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Disclaimer: Mr. D R Dogra who is a Director at Infomerics Valuation and Rating Limited (Infomerics) is also on the board of Capri Global Capital Limited as Independent Director. However, he did not participate in the rating exercise for this company, including the rating decision.

Capri Global Capital Limited (CGCL)

March 18, 2025

Ratings

Instrument / Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Non-Convertible Debentures (NCDs)	150.00	IVR AA/ Positive (IVR Double A with Positive outlook)	IVR AA/ Positive (IVR Double A with Positive outlook)	Rating reaffirmed	Simple
Proposed Non-Convertible Debentures (NCDs)	150.00	IVR AA/ Positive (IVR Double A with Positive outlook)	IVR AA/ Positive (IVR Double A with Positive outlook)	Rating reaffirmed	Simple
Long Term Bank Facilities – Term Loans	6444.42 (Increased from Rs. 6194.42)	IVR AA/ Positive (IVR Double A with Positive outlook)	IVR AA/ Positive (IVR Double A with Positive outlook)	Rating reaffirmed	Simple
Long term Bank Facilities – Proposed Term Loan	1145.58 (Decreased from Rs. 1395.58 crore)	IVR AA/ Positive (IVR Double A with Positive outlook)	IVR AA/ Positive (IVR Double A with Positive outlook)	Rating reaffirmed	Simple
Long term Bank Facilities – Cash Credit	505.00	IVR AA/ Positive (IVR Double A with Positive outlook)	IVR AA/ Positive (IVR Double A with Positive outlook)	Rating reaffirmed	Simple
Total		8,395.00 (Rupees Eight Thousand Three Hundred Ninety-Five Crore Only)			

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.



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Detailed Rationale

As on 01 March 2025, the company has got fresh term loan sanction of Rs 250.00 Crore from Bank of Maharashtra. Accordingly, the proposed and outstanding limits/instruments have been reclassified.

Reaffirmation of ratings assigned to the various credit facilities of Capri Global Capital Limited (CGCL) continues to derive comfort from the experienced board of directors and management team, comfortable capital adequacy ratio (CRAR) and leverage position, sustained growth in AUM and earnings profile, average asset quality, broad network coupled with strong risk management systems and diversified product profile. However, ratings are constrained by geographical concentration of operations and inherent risks associated with lending business.

The outlook continues to be “Positive” on the back of expectations from Infomerics that the company will achieve significant growth in overall AUM, specifically in gold loan segment backed by strong capitalisation levels, increased branch network and co-lending tie-ups which is expected to result in improved profitability while maintaining stable asset quality.

Key Rating Sensitivities:

Upward Factors

- Substantial and sustained growth in its loan portfolio, while maintaining healthy asset quality, strong capitalization, and profitability on a consolidated basis

Downward Factors

- Lower than expected growth in consolidated AUM impacting the earnings profile and/or decline in liquidity and capitalization from the current levels.
- Substantial increase in slippages/decrease in collection efficiency resulting in deterioration in consolidated asset quality.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Sustained growth in AUM and earnings profile



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Capri group has an established network of branches through PAN India, robust policies, processes and risk management systems coupled with co-lending tie ups with multiple bank's has helped them to grow their AUM on a sustained basis. On a consolidated basis, CGCL AUM witnessed a YoY growth of 55% in 9MFY25 and stood at Rs 20,662.90 crore (Rs 15,652.94 crore in FY24 (period refers to 01st April 2023 to 31st March 2024) and Rs 10,319.97 crore in FY23). Consolidated AUM majorly comprises of gold loans (34.35%), MSME loans (23.83%), Home loans (22.48%) and construction finance (18.10%) as on 31 December 2024. On the back of which the total income and PAT on a consolidated basis increased to Rs 2,314.20 crore and 279.41 crore respectively in FY24 (Rs 1,465.00 crore and 204.65 crore respectively in FY23). For 9MFY25, the consolidated income and PAT has further improved to Rs 2292.68 crore and Rs 300.79 crore respectively.

CGHFLs AUM on a standalone basis has also witnessed consistent growth since inception and has reached an AUM of Rs 4,647.61 crore as on 31 December 2024 (Rs 4,209.10 crore as on 31 March 2024). Total income and PAT of CGHFL on a standalone basis stood at Rs 443.15 crore and Rs 42.98 crore respectively for 9MFY25. (Rs 487.19 crore and Rs 71.70 crore respectively for FY24).

Healthy capitalization

The group's capital structure remains healthy with consolidated Networth of Rs 3,788.98 crore and a comfortable gearing of 2.75x in FY24 with healthy CRAR levels. Total CRAR of CGCL on a standalone basis stood at 22.87% as on 31 December 2024 (26.63% in FY24) and total CRAR of CGHFL stood at 29.32% as on 31 Dec 2024 (30.52% in FY24) which is well above the regulatory requirements, giving the group sufficient headroom to continue its growth path and grow its AUM further. The group has maintained healthy capitalisation despite the substantial growth witnesses in AUM levels in the last 3 years reflecting the capital raising ability of the promoters. The promoters had raised Rs 1,440 crores in FY24 through rights issues and are in process of raising additional funding to the tune of ~Rs 2000.00 crore through equity/debt/other instruments which will further improve their capitalisation and boost their AUM growth.

Average asset quality



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On a standalone basis, CGCLs asset quality has improved with GNPA and NNPA reducing to 1.67% and 1.02% respectively for 9MFY25 (2.16% and 1.18% respectively for FY24). The improvement in asset quality of CGCL is mainly on account of improved collection efficiency leading to reduction in fresh slippages during the period.

CGHFLs asset quality on a standalone basis has marginally increased with GNPA and NNPA increasing to 1.67% and 1.06% respectively in 9MFY25 (1.31% and 0.80% respectively in FY24). The asset quality is expected to moderate further as the portfolio gets seasoned.

As per management CGCL's entire exposure to all its borrowers is adequately secured, which ensures minimum credit loss and CGCL has also taken necessary steps to reduce the overdues. Also, the collection efficiency remains comfortable at ~98% for the last 12 months ending December 2024. Going forward, the ability of the company to control incremental slippages and maintain healthy asset quality in the near to medium term will remain a key rating monitorable.

Broad network coupled with strong risk management systems

On a consolidated basis, CGCL has a wide network of over 1066 branches in 19 state and UTs as on 31 December 2024 PAN India and on a standalone basis, CGHFL has a network of 144 branches across 11 states. CGCL and CGHFL have adopted robust practices to build a strong risk management system supported by an efficient MIS platform for effective monitoring of its portfolio. It has a well-defined credit and operations policy in place. The credit underwriting policy ensures rigorous risk assessment with clear division of the sourcing and credit underwriting teams. Field investigation and risk containment units are strictly followed to reinforce the focus on risk mitigation. The collection and recovery teams are independent of the sourcing team to reduce the likelihood of any malpractice.

Diversified product profile

On a consolidated basis, CGCL has a diversified product profile/base of MSME loans, construction finance, indirect lending, housing loans and gold loans. Indirect lending is financing to other NBFCs engaged in MSME Lending, Microfinance and fintech based NBFCs. CGCL has entered into corporate selling arrangements with commercial banks to distribute the banks new car loan products for a fee consideration. This is an asset light model, and the



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current tie-ups are with more than 12 banks. During FY25, CGCL has launched roof-top solar and micro-LAP products, which will further diversify its loan book. Further, the group has entered into co-lending tie-ups with various public sector and private sector banks for MSME, gold loans and housing loans. Through this collaboration, CGCL aims to disburse loans pan-India. Moreover, the company is planning to further diversify and improve its revenue source in the near term.

Experienced Board of Directors and Management Team

CGCL's board of directors has qualified professionals with experience in varied fields such as Banking, Insurance, Capital Markets, and the Indian Administrative Service. It has a team of experienced personnel who have been associated with the company for a long period and heading different verticals relating to lending, Banking & Finance, Risk & Portfolio Management, etc. The support functions of Accounts, Finance and Secretarial Departments are also headed by seasoned professionals with vast experience in the lending business. The group has an enterprising and professional management team which will enable them to scale up its operations, while managing the risks inherent in this type of business.

Key Rating Weaknesses

Geographical concentration of operations

CGCL's operations are regionally concentrated with top three states constituting ~83% of MSME portfolio, ~77% of Construction Finance portfolio, ~66% of housing loan portfolio and ~54% of gold loan portfolio as on 31 December 2024. The geographical concentration remains moderately high in MSME and construction finance segment. The company is of the opinion that the geographical concentration in construction finance is largely due to concentration of real estate advances in these pockets, and it rather helps them in better control over the market, monitoring and recovery. In case of gold loan portfolio, since the product was launched in August 2022 and is in expansion mode, the concentration is high. As the company expands its presence, the issue of geographical concentration is expected to be addressed gradually.

Analytical Approach: Consolidated



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Infomerics has consolidated the business and financial risk profiles of Capri Global Capital Limited (Parent Company) and its wholly owned subsidiary Capri Global Housing Finance Limited. This consolidation is in the view of the common promoters, shared brand name and strong financial and operation synergies.

Applicable Criteria:

[Rating Methodology for Financial Institutions/Non-Banking Finance companies](#)

[Policy on Default Recognition and Post – Default Curing Period](#)

[Criteria of assigning Rating Outlook](#)

[Complexity level of rated instruments/Facilities](#)

[Financial Ratios & Interpretation \(Financial Sector\)](#)

[Policy on Withdrawal of Ratings](#)

[Criteria on consolidation of companies](#)

Liquidity: Strong

The group's liquidity remains strong with consolidated Tangible Networth of Rs 3,788.98 crore and a comfortable gearing of 2.75x in FY24. At consolidated level, the group has a liquidity including unutilised sanctions and securitisation limits of Rs 2,420.68 crore as on 31 December 2024 against total debt repayments of around Rs 2,866.00 crore for the next 6 months ending June 2025 reflecting strong liquidity cushion. Also, the group has adequately matched ALM profile with positive cumulative mismatches across various buckets as per the ALM profile dated 31 Dec 2024.

About CGCL

CGCL, incorporated in November 1994, is a Non-Deposit Taking – Systemically Important NBFC providing MSME loans, construction finance, indirect lending and gold loans. CGCL is promoted by Mr. Rajesh Sharma, who is also the Managing Director of the company. CGCL has a fully owned subsidiary, Capri Global Housing Finance Limited (CGHFL), licensed by



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NHB in July 2016 extends housing loans. CGCL's equity is listed on BSE and NSE with the promoter and promoter group holding 69.87 percent as on 31 December 2024.

Financials (Consolidated)*: CGCL

Rs in Crores

For the year ended/As on*	31-03-2023	31-03-2024
	(Audited)	(Audited)
Total Income	1,465.00	2,314.20
PAT	204.65	279.41
Assets Under Management	10,319.97	15,652.94
Tangible Networkth	3,543.69	3,788.98
Total debt	7,518.85	10,406.91
Ratio's		
Overall Gearing (Times)	2.11	2.71
Interest coverage (times)	1.50	1.44
ROTA (%)	2.29	2.21
NIM (%)	8.08	8.62
PAT Margin (%)	13.97	12.07

*Classification as per Infomerics' standards

Financials (Standalone)*: CGCL

Rs in Crores

For the year ended/As on*	31-03-2023	31-03-2024
	(Audited)	(Audited)
Total Income	1,149.89	1,783.19
PAT	141.52	198.06
Assets Under Management	7,654.44	11,443.84
Tangible Networkth	3,357.76	3,531.92
Total debt	5,388.39	7,110.65



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Ratio's		
NIM (%)	9.06	9.94
Overall Gearing (Times)	1.60	2.01
Total CRAR (%)	39.86	26.62
Gross NPA [Stage III] (%)	1.93	2.16
Net NPA [Stage III] (%)	1.38	1.18
Interest coverage (times)	1.46	1.38

***Classification as per Infomerics' standards**

Status of non-cooperation with previous CRA: Not applicable

Any other information: Mr. D R Dogra who is a Director at Infomerics Valuation and Rating Limited (Infomerics) is also on the board of Capri Global Capital Limited as Independent Director. However, he did not participate in the rating exercise for this company, including the rating decision.

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 (Feb 28, 2025)	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (Feb 03, 2022)
1.	Non-Convertible Debentures	Long Term	150.00	IVR AA/ Positive	IVR AA/ Positive	IVR AA/ Positive (26 March 2024) IVR AA/ Positive (3 Oct 2024) IVR AA/Stable (1 March 2024) IVR AA/Stable (27 Dec 2023)	IVR AA/Stable (31 Mar 2023) IVR AA/stable (1 Feb 2023)	IVR AA/ Stable



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						IVR AA/Stable (4 Sep 2023) IVR AA/Stable (14 Aug 2023)		
2.	Proposed Non-Convertible Debentures	Long Term	150.00	IVR AA/Positive	IVR AA/Positive	IVR AA/Positive (26 March 2024) IVR AA/Positive (3 Oct 2024) IVR AA/Stable (1 March 2024) IVR AA/Stable (27 Dec 2023) IVR AA/Stable (4 Sep 2023) IVR AA/Stable (14 Aug 2023)	IVR AA/Stable (31 Mar 2023) IVR AA/stable (1 Feb 2023)	IVR AA/Stable
3.	Bank Loan Facilities – Term Loans	Long Term	6444.42	IVR AA/Positive	IVR AA/Positive	IVR AA/Positive (26 March 2024) IVR AA/Positive	IVR AA/Stable (31 Mar 2023) IVR AA/stable	IVR AA/Stable



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Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 (Feb 28, 2025)	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (Feb 03, 2022)
						(3 Oct 2024) IVR AA/Stable (1 March 2024) IVR AA/Stable (27 Dec 2023) IVR AA/Stable (4 Sep 2023) IVR AA/Stable (14 Aug 2023)	(1 Feb 2023)	
4.	Bank Loan Facilities – Working Capital Facilities	Long Term	505.00	IVR AA/Positive	IVR AA/Positive	IVR AA/Positive (26 March 2024) IVR AA/Positive (3 Oct 2024) IVR AA/Stable (1 March 2024) IVR AA/Stable (27 Dec 2023) IVR AA/Stable (4 Sep 2023)	IVR AA/Stable (31 Mar 2023) IVR AA/stable (1 Feb 2023)	IVR AA/Stable



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		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 (Feb 28, 2025)	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (Feb 03, 2022)
						IVR AA/Stable (14 Aug 2023)		
5.	Bank Loan Facilities – Proposed	Long Term	1145.18	IVR AA/Positive	IVR AA/Positive	IVR AA/Positive (26 March 2024) IVR AA/Positive (3 Oct 2024) IVR AA/Stable (1 March 2024) IVR AA/Stable (27 Dec 2023) IVR AA/Stable (4 Sep 2023) IVR AA/Stable (14 Aug 2023)	IVR AA/Stable (31 Mar 2023) IVR AA/stable (1 Feb 2023)	IVR AA/Stable
6.	Commercial Paper Programme	Short Term	-	-	Withdrawn	IVR A1+ (26 March 2024) IVR A1+ (3 Oct 2024) IVR A1+ (1 March 2024)	IVR A1+ (31 Mar 2023) IVR A1+ (1 Feb 2023)	IVR A1+



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Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 (Feb 28, 2025)	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (Feb 03, 2022)
						IVR A1+ (27 Dec 2023) IVR A1+ (4 Sep 2023) IVR A1+ (14 Aug 2023)		

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



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Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Details of Facilities

Name of Facility	ISIN	Date of Issuance	Coupon Rate	Tenor/ Maturity	Listing Status	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Non-Convertible Debentures (NCD)	INE180C07072	9-Aug-2019	10.23%	9-Aug-2029	Listed	150.00	IVR AA/ Positive
Proposed Non-Convertible Debentures (NCD)	-	-	-	-	-	150.00	IVR AA/ Positive
Long Term Fund Based Facility – Term Loan	-	-	-	Up to July 2030	-	6444.42	IVR AA/ Positive
Long Term Fund Based Facility – Proposed Term Loan	-	-	-	-	-	1145.18	IVR AA/ Positive
Long Term Fund Based Facility – Working Capital Facilities	-	-	-	Revolving	-	505.00	IVR AA/ Positive

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-CapriGlobalCapital-mar25.pdf>



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Annexure 3: Detailed explanation of covenants of the rated Security/facilities: The covenants mentioned below are applicable to all NCDs rated by IVR

NCD issue of Rs.150.00 crore

ISIN	INE180C07072
Issue	Secured, Rated, Listed and Redeemable Non-Convertible Debentures
Nature of Instrument	Secured
Debenture Trustee	Catalyst Trusteeship Limited
Participation Amount	INR150.00 crore
Purpose	Used for various finance activities
Tenor	10 years
Principal Repayment	Bullet Repayment at the end of the tenure
Security Summary	The Company shall maintain security cover of 1.25x of the entire redemption amount throughout the tenure of NCD
Coupon %	10.23%
Coupon Payment Frequency	Quarterly and at Maturity
Date of Allotment	9-Aug-19
Redemption	9-Aug-29
Covenants	
Financial Covenants	Default in payment In case of default in payment of principal redemption on the due dates, penal interest of at least @2% p.a. will be payable by the Issuer for the defaulting period on the defaulted amount.
	Security Creation In case of delay of security creation beyond 60 days from the date of closure of Issue, the Company shall either refund the subscription amount along with interest at coupon rate or shall pay penal interest of at 2% p.a. over the coupon rate for period of delay in creation of security beyond 60 days from date of closure of the Issue.
Non- Financial Covenants	General On the happening of any of the event of default, in addition to the rights specified above, the debenture holders / debenture trustee shall have the right as indicated in the SEBI Regulations / Companies Act, 2013 from time to time.

Term sheet for the proposed NCDs – Rs 150.00 crore.

ISIN	Not available (proposed)
Issuer	Capri Global Capital Limited



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Issue	Non-Convertible Debentures (NCDs)
Mode of placement	Public issue/Private placement
Issue size	Up to Rs 500.00 crore
Tenure	Up to 5 years
Issue date	To be decided
Maturity date	To be decided
Listing status	To be listed
Coupon (%)	To be decided
Security	NCDs are proposed to have charge by way of hypothecation of standard receivables, including loan book, unencumbered cash and bank balance, investments made by Capri Global Capital Ltd in mutual funds, term deposits with banks, etc.

Annexure 4: List of companies considered for consolidated/Combined analysis:

Name of entities being consolidated	Extent of Consolidation	Rationale for Consolidation
Capri Global capital Limited	Full	Parent Company
Capri Global Housing Finance Limited	Full	Subsidiary
Capri Loans Car Platform Pvt Ltd	Full	Subsidiary

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.