUM	52,712	41,474	27.1%	49,477	6.5%
MSME	26,797	21,280	25.9%	25,463	5.2%
Construction Finance	9,563	9,176	4.2%	8,715	9.7%
Affordable Housing	13,219	9,150	44.5%	12,153	8.8%
Indirect Retail Lending	3,134	1,868	67.7%	3,145	-0.4%
Disbursement	5,850	1,896	208.5%	3,083	1.9 x
Total Income	1,398	1,180	18.4%	1,227	13.9%
PAT	525	610	-14.0%	459	14.2%
Spread	7.9%	8.3%	-37 bps	7.7%	27 bps
Cost-to-income	42.0%	30.1%	1184 bps	35.7%	624 bps
RoA	3.7%	4.4%	-73 bps	3.4%	27 bps
RoE	11.7%	12.6%	-86 bps	11.1%	64 bps
Gross Stage 3	3.3%	2.2%	110 bps	3.4%	-19 bps
PCR	81.9%	94.4%	-1256 bps	76.4%	548 bps

Consolidated Key Performance Highlights for Q2FY22

Assets Under Management

- Q2FY22 was first full operational quarter after operations resumed in Jun'21 post second Covid-19 wave lockdown.
- AUM registered a 27% YoY growth with a healthy momentum in all verticals.
- Disbursements were up by a sharp 3.1x YoY to Rs5,850mn.

Liability Management

- CGCL continued to maintain a well-funded and diversified liability profile with relationships across 17 lending institutions.
- The liability mix is well diversified across market borrowings, commercial bank borrowings, and refinance institutions.
- Weighted average cost of borrowing declined 101bps YoY to 8.18%.

Earnings Trend

- Total Income (NII + other income) increased 18% YoY to Rs1,398mn.
- Core spreads were stable 7.1% dropping a marginal 13bps QoQ.
- Operating profit increased 8% YoY to Rs787mn.
- Profit after tax declined 14% YoY to Rs525mn. The decline was mainly on account standstill asset quality classification in Q2FY21 leading to almost negligible NPA provisions.
- Cost-income ratio was noted at 42%, higher than recent average mainly due to front loaded roll-out of new branches and recruitment.

Asset Quality

- Gross Stage 3 increased 111bps YoY to 3.4%. It may be noted asset quality classification was at a standstill in Q2FY21 owing to regulatory forbearance early during the Covid-19 pandemic.
- Provision Coverage Ratio further improved to 81.9% from 76.4% in Q1FY22.
- Restructured assets increased to Rs2,189mn from Rs2,038mn in Q1FY22. Restructuring option is over as per the RBI framework guidelines.
- Collection Efficiency was stable; MSME collection efficiency was 86% (stable Q-o-Q) while Housing Finance collection efficiency was 95% (unchanged Q-o-Q).

Strong Capital Adequacy

- CGCL remains well capitalized with a Tier I capital adequacy at 35.8%.
- CGHFL also remains at very robust capital levels with Tier I capital adequacy at 34.3%.
- The capitalization levels are robust to support strong growth over medium term.

Return Ratios

- Annualized RoE / RoA of 11.7% / 3.7% respectively.
- Annualized (diluted) EPS was Rs11.88 and book value per share stood at Rs103.2 in Q2FY22.

Commenting on the performance, Founder & Managing Director Mr. Rajesh Sharma said:

"Q2FY22 was the first full quarter of operations after we resumed lending activity in Jun'21 post second wave lockdown. Our Q2FY22 results are a reflection of the optimism we have expressed in our business and growth opportunities. The robust pick-up in disbursements across all asset categories of CGCL has only added to the momentum which we see gathering further pace as the economy fully unlocks in H2FY22 with gathering pace of vaccination and subdued Covid-19 infections.

At CGCL, we remain committed to our medium-term CAGR of 22-27% between FY22E-FY27E. This is an achievable target based on the organic growth opportunities we see in our product segments with new products expected to add traction in next two years."

Disclaimer:

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