



**Responsible.
Resilient.
Ready.**

Q1FY21 Earnings Presentation

31st July 2020

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Capri Global Capital: Banking The Unbanked



A diversified Non-Banking Financial Company (NBFC) with presence across high growth segments like MSME, Construction Finance, Affordable Housing and Indirect Retail Lending segments



Promoted by first generation entrepreneur, Mr. Rajesh Sharma, Capri Global Capital Limited (CGCL) is listed on both BSE and NSE and is part of NIFTY Smallcap 100 Index



Strong focus on MSMEs - the key growth drivers of the economy; having active relationships with 12,040 businesses ending June 2020 across several states in India ranging from retail outlets to small manufacturing units to traders to private schools



Affordable Housing Finance business, aligned with the Government's Flagship scheme under the 'Housing For All by 2022' - mission 'Pradhan Mantri Awas Yojana (PMAY)', has already empowered ~9,610 families to realize the dream of owning their own home



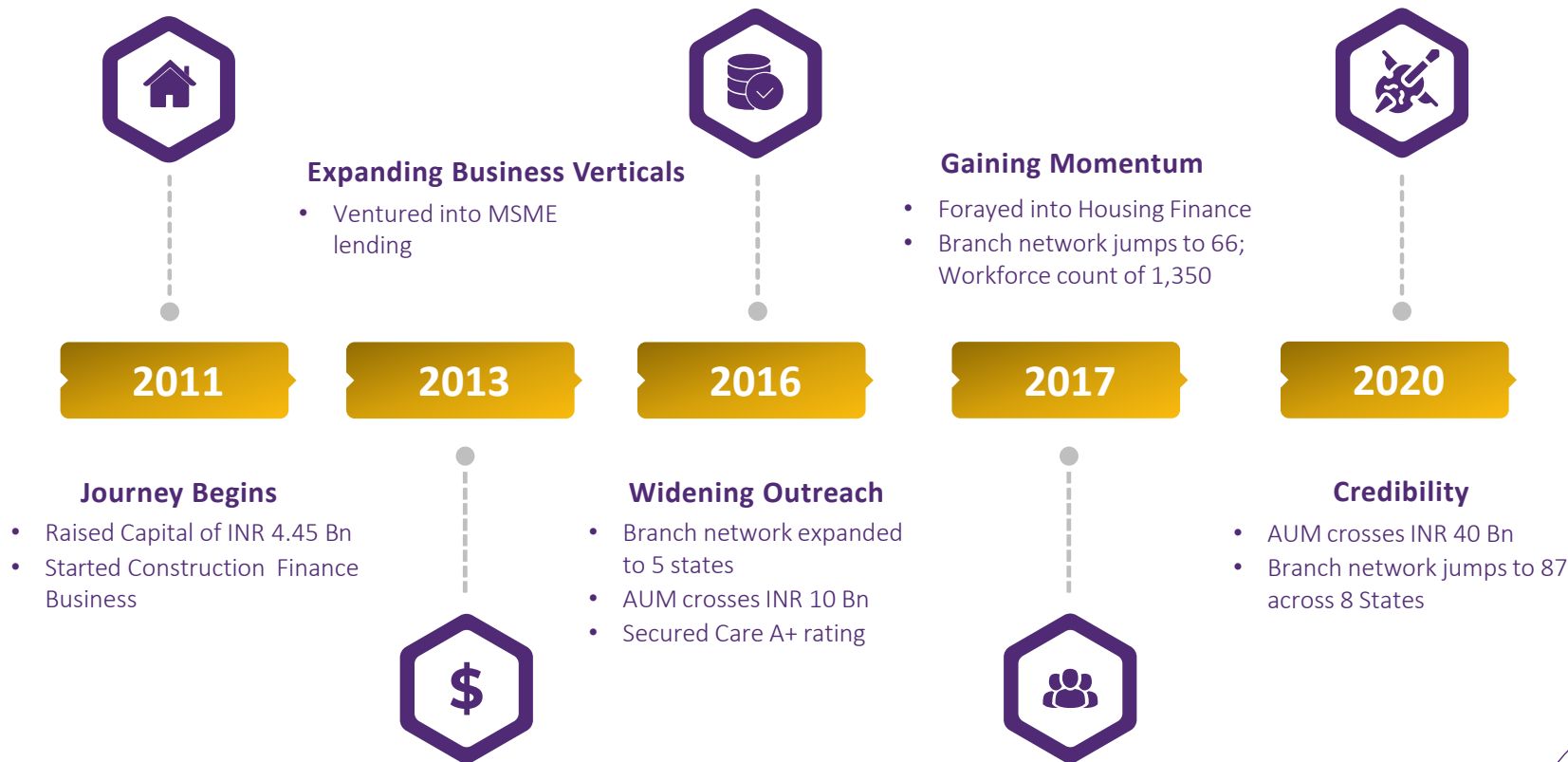
Committed workforce of over 1,440 employees with a branch presence at 81 locations in 8 states majorly across North and West India



Strong governance and risk-control framework with scrutiny at multiple levels

- Statutory Auditor : Deloitte Haskins & Sells LLP
- Internal Auditor : Grant Thornton

Executive Summary: Building a Stronger Institution



COVID Update: Stronger Than Ever



What makes us well placed to tide over the COVID pandemic?

01

Strong Liquidity Position

On back of strong liquidity, the company didn't sought moratorium from any of its lenders. In fact the company made a prepayment of INR 3,111 Mn to reduce the overall cost of funds.

02

Granular & Well Diversified Portfolio

With an average ticket size of INR 1.7 Mn and only 1% of total customers in MSME segment engaged in industries such as Tourism and Restaurant that are severely impacted by COVID-19 offers us a great comfort.

03

100% secure book with Low LTV across our business verticals

MSME LTV at 48%, CF at 40-50% and Housing Finance at 59%.

04

Focus on Tier 3 and Tier 4 cities

Majority of branches fall in semi-urban areas where businesses has resumed operations and the active COVID population is very less.

05

Low Cost Funds available under TLTRO/PCGS

The company has already raised INR 3,000 Mn under TLTRO 2.0 as well as INR 2,250 Mn under PCGS.

Customer Awareness: Adverse Impact of Moratorium on Loan Tenor

No. of EMIs opted for Moratorium (in months)	MSME			HL		
	3	4	5	3	4	5
Rate of Interest (%)	16.5%			14.0%		
Tenor	144			240		
Month on Books	24			24		
Balance Tenor (A)	120			216		
Revised Tenor post opting for Moratorium (B)	134	139	145	260	281	308
Increase in no. of EMI (B-A=C)	14	19	25	44	65	92

- Circulated excel calculator (which are easy-to-use) to each of our customers relationship manager, to educate customers about adverse impact of opting for Moratorium on their financials by sharp shoot up in loan tenor.
- Post reaching out to customers and educating them about adverse impact of opting moratorium has resulted into customers who had earlier opted for moratorium **also started paying EMIs**

Educating Customers: Sizeable Improvement in EMI Servicing - MSME

MSME	April-20		May-20		June-20	
	Count (Nos.)	POS (INR Bn)	Count (Nos.)	POS (INR Bn)	Count (Nos.)	POS (INR Bn)
Total Customers (A)	12,110	20.6	12,096	20.6	12,040	20.6
- Under Moratorium (B)	5,997	11.6	6,678	12.8	6,892	13.2
% Under Moratorium	50%	56%	55%	62%	57%	64%
- Not opted for Moratorium (C)	6,113	9.0	5,418	7.9	5,148	7.4
% Not Opted for Moratorium	50%	44%	45%	38%	43%	36%
Customers paid EMI for current or previous month (D)	6,646	9.7	7,453	10.7	8,678	12.7
% Customer servicing EMI	55%	47%	62%	52%	72%	62%
- Customers opted for moratorium servicing EMI (D-C=E)	533	0.7	2,035	2.8	3,530	5.2
Effective Moratorium Cases (B-E=F)	5,464	10.9	4,643	9.9	3,362	7.9
% Under Effective Moratorium (F/A)	45%	53%	38%	48%	28%	38%

Out of total MSME customer base of 12,040 (as on 30th Jun'20), 6,892 customers have opted for moratorium but of these 3,530 customers have serviced EMI (during Jun'20) resulting **only 3,362 customers (i.e. 28% of total base) under effective moratorium during Jun'20**

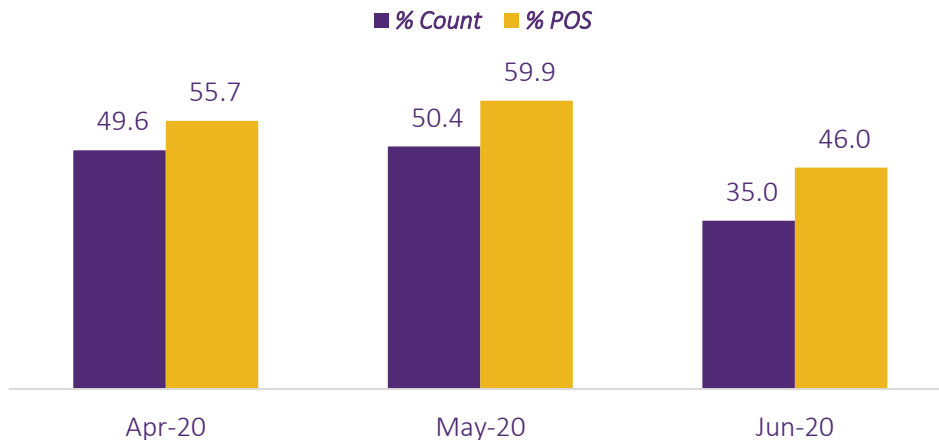
Educating Customers: Sizeable Improvement in EMI Servicing - HL

Housing Loans	April-20		May-20		June-20	
	Count (Nos.)	POS (INR Bn)	Count (Nos.)	POS (INR Bn)	Count (Nos.)	POS (INR Bn)
Total Customers (A)	9,672	9.0	9,659	9.0	9,614	9.1
- Under Moratorium (B)	3,524	3.6	4,127	4.2	4,352	4.4
% Under Moratorium	36%	40%	43%	46%	45%	49%
- Not opted for Moratorium (C)	6,148	5.4	5,532	4.8	5,262	4.7
% Not Opted for Moratorium	64%	60%	57%	54%	55%	51%
Customers paid EMI for current or previous month (D)	6,770	6.0	7,281	6.5	7,664	6.9
% Customer servicing EMI	70%	67%	75%	72%	80%	76%
- Customers opted for moratorium servicing EMI (D-C=E)	6,22	0.6	1,749	1.6	2,402	2.2
Effective Moratorium Cases (B-E=F)	2,902	3.0	2,378	2.6	1,950	2.2
% Under Effective Moratorium (F/A)	30%	33%	25%	28%	20%	24%

Out of total HL customer base of 9,614 (as on 30th Jun'20), 4,352 customers have opted for moratorium but of these 2,402 customers have serviced EMI (during Jun'20) resulting **only 1,950 customers (i.e. 20% of total base) under effective moratorium during Jun'20**

Moratorium Update: On a Downtrend

Construction Finance + IRL Moratorium Update



June'20 has shown better trends in terms of decline in the CF + IRL moratorium cases as compared to trend seen in earlier month of Apr'20 and May'20

In Construction Finance, the number of cases under moratorium have declined from 63 in Apr'20 to 46 in Jun'20

In IRL, the number of cases under moratorium have declined from 7 in Apr'20 to 3 in Jun'20

Collection Efficiency: Continues to be Strong Inspite Moratorium

Business Segments	No Amount paid	Partial EMI paid	At least one EMI paid	At least two EMI paid	At least three EMI paid	Four or more EMI paid
MSME	11.2%	1.8%	86.5%	64.8%	48.9%	35.1%
HL						
- Salaried	1.3%	0.2%	98.5%	87.1%	76.5%	61.0%
- Non-Salaried	3.9%	1.8%	94.3%	77.3%	62.8%	46.4%
Total HL	2.8%	1.1%	96.1%	81.5%	68.7%	52.6%

Collections have improved with gradual reopening of economy and concerned field efforts of our team

Q1FY21 Review: Well Positioned for Post Covid World



Managing liquidity for tackling through COVID 19

- Addition of **new lines of INR 10.5 Bn in Q1FY21**; undrawn lines of INR 10.7 Bn; share of bank borrowings at 86%.
- Enough liquidity with a **healthy Capital Adequacy of 40.93%** and **Cash & Equivalents of INR 4.9 Bn** to sail through any headwinds and grow for the remaining financial year.



Focusing on operating efficiencies

- **Optimised Operational structure** by implementing hub and spoke model resulting in significant efficiency.
- **Optimised and realigned the branch network** driving efficiencies.
- **Identifying areas which are discretionary** in nature and started curtailing those expenses.



Adoption of Technological Initiatives

- Digitalising our internal processes considerably as a future-focused financial services provider.
- Undertook various digitalisation initiatives towards **automation of HR, customer onboarding and credit decisions**.
- Focus on servicing customers via digital medium in every avenue possible through a **self service portal**.

Liquidity Position: **Unutilized Limits at All Time High**

Particulars (INR Mn)	CGCL (Standalone)	CGHFL	Consolidated
Limits Sanctioned	45,200	14,100	59,050
Limits Availed	36,960	11,350	48,310
Un-Drawn	7,990	2,750	10,740
Repaid	17,280	2,330	19,610
Outstanding	19,680	9,020	28,700
Total no. of relationship maintained	22	11	22
Limits Sanctioned in Q1FY21	6,500	4,000	10,500

CGCL has relationship with 22 Financial Institutions across Scheduled Commercial Banks, Mutual funds, Life Insurance companies and Public sector Financial Institutions; 6 new relationship with lenders were established in past 15 months. The company is also diversifying its source of funds from Term loans to NCDs.

Liquidity Position: Repayment of High Cost Loans

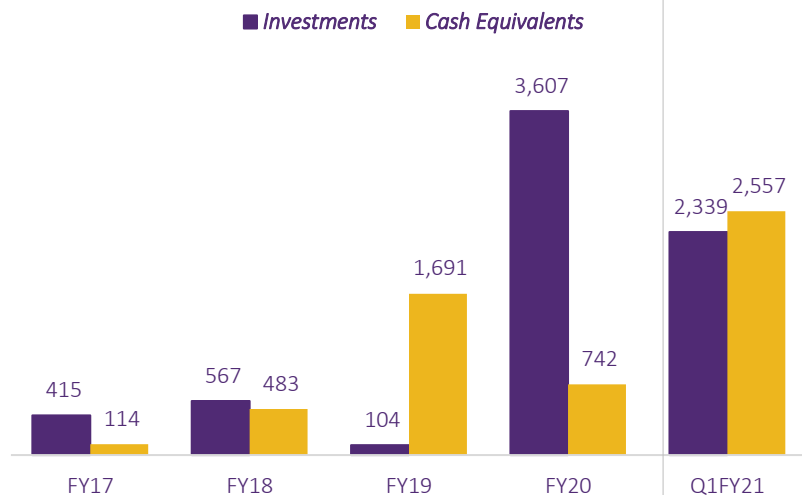
Particulars (INR Mn)	CGCL (Standalone)	CGHFL	Consolidated
Dues during FY2020-21	5,852	1,446	7,298
Payment made as per Schedule (A)	1,062	248	1,310
Prepayments made for the year (B)	1,763	337	2,099
Total repayments/prepayments (A+B)	2,825	585	3,409
Balance Payment for FY2020-21	3,028	861	3,888
Additional prepayments beyond FY2020-21 (C)	322	690	1,012
Total Prepayments (B+C)	2,085	1,027	3,111

The company has initiated discussions with banks for revision of interest rates downwards and working on strategy to bring to overall cost of fund down by ~0.75%.

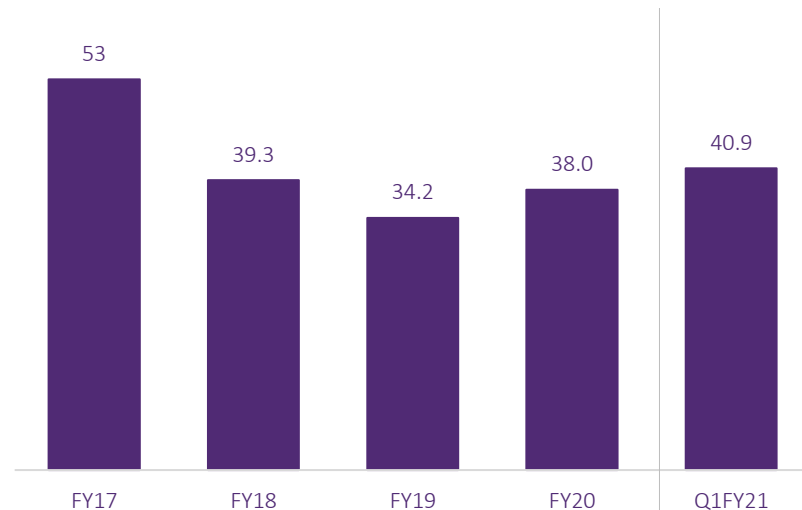
At the back of strong liquidity, the Company has not sought any moratorium from any of our lenders . In fact, the company has made payments of 47% of amounts due during FY21, including repayments.

Well Capitalized Business Model: Aid to Expansion

Current Assets (INR Mn)



Capital Adequacy (%)



Optimal cash position
on balance sheet

+

Strong capital
adequacy to support
future growth

+

Undrawn credit lines
of INR 10,740 Mn
including the
unutilized CC limit

=

Comfortable liquidity
position to protect against
liquidity crunch & support
future growth

Capital Adequacy Standalone Numbers ; From FY18 nos. as per IND-AS

Operating Efficiency: Adopting Low Cost Hub & Spoke Model

Hub

Area Managers

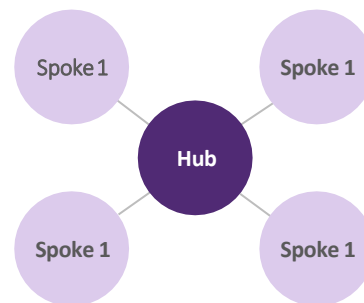
- Sales and Credit
- Operations
- FCU, Legal, Technical and Collections
- Spoke branch functions

Spoke

- Branch Manager
- Relationship
- Mangers (DSTs)
- Credit Resource
- Direct connect with customers

Benefits of Hub & Spoke Model

- Enables low-cost penetration into underserved markets
- Decentralized model optimizes turn around times
- Benefit from economies of scale and uniformity in operations
- Cost efficient, technology driven hub-and-spoke model is helpful in optimizing turn around times



Q1FY21
Region / Hubs: 21
Spokes: 60

Digitised Workflow & Analytics Driven Underwriting



Mobility Applications

• Sales Application

- ✓ Paperless origination
- ✓ TATs
- ✓ OCR capabilities for enhanced FTR's leading to Increased Productivity
- ✓ Reduced Compressed manual intervention
- ✓ Location intelligence using Geo Tagging & Route mapping capabilities

• Collections Application

- ✓ Real Time Status updates
- ✓ E- Receipting
- ✓ Location intelligence using Geo Tagging & Route mapping capabilities



Verification & Screening Tools

Disbursement with minimal or no manual intervention reducing overall TAT with the implementation of :

- ✓ Video KYC
- ✓ Digital KYC
- ✓ ID card verification
- ✓ Customer & Business document verifications
- ✓ Face Biometrics

Automated workflows using built in Credit risk scoring, automated Bureau & Fraud checks



Digitisation & Score carding

Digital, cloud based application which unifies origination & management of loan end to end

Credit Risk Classification (CRC) Scorecard

- ✓ Risk based pricing
- ✓ Customised application scorecard with configurable rules
- ✓ Uses multiple variables like income, qualification, customer profile, property type, bureau data etc.
- ✓ Resultant score eases assessment process of loan applicants, fast tracks leads as well as prioritising PDs
- ✓ Eliminates manual pricing (ROI) preventing revenue leakage



Bureau Scrubs

Regular bureau scrubs enables assessment of CAPRI customers with other lending institutions

- ✓ credit performance
- ✓ repayment behavior
- ✓ delinquency check

Provides EWS triggers and determine further actionable which helps

- ✓ maintain the portfolio quality
- ✓ retain exiting customers
- ✓ determine Upsell opportunities
- ✓ reduce turnover of good customers
- ✓ monitor customer behaviour, assets and product offerings



Digital Payments Infrastructure & Technology Initiatives

Evolved e-payment solutions for both disbursements & collections

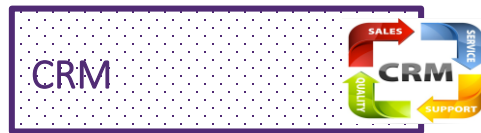
- **Mandate registration prior to disbursement has reduced the no of NPDC cases**
 - ✓ NACH enabled at all the branches
 - ✓ Direct debit mandate
 - ✓ eNACH
- **Host -to-host integration** with sponsor banks for **direct and instant disbursement** to customers
 - ✓ IMPS
 - ✓ RTGS
 - ✓ NEFT
- **Digital payment capabilities**
 - ✓ Wallets
 - ✓ UPI
 - ✓ Internet banking
 - ✓ Credit Cards etc
- All agents are equipped with digital payment modes on the field with **real time realization of payments**



Customer Relationship through self service portal & effective communication modes

With management principles built around customer centricity and customer delight, the following tools help better the customer experience


- **CRM software** –caters to single view of all customer transactions and communications across multiple lines of business and applications
- **Reduced customer service TATs and complaints**
- Increased and better reach to customers through :
 - ✓ SMS,
 - ✓ Emails &
 - ✓ WhatsApp
- **Customer self service portal** to access online
 - ✓ interest certificates,
 - ✓ new loan application,
 - ✓ repayments,
 - ✓ Online requests, SOA etc



Capri Learning Application

- Mobile Application for Employee Communication, Engagement & Training
- **Centrally disseminated & cured data, available uniformly across all regions with increased accessibility to online learning modules**
 - ✓ Policy guidelines and changes
 - ✓ Latest loan product updates,
 - ✓ Intimation about regulations and lending norm changes
- Skilled & well-trained staff who are better equipped to attend to the needs of Capri's customers





Q1FY21 Performance and Analysis

Capri Global Capital: Serving the Underserved

Q1FY21 Overview

INR 40.48 Bn

Total AUM
(consolidated)

INR 396 Mn

PAT

INR 15.79 Bn

Net Worth

Our Geographic Expanse

81

Branches

8

States/Union
Territories

1,449

Team Size

Our Achievements

12,040

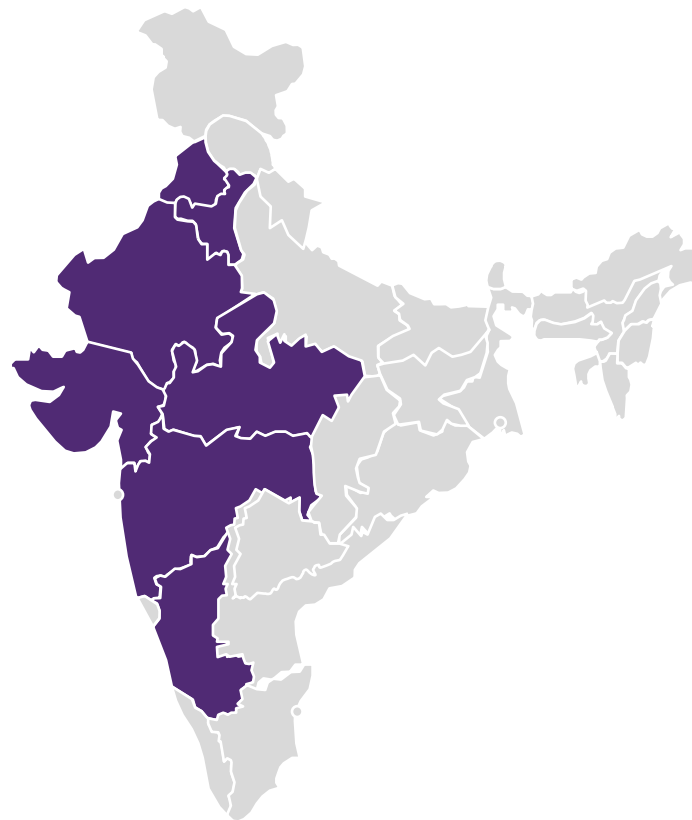
Businesses
Financed

9,610+

Families
Empowered

21,790+

Live Accounts

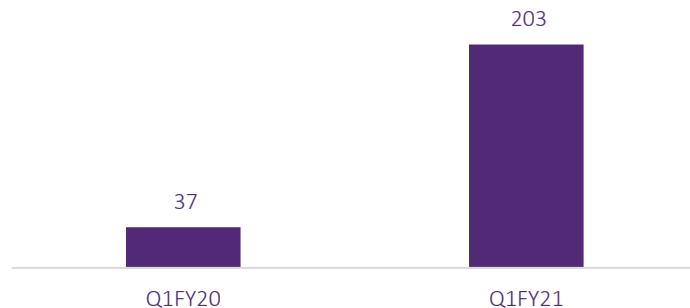


Q1FY21: At a Glance...

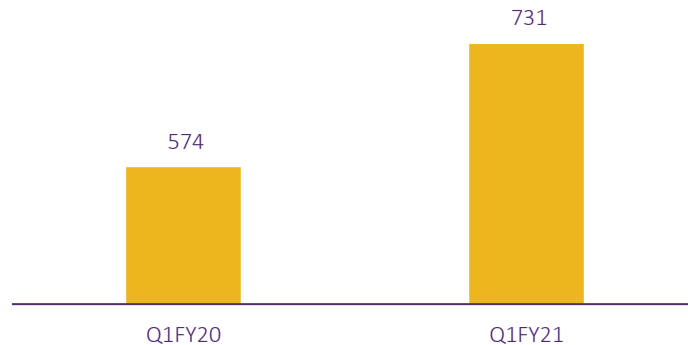
Revenue from Operations (INR Mn)



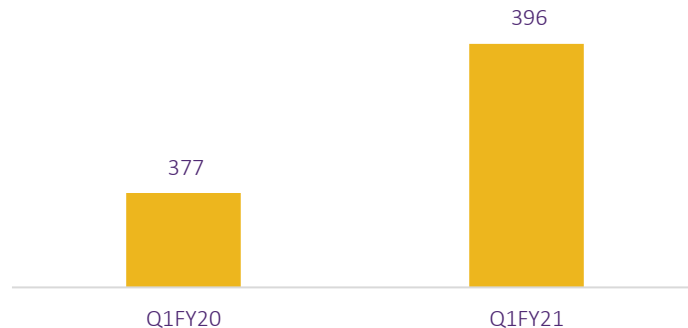
Credit Costs (INR Mn)



Pre-Provision Operating Profit (INR Mn)

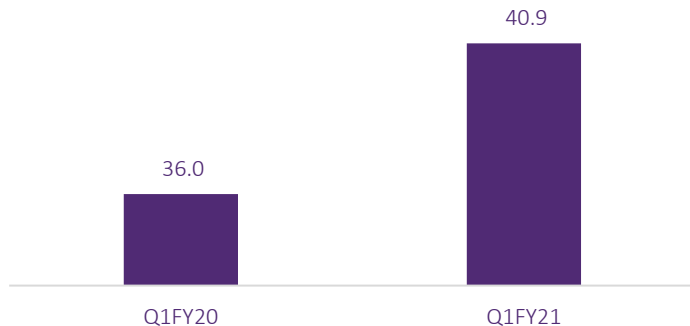


PAT (INR Mn)



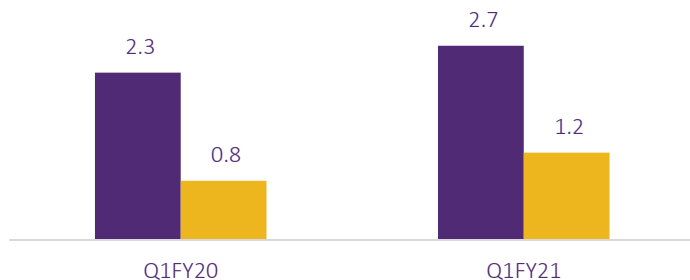
Q1FY21: At a Glance...

Capital Adequacy (%)

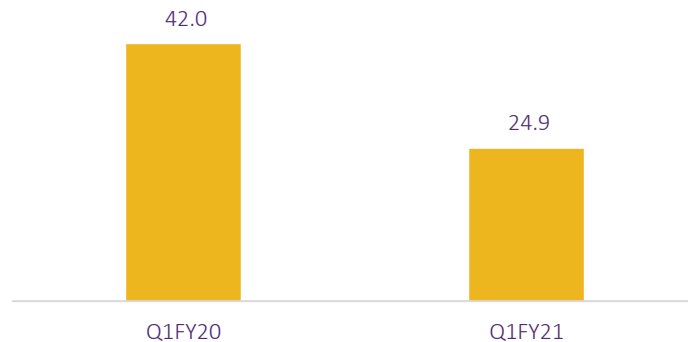


Gross NPA (%)

■ MSME + CF + IRL ■ HL

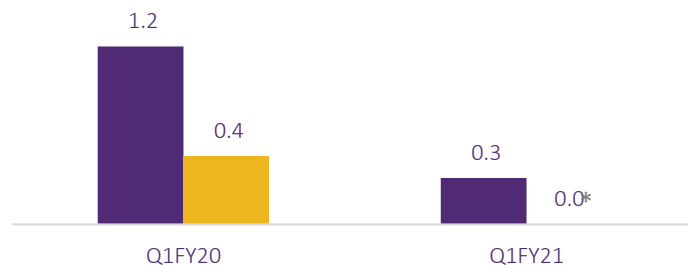


Cost-Income (%)



Net NPA (%)

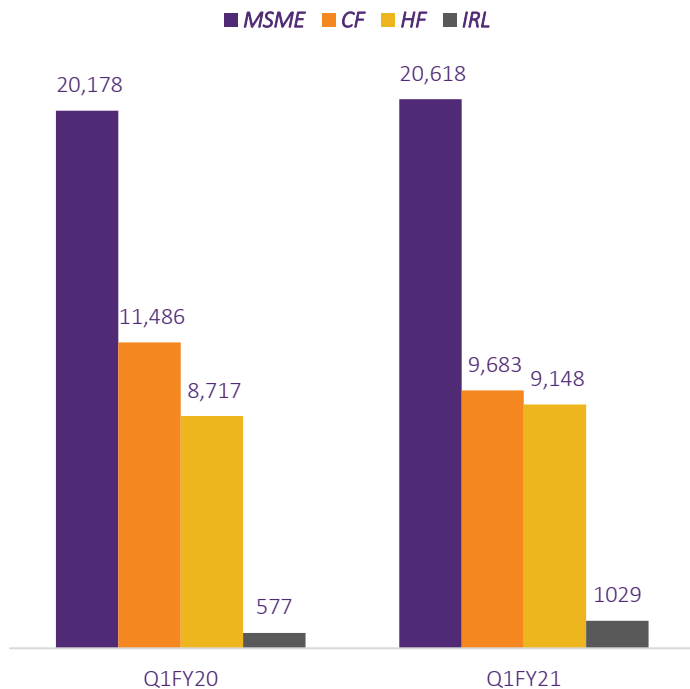
■ MSME + CF + IRL ■ HL



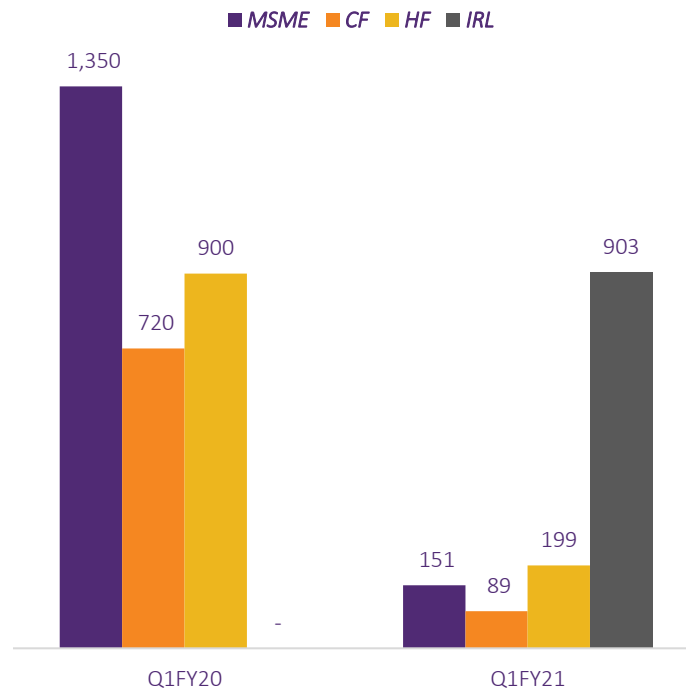
* Excess provision provided in HL, Capital Adequacy is on standalone basis

Q1FY21: Key Highlights

AUM Segmental Break Up (INR Mn)

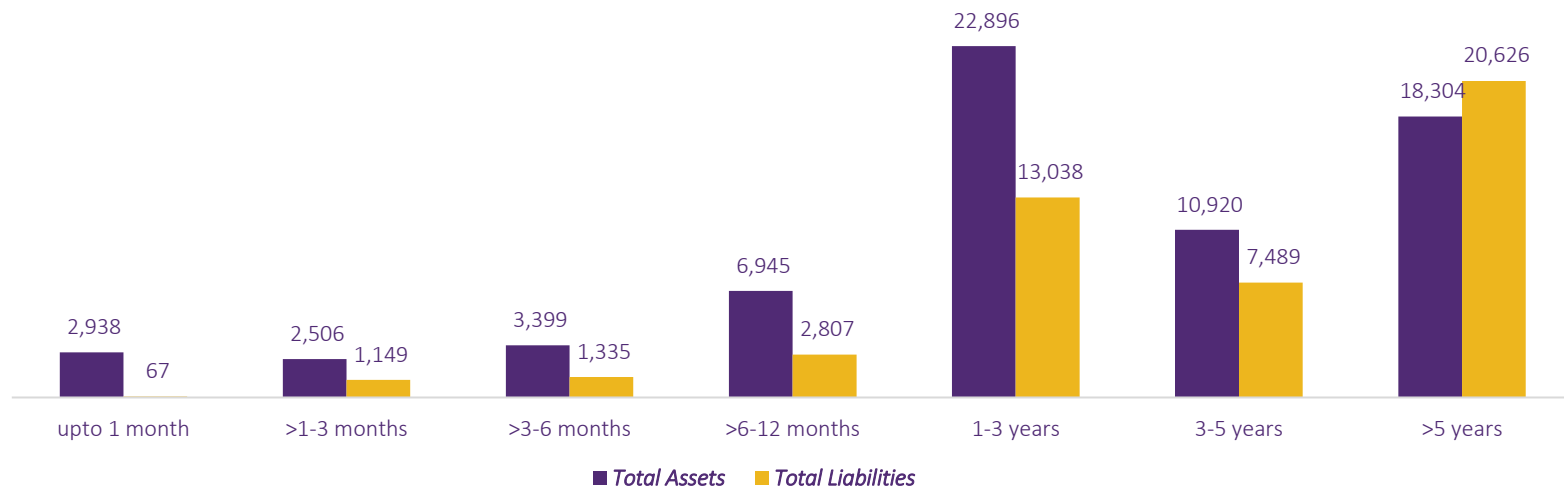


Disbursals (INR Mn)



Asset-Liability Split: **Consistent Mix**

Asset-Liability Mix (INR Mn); Ensuring Optically Matched Balance Sheet

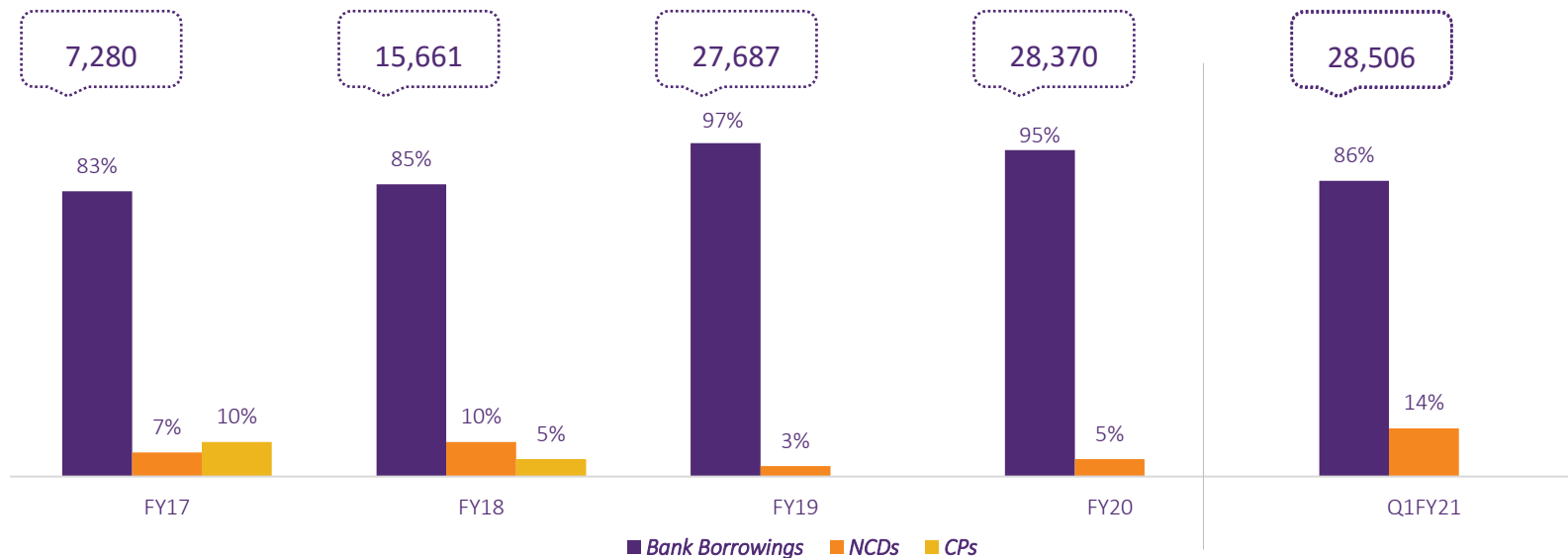


Particulars (INR Mn)	Ending	up to 1 month	>1-3 months	>3-6 months	>6-12 months	1-3 years	3-5 years	>5 years
Cumulative Inflow - outflow	June 20	2,872	4,229	6,293	10,432	20,289	23,719	21,398

The Company has not availed moratorium from any of its lenders

Liability Mix: The Low-Cost Benefit

Total Borrowings (INR Mn) and Borrowing Mix



- Nil exposure to short-term money market signifies no probability of default
- CGCL's prudence in higher borrowing share from banks has resulted in positive ALM across short- and medium-term buckets
- Maintained credit ratings of A+ (CARE Ratings) and AA- (BWR Ratings) amid peer downgrades specially for Construction Finance lenders.

Stable Asset Quality: Stage Analysis As per IND-AS

All amount in INR Mn except stated

ECL Analysis as per INDAS	Q1FY21	Q4FY20	Q1FY20
Stage 1 & 2 - Gross	39,533	39,398	40,144
Stage 1 & 2 – ECL Provisions	346	345	205
Stage 1 & 2 - Net	39,187	39,053	39,940
Stage 1 & 2 – ECL Provisions %	0.87%	0.88%	0.50%
Stage 3 - Gross	943	952	822
Stage 3 – ECL Provisions	498	295	215
Stage 3 - Net	100	312	607
Stage 3 % - GNPA	2.33%	2.36%	2.01%
Stage 3 % - NNPA	0.25%	0.79%	0.99%

NPA Analysis: Prudent Lending Practices

CGCL (Standalone) (INR MN)	FY17	FY18	FY19	FY20
NPA Recognition Norms	120 DPD	90 DPD	90 DPD	90 DPD
GNPA	178	439	560	843
NNPA	152	374	202	278
Provisions	26	64	358	566
Total Assets	19,646	28,239	33,106	31,366
Gross NPA%	0.98%	1.68%	1.69%	2.69%
Net NPA%	0.84%	1.44%	0.62%	0.90%
Coverage Ratio	81%	53%	64%	67%
Gross NPAs (Adjusted to 90 DPD)	1.99%	1.68%	1.69%	2.69%

GNPA Product Segment wise – Q1FY21		
Product Segment	GNPA %	NNPA %
MSME	3.96%	0.98%
Construction Finance	0.17%	-
Housing Finance	1.21%	-
Total (Consolidated)	2.33%	0.25%



Annexure: About CGCL & Industry Scenario

Business Overview: Diversified Portfolio

MSME

Product portfolio: Business loan against residential, commercial or industrial properties

Ticket size: INR 0.5-7.5 Mn, with average ticket size of INR 1.7 Mn

Tenor: Average tenor of 4-6 years

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

~48%

Average LTV

100%

Self-origination
Loan Model

Housing Finance

Product portfolio: Home loans for – Purchase of ready/under-construction residential units; Construction & extension renovation of homes – Plot purchase and home equity loans

Ticket size: INR 0.2-5 Mn
(Average ticket size of INR 1 Mn)

Average tenor: Average tenor of about 7-8 years

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

~59%

Average LTV

100%

Self-origination
Loan Model

Construction Finance

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

Ticket size: INR 70-250 Mn, with average ticket size outstanding of INR 70.2 Mn

Average tenor: Average tenor of 3-4 Years

Security: Exclusive lending with escrow mechanism, secured against cash flow of 2.5x.

~2 times

Asset Cover

100%

Self-origination
Loan Model

Indirect Lending

Product portfolio:
Financing to other NBFCs in
- MSME and MFI engaged in MSME Lending and Microfinance,
- Two wheelers and Commercial Vehicles Finance

Ticket size: INR 50-500 Mn ticket size range

Average tenor: Average tenor of 1-3 Years

Security: Hypothecation of receivables with 1 to 1.2X cover

1-1.2 X

Asset Cover

100%

Self-origination
Loan Model

CGCL Advantage: What Sets Us Apart

01

Focus on SENP Borrower

- Strong focus on self employed non-professional borrower; carved out a niche in this segment.
- Similarity in profiles enables efficient and faster underwriting.
- Personal Discussion based Touch and Feel Model, rely on customized assessments which can not be replicated by digital lending.

02

Own sourcing Model; no Dependence on DSAs

- 100% sourcing is done by regularly trained in-house Direct Sales Team (DSTs) or Feet on Street (FOS) staff; also generates cross sell opportunities for insurance.
- DSAs prone to influence customers to Balance Transfer with other lenders in pursuit of repeat commission; In Direct Sourcing model of the company, this is eliminated.

03

Adequate Liquidity

- 86% long term borrowing for a period of 6-10 years from Banks
- Positive ALM in <1 Year, 1-5 Years and >5 years.
- Adequate credit lines available from banks.

04

Multi Layered Credit Approach

- Customized underwriting approach basis the customer's profile; Credit team personally spends time with customer to understand business dynamics and derive cashflows.
- In house Legal, Technical and Fraud Control Units as well as empaneled vendors for conducting due diligence and eliminate fraud risks.

05

In House Collection model

- Own Collection team ensures full focus on delinquent accounts.
- Separate Litigation division under its Legal vertical which handles the recovery efforts from legal side.
- Given that all the loans are secured, in distress cases the Collection team facilitates sale of property as well for recovery.

06

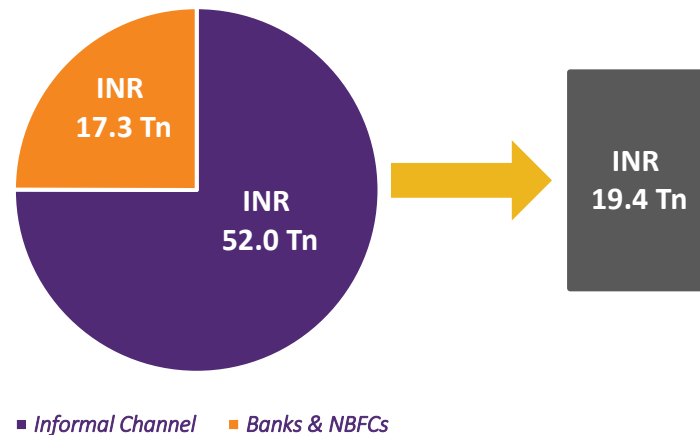
Retail Focused Model

- Small ticket size retail focussed lending across MSME, housing and construction finance.
- Strong focus on asset quality and onboarding only quality portfolio.

MSME Lending: A Huge Unexplored Opportunity

	FY13	FY19
MSME Systemic Credit (INR)	8.7 Tn	17.3 Tn
Non-Banks Market Share	11%	21%

MSME – Huge Addressable Credit Gap



- MSMEs account for ~35% of total credit exposure in India, with majority of it parked with the private and public sector banks. NBFCs have also played a significant role in recent years. There is an immense opportunity to expand presence, even as leading NBFCs continue to independently secure their market share.
- Banks face issues in financing MSMEs due to high NPAs, high processing times, higher cost and capital challenges. Low servicing cost for NBFC's; better penetration than banks as NBFC's outreach is higher.
- Lack of formal avenues for financing ensures low penetration from banks; NBFCs offer higher loan eligibility with shorter TAT.

Note- Addressable Credit Gap of INR 19.4 Tn refers to tappable portion out of INR 52 Tn of Informal Channel lending to MSME
Source Crisil Report and IFC

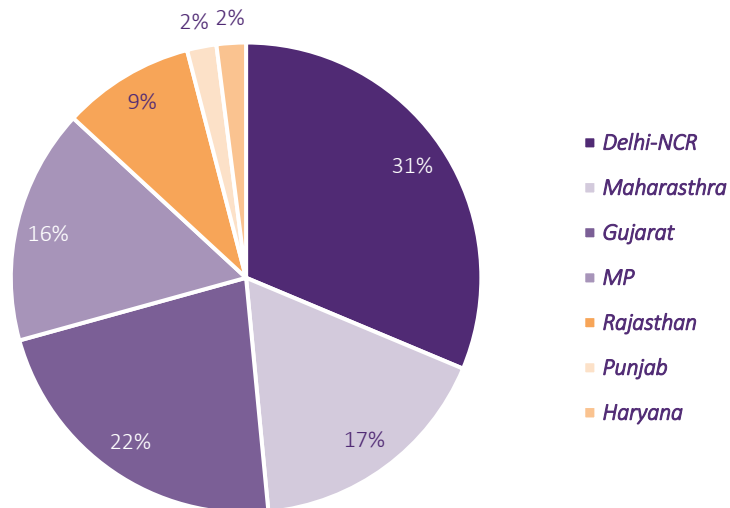
MSME: Small Loans, Big Opportunity



Focus Area

- Self Employed Individuals – Provision stores, retail outlets, handicrafts etc
- Small enterprises with formal income documentation; Sourced directly
- In-house sourcing team – 81 Branches/Loan centres; Direct Sourcing at 100% ending Q1FY21 vs 55% in FY18.

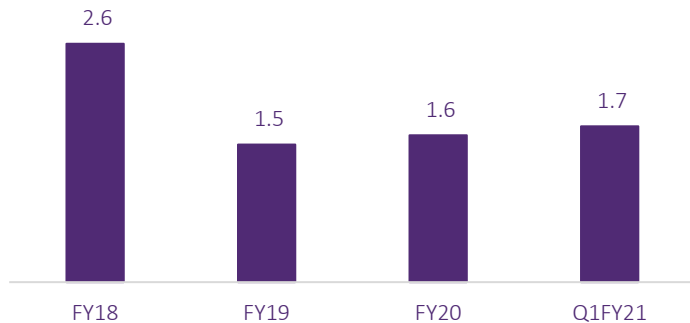
Lending Portfolio by Geography (Value wise)



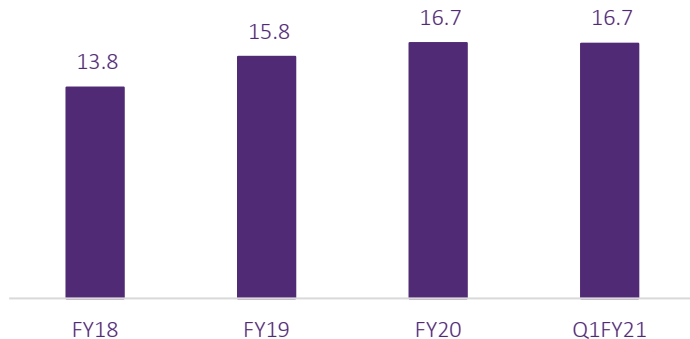
AUM	Disbursements	Avg. Ticket Size	Customers
INR 20,618 Mn	INR 151 Mn	INR 1.7 Mn	12,040

MSME: CGCL's Growth Driver

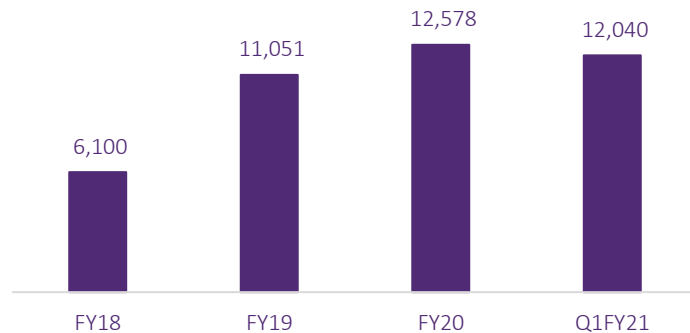
Average Ticket Size (INR Mn)



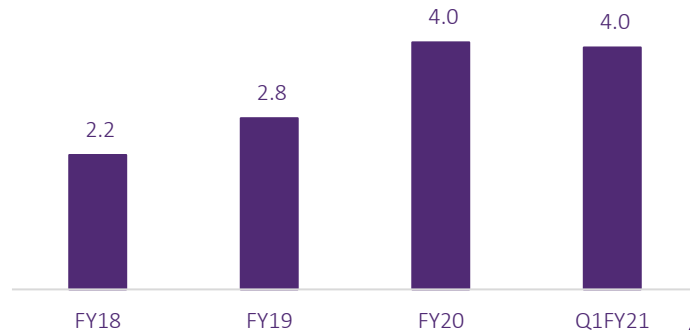
Portfolio Yield (%)



Live Accounts

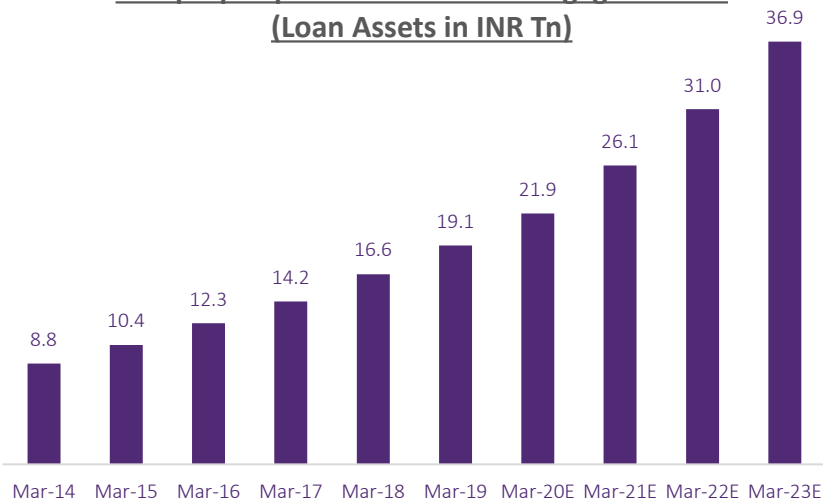


GNPA (%)

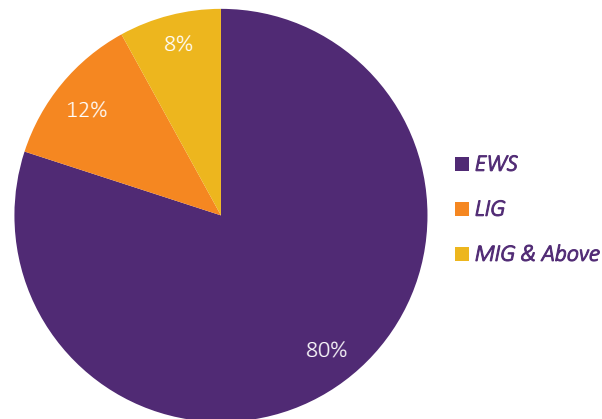


Affordable Housing: Large Demand & Low Formal Financing

Ramp-up Expected in Indian Mortgage Market
(Loan Assets in INR Tn)



Housing Shortage – Socio Economic Group Wise



- Under penetrated mortgage market, rising urbanization coupled with increase in housing demand is leading to mortgage market expansion; Urban Housing shortage pegged to reach 34.1 million units by 2022
- 90%+ of the shortage corresponds to Lower Income Group (LIG) & Economically Weaker Sections (EWS)
- In 2015, the Government of India launched the “Housing for all by 2022” scheme with Pradhan Mantri Awas Yojana (PMAY)
- Capri Global Housing Finance entered an MOU with NHB as a Primary Lending Institution (PLI) to facilitate subsidy to its qualifying borrowers under the CLSS

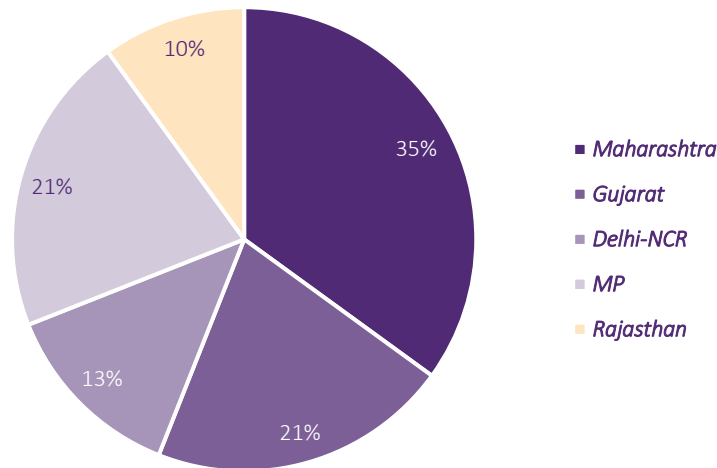
Note : EWS- Economic Weaker Section; LIG- Lower Income Group and M&HIG- Medium & High-Income Group
Source: ICRA, NHB, ICICI Securities Reports, RNCOS

Housing Finance: Capitalising on Affordable Housing Opportunity

Focus Area

- Serves middle and lower middle income population in Tier 2 and 3 cities
- Ventured in 2016 through its subsidiary – Capri Global Housing Finance Limited
- Targeting existing customers via cross-selling within the MSME segment

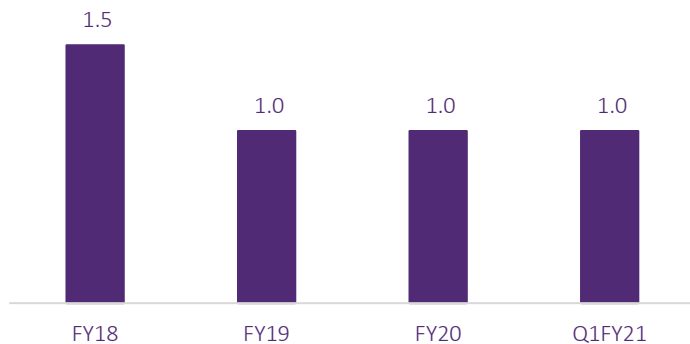
Lending Portfolio by Geography (Value wise)



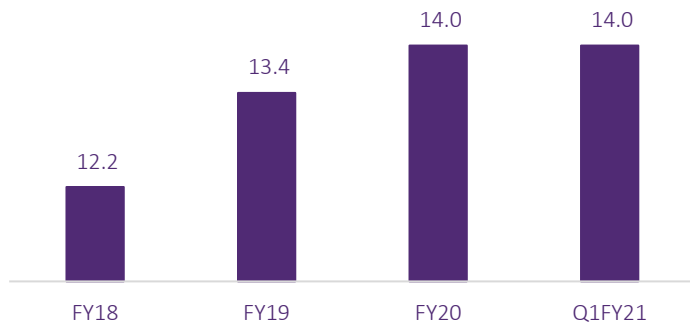
AUM	Disbursements	Avg. Ticket Size	Customers
INR 9,148 Mn	INR 199 Mn	INR 1 Mn	9,614

Housing Finance: Exponential Growth Potential

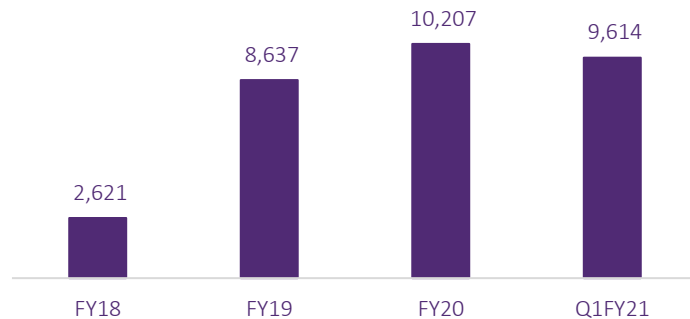
Average Ticket Size (INR Mn)



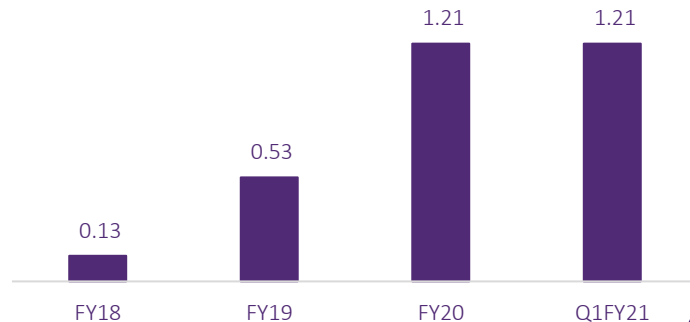
Portfolio Yield (%)



Live Accounts

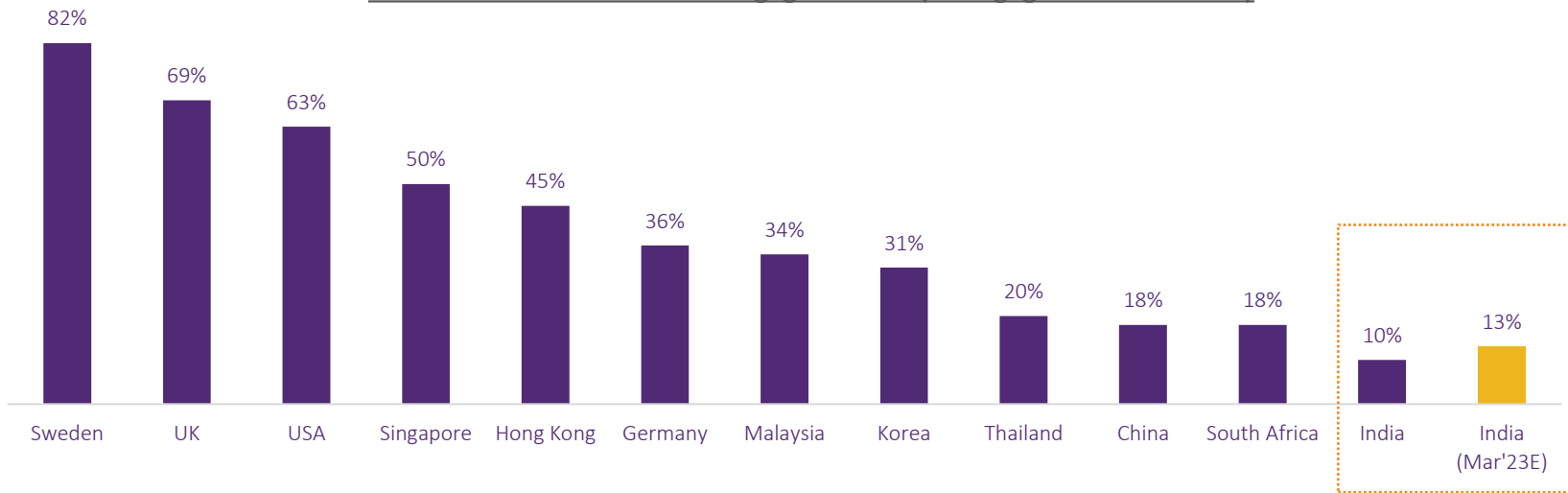


GNPA (%)



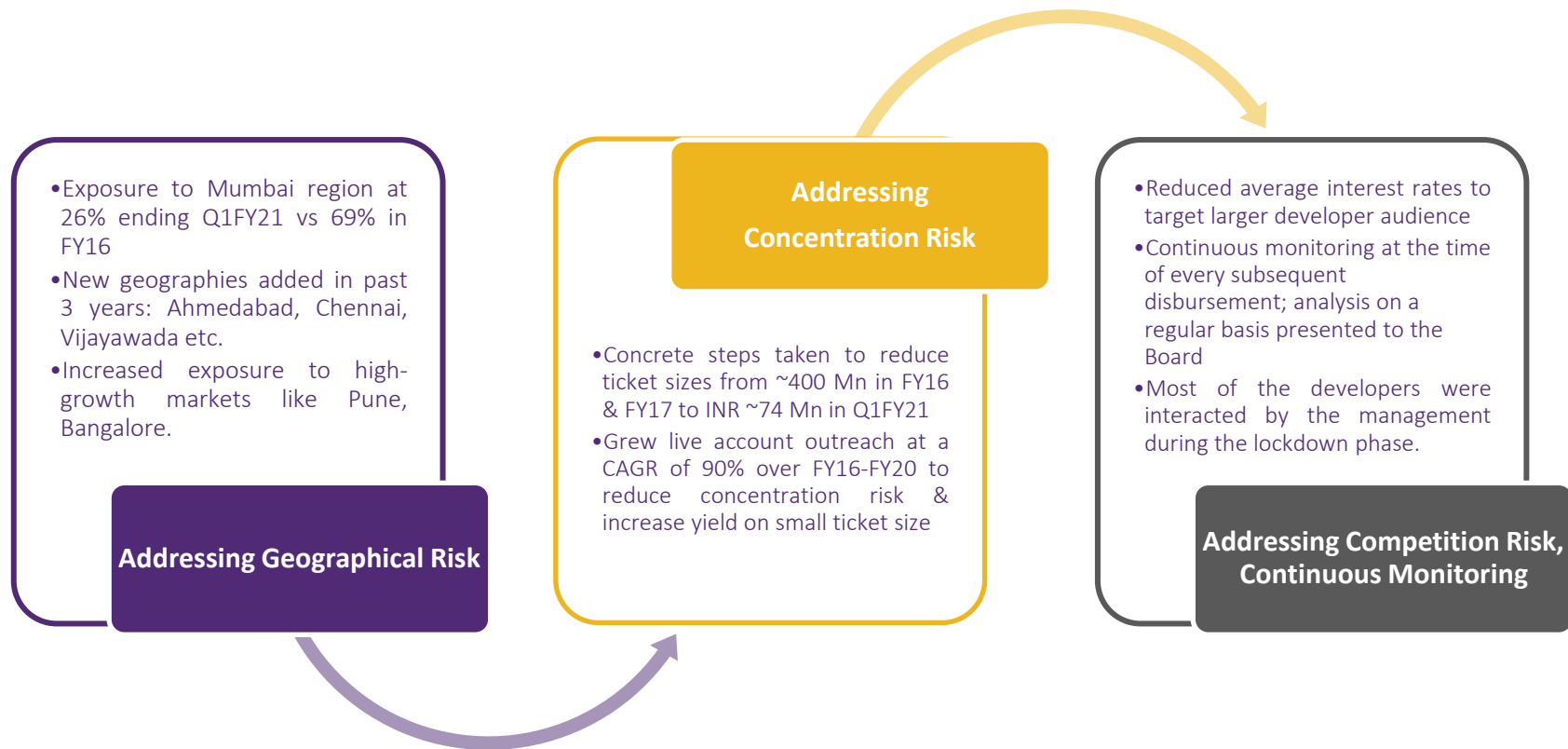
Urban Construction Finance: Significant Scope of Growth

Under Penetrated Indian Mortgage Market (Mortgage to GDP ratio %)



- 66% of India's population is aged below 35 years, increasing demand for newer homes
- Urbanization in Indian population expended to see exponential growth which will lead to increase in urban housing demand; Currently 34% resides in cities which is expected to increase over 45% in next 10 years.
- CLSS Scheme for new home owners reduces effective interest rates for MIG & LIG groups, effectively reducing monthly EMIs
- 100% tax exemption on affordable housing construction projects for developers along with faster building permissions from regulatory authorities

Construction Finance: The Retail Way

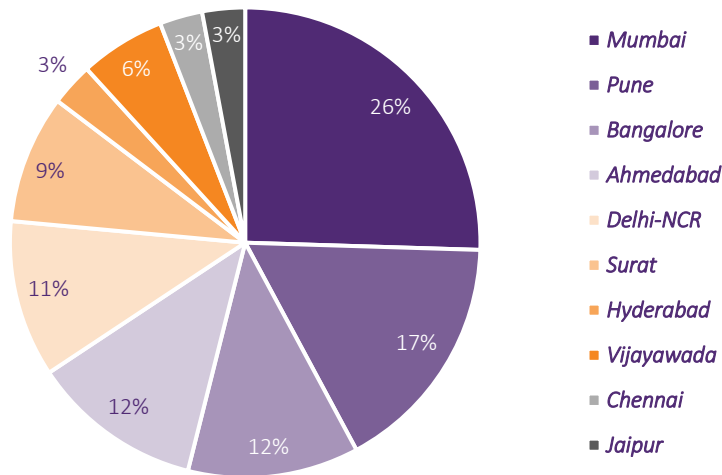


Construction Finance: Building a Sustainable Future

Focus Area

- Construction linked loans to small and midsize real estate developers
- Comprehensive framework for project selection and credit appraisal
- Competitive rates for high quality, multi-family real estate projects

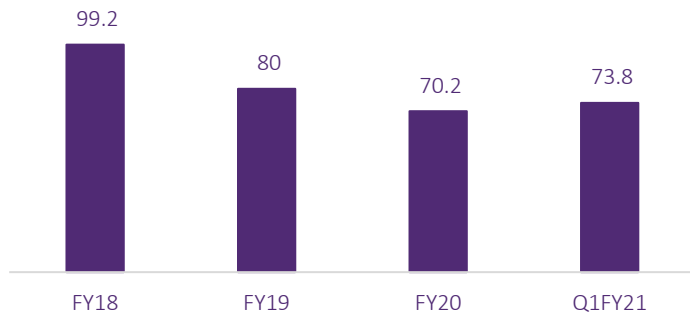
Lending Portfolio by Geography (Value wise)



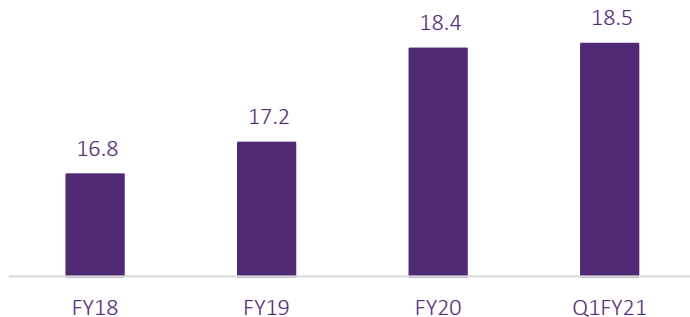
AUM	Disbursements	Avg. Ticket Size	No. of Projects
INR 9,683 Mn	INR 89 Mn	INR 73.8 Mn	131

Construction Finance: High Yield, Low Risk

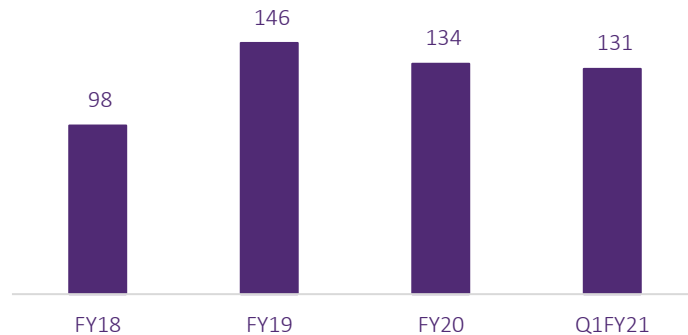
Average Ticket Size (INR Mn)



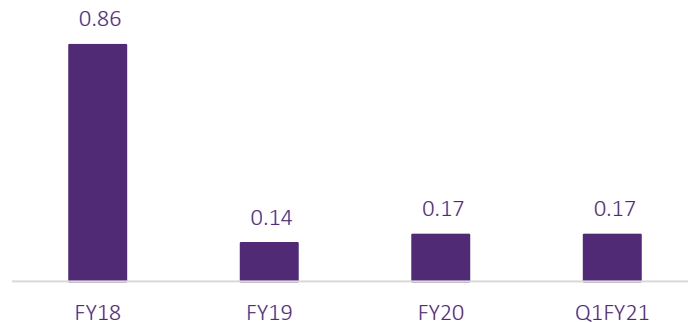
Portfolio Yield (%)



No. of Projects



GNPA (%)



Indirect Retail Lending: Unique Product Offering

Focus Area

Borrower Profile: Lending to retail-focused NBFCs with net worth over INR 500 Mn

Ticket Size: INR 50-500mn, with average ticket size of INR 115 Mn

Average Tenor: 1-3 Years

Security: Secured through hypothecation of receivables and/or personal guarantee of promoters/ corporate guarantee

Newly launched segment started in 2018

Quick Facts

INR 1,029 Mn

AUM

9

Customer Outreach

Nil

Gross NPAs

1.2x

Hypothecation of Receivables

100%

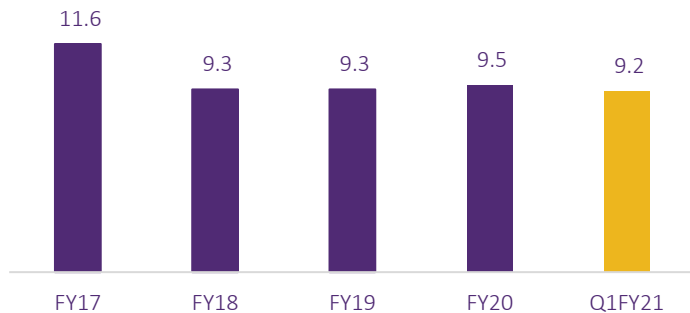
Self-origination Loan Model

10.5%

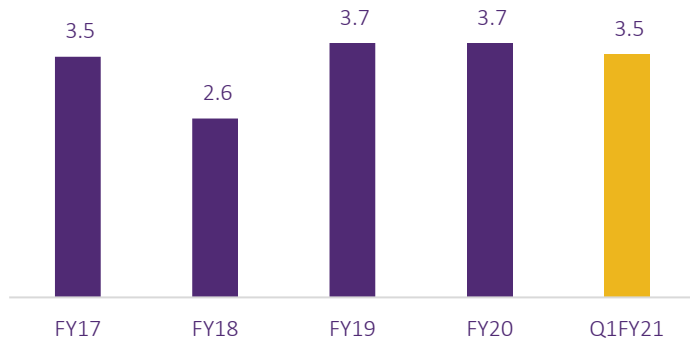
Portfolio Yield

Over The Years...

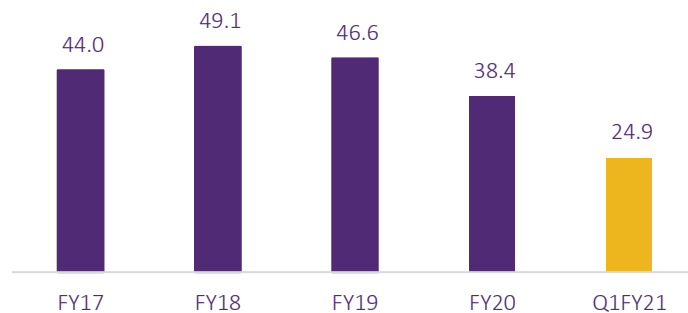
NIMS (%)



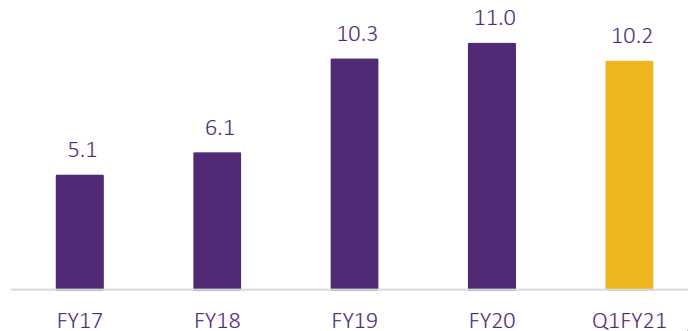
Return on Average Assets (%)



Cost-Income (%)

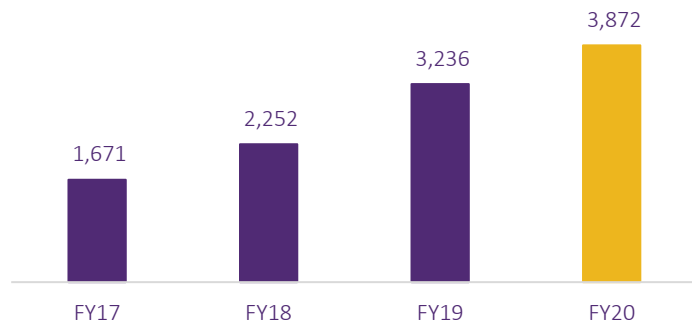


Return on Average Equity (%)

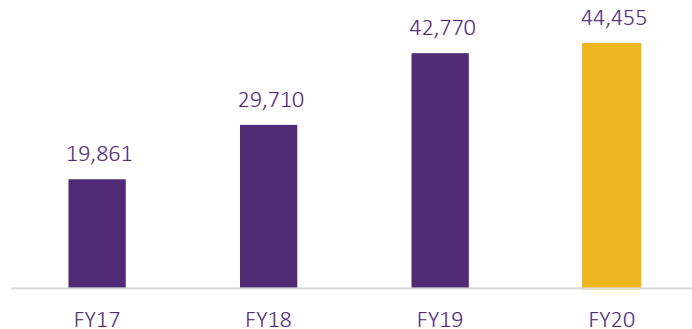


Over The Years...

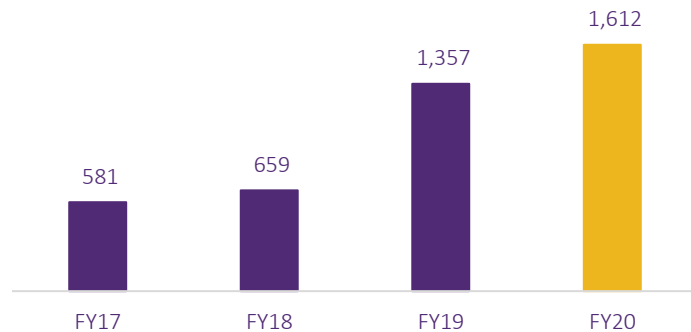
NII (INR Mn)



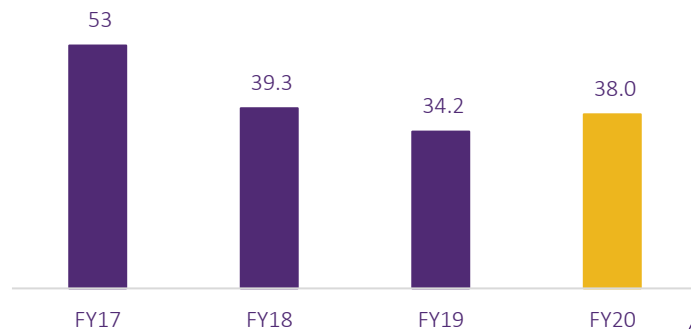
Total Assets (INR Mn)



PAT (INR Mn)

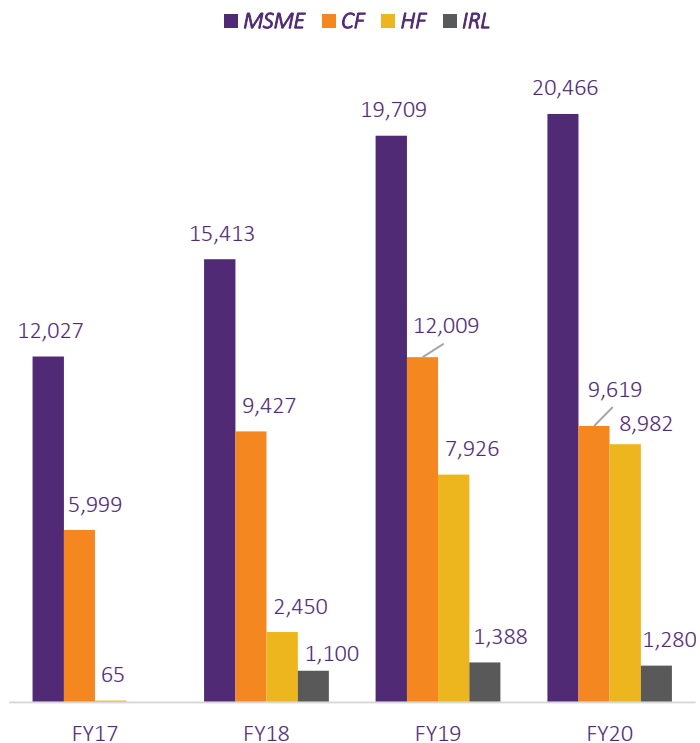


Capital Adequacy (%)

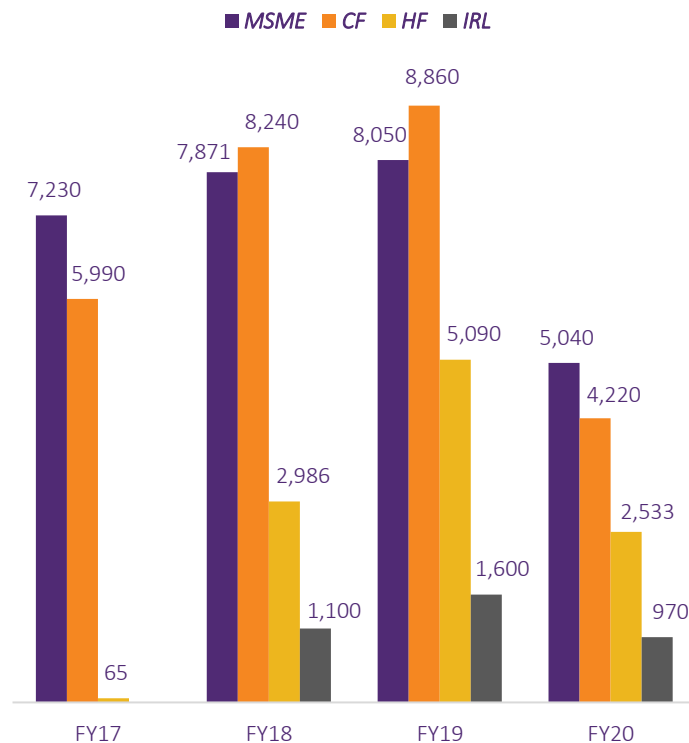


Over The Years...

AUM Segmental Break Up (INR Mn)



Disbursals (INR Mn)



Income Statement: Quarterly Comparison

Particulars (INR Mn)	Q1FY21	Q1FY20	Y-o-Y(%)	Q4FY20	Q-o-Q(%)
Interest earned	1,644	1,636	1%	1,654	-1%
Interest expended	715	700	2%	713	0%
Net interest income	929	936	-1%	940	-1%
Non-interest income	74	105	-30%	167	-56%
- Fee and Commission income	-	71	-	15	-105%
- Other Income	74	34	118%	152	-51%
Total Income	1,003	1,041	-4%	1,107	-9%
Operating expense	273	468	-42%	464	-41%
- Employee cost	170	338	-50%	263	-35%
- Depreciation	23	26	-13%	28	-19%
- Others	80	104	-23%	172	-54%
Operating Profit	731	574	27%	644	13%
Total provisions	203	37	456%	150	35%
PBT	528	538	-2%	494	7%
Tax	131	160	-18%	144	-8%
PAT	396	377	5%	350	13%

Balance Sheet

Particulars (INR Mn)	Q1FY21	Q1FY20	Y-o-Y (%)	Q4FY20	Q-o-Q (%)
Share Capital	350	350	0%	350	0%
Reserves and Surplus	15,443	13,862	11%	15,042	3%
Net Worth	15,793	14,212	11%	15,392	3%
Borrowings	28,506	26,995	6%	28,366	0%
Other Liabilities and Provisions	776	649	20%	697	11%
Total liabilities & stockholders' equity	45,075	41,858	8%	44,455	1%
Net Block	304	370	-18%	317	-4%
Investments	2,348	99	2272%	3,616	-35%
Asset under financing activities	39,335	40,115	-2%	39,333	0%
Deferred Tax Assets	188	226	-17%	152	24%
Cash and bank balances	2,557	716	257%	742	245%
Other Assets	343	329	4%	295	16%
Total assets	45,075	41,858	8%	44,455	1%

Leadership Team



Surender Sangar

Head – Construction Finance

Ex-MD – Tourism Finance Corporation of India and GM-Union Bank of India with over 39 years of experience
B.Com, CAIIB



Amar Rajpurohit

Business Head (MSME & HL)

Ex-AU Financiers India Ltd, Gruh Finance, DHFL with over 17 years of work experience, B.A., LLB.



Hemant Dave

Head of Operations

Ex - Kotak Mahindra Bank, A. F. Ferguson with over 23 years of experience, Chartered Accountant



Ashok Agrawal

Head –Tax & Compliance

Previously practicing CA with over 26 years of experience, CA and CS



Bhavesh Prajapati

Head – Credit, Risk & Policy

Ex-Aadhar Housing Finance, IDFC Ltd, DHFL with over 20 years of experience, MBA, ICFAI



Vijay Gattani

Senior Vice President - Credit

Ex-ICICI Bank, Head of Credit & Policy- ICICI HFC with over 15 years of experience, Chartered Accountant



Vinay Surana

Head - Treasury

Ex-Founding Member, Axis Bank debt syndication with over 14 years of experience, CA

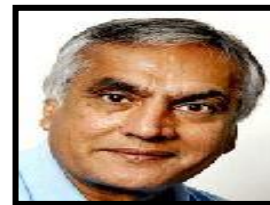
Board of Directors



Rajesh Sharma, Managing Director
Founder & Promoter with over 2.5 decades of experience, Chartered Accountant



Ajit Sharan, Independent Director
IAS - Batch 1979 with over 3 decades of experience in varied aspects of public administration



Ajay Kumar Relan, Independent Director
Founder CX Partners & Citi Bank N.A. in India with over 4 decades of experience, BA (Eco), MBA



Bhagyam Ramani, Independent Director
Ex- GM and Director of General Insurance Corporation with over 3 decades of experience, MA (Economics Hons.)



Beni Prasad Shukla, Independent Director
Group CFO- Advanced Enzyme Technologies with over 2.5 decades of experience, CA &CS



Mukesh Kacker, Independent Director
EX- IAS Officer, Jt. Secy (GOI) with over 3 decades of experience, MA(Public Policy), MA (Political Science)

Key Partnerships

Lenders



Auditors & Advisors





Thank you

For further information, please get in touch with:

Hardik Shah

Hardik.shah@capriglobal.in

T: +91 22 4088 8126

Sheetal Khanduja

sheetal@GoIndiaAdvisors.com

M: +91 97693 64166

Rajat Gupta

rajat@GoIndiaAdvisors.com

M: +91 9971897739