

Unlocking India's Credit Frontier

NBFCs gaining share in a rapidly formalizing economy



Gold loan growth
accelerating

Tailwinds from MSME
credit demand

Expanding footprint in
Affordable Housing

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India's credit landscape is entering a structurally stronger phase, supported by rising retail penetration, sustained MSME formalisation, and a shift toward secured lending. Systemic credit is projected to grow at 13-15% CAGR over FY25-28 by Crisil Intelligence, led by a consumption-driven retail cycle and steady revival in MSME demand. NBFCs are poised to be the key beneficiaries of this expansion, aided by their deep distribution, superior turnaround times, and growing digital underwriting capabilities.

NBFC credit is expected to compound at 15-17% by Crisil Intelligence, with retail segments- gold loans, home loans, LAP, used-car finance, and MSME secured lending- acting as the primary growth engines. A widening MSME credit gap (INR 117trn as per Crisil Intelligence estimates), rising comfort with gold-backed products, and improved access to data infrastructure (GST, Udyam, Account Aggregator) are further accelerating the shift of customers toward formal and organised lenders.

Within retail, gold loans continue to see structural tailwinds from higher gold prices, doorstep models, and migration from unorganised lenders; secured MSME/LAP benefits from formalisation and improved property documentation; the affordable housing market is recovering on the back of rate cuts and government incentives. Meanwhile, personal loans are entering a moderated growth cycle following regulatory tightening.

Despite the strong opportunity, the sector faces headwinds from intense competition particularly from banks in gold and housing loans. Moreover, volatility in gold prices and potential stress pockets in MSME heavy geographies further adds to the uncertainty. Funding cost pressures remain a cyclical watch-point for NBFCs.

Overall, the sector's transition toward granular, secured, retail lending, supported by diversified fee-income pools and maturing risk frameworks, positions NBFCs to deliver superior growth-with-profitability over the medium term.

Structural Credit Upswing in India: India's credit cycle is in a long-duration expansion, supported by rising consumption, increasing urbanisation, and deepening financial penetration. Systemic credit has grown at 16% in recent years and is expected to sustain a 13-15% CAGR through FY28 by Crisil Intelligence. Retail and MSME credit will drive the next leg of growth, aided by improved data trails (GST, Udyam), strong infrastructure spending, and rising formalisation. The overall mix of systemic credit is steadily shifting toward secured, granular retail assets.

NBFCs at the Forefront of Retail & MSME Credit: NBFCs have strengthened their role in financial inclusion, growing at 18% in FY22-25 versus the broader system. Their agility in underwriting and strong presence in underpenetrated rural/semi-urban markets positions them to capture a disproportionate share of retail credit expansion. With wholesale books shrinking and retail/micro-MSME portfolios gaining prominence, NBFCs are structurally aligned to India's evolving credit demand. Crisil Intelligence expects NBFCs credit is poised to grow 15-17% over FY25-28.

Secured Retail Products Driving the Next Leg: Growth is increasingly concentrated in secured, cash flow-backed retail segments- gold loans, LAP, home loans, used-car finance, and MSME lending. As per Crisil Intelligence, Gold loans are expected to grow 18-20% CAGR, LAP at 15-17%, and secured MSME at 16-18% over FY25-28. These products offer favourable risk-adjusted returns, faster customer adoption, and significant market share gain for NBFCs, particularly in small-ticket and Tier II/III markets.

Large Addressable MSME Opportunity Remains Untapped: India's MSME sector remains significantly underserved, with a widening credit gap of INR 33-34trn even within the "addressable" portion. Improved digital trails, GST formalisation, and Udyam registration are expanding lenders' ability to assess and serve these enterprises. With NBFCs already holding 38% share in secured MSME lending and strong momentum in small-ticket LAP, this segment represents one of the largest long-term growth levers for the sector. Policy support and expanding distribution networks further enhance scalability.

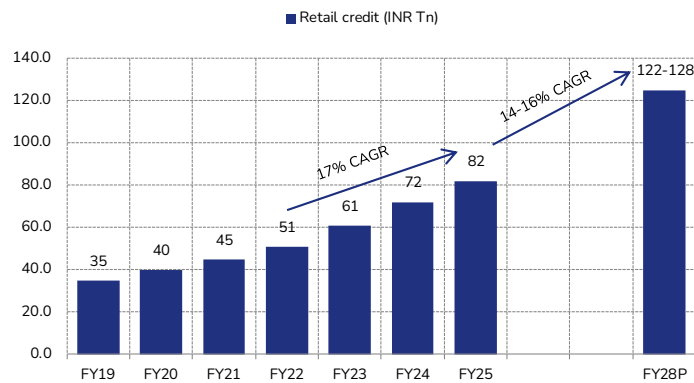
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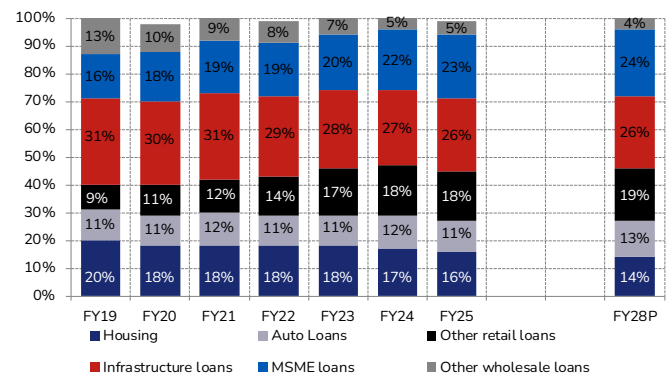
Focus Charts

Exhibit 1. NBFCs' retail credit is expected to grow at 14-16%



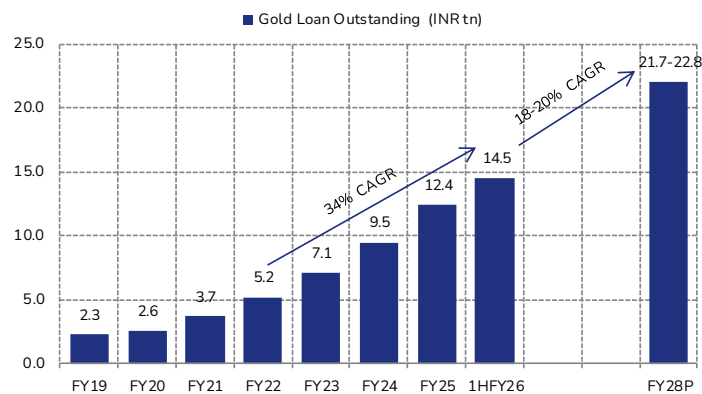
Source: Company, JM Financial

Exhibit 2. Distribution of NBFC credit across asset classes



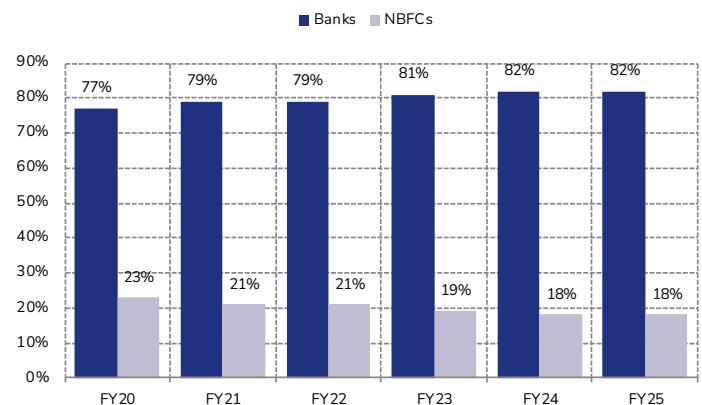
Source: Company, JM Financial

Exhibit 3. Gold loans credit outstanding is expected to grow at a CAGR of 18-20% from FY24-27P



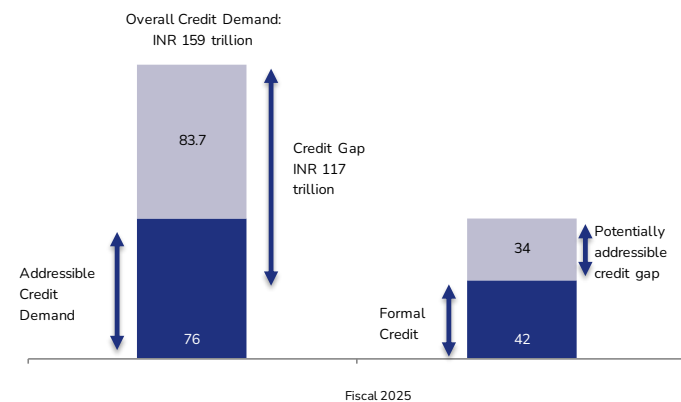
Source: Company, JM Financial

Exhibit 4. NBFCs account for nearly 18% share in overall gold loans credit, with public sector banks accounting for the highest share



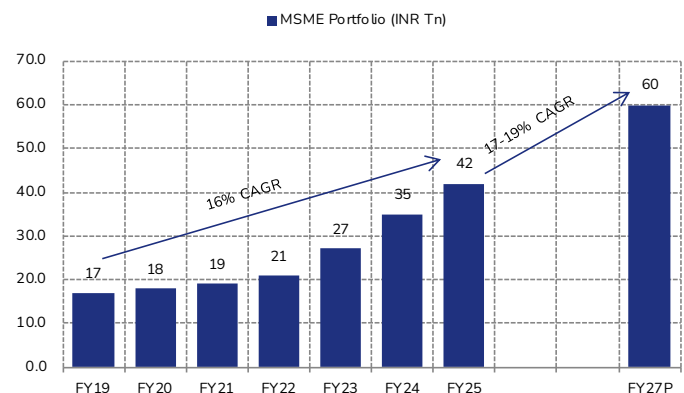
Source: Company, JM Financial

Exhibit 5. In MSME, large credit gap still exists

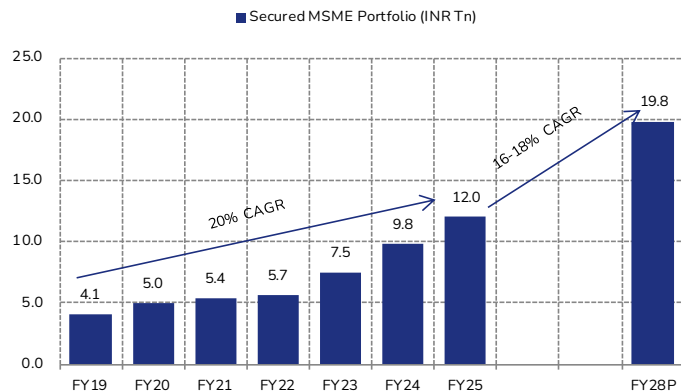


Source: Company, JM Financial

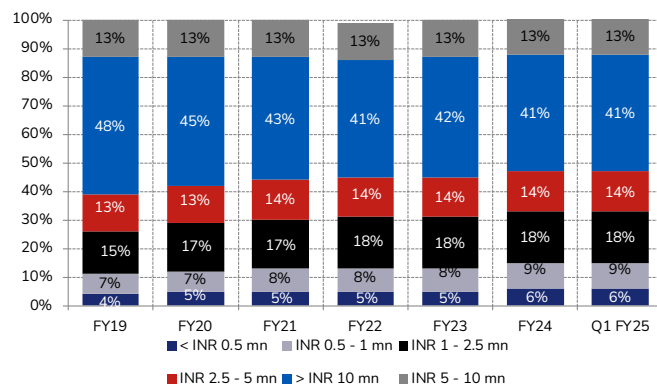
Exhibit 6. MSME portfolio is expected to grow at 17-19% CAGR



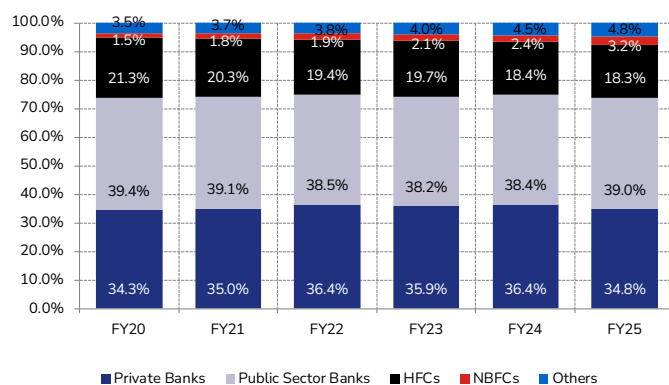
Source: Company, JM Financial

Exhibit 7. Overall secured MSME portfolio outstanding is projected to grow by 16-18% over FY25-28

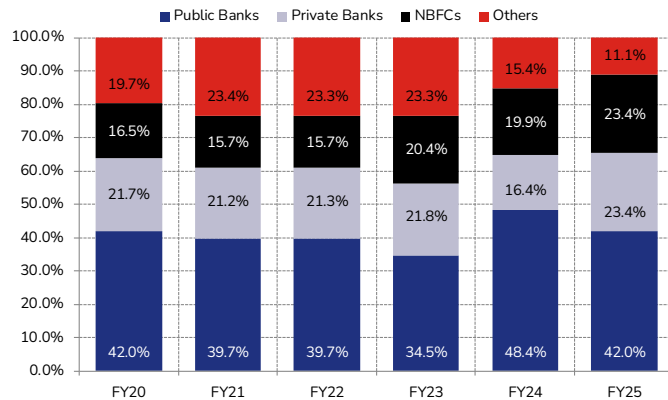
Source: Company, JM Financial

Exhibit 8. Share of overall secured MSME portfolio outstanding with ticket size INR 1.0mn-2.5mn has been increasing in the overall pie

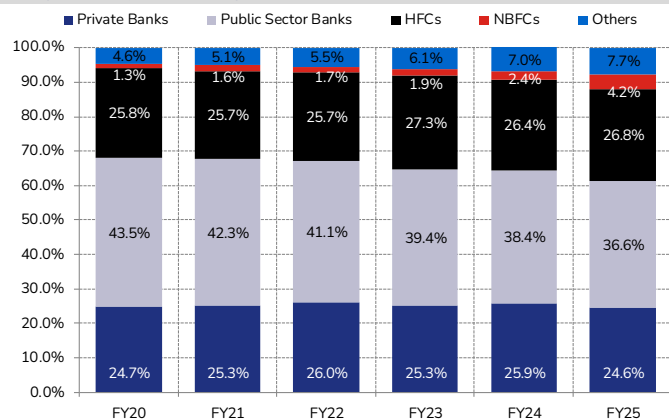
Source: Company, JM Financial

Exhibit 9. NBFCs share (%) in home loan market has been increasing

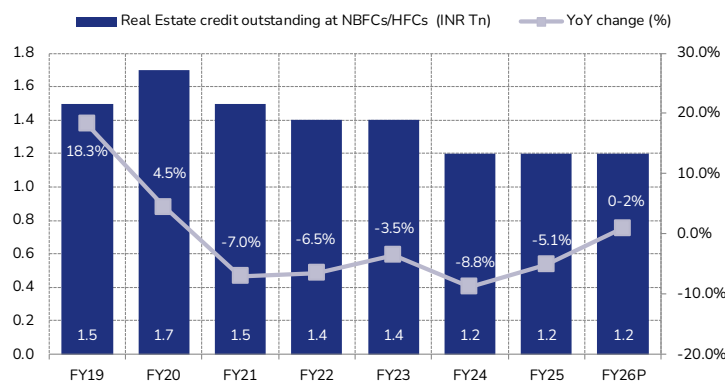
Source: Company, JM Financial

Exhibit 10. NBFCs witnessed rising share in BLs led by rapid growth

Source: Company, JM Financial, BL means business loans

Exhibit 11. NBFCs share (%) in the affordable home loan market has been gradually increasing

Source: Company, JM Financial

Exhibit 12. NBFCs' developer finance is estimated to grow by 0-2% in FY26 compared to negative growth of past 5 years

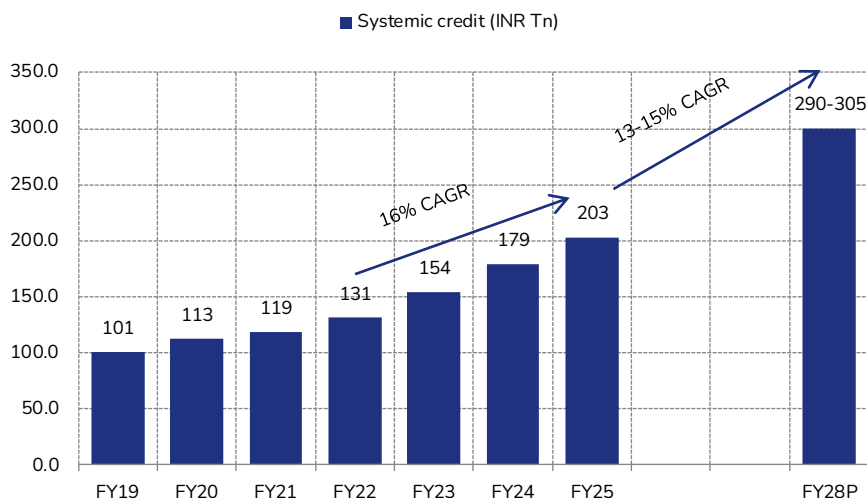
Source: Company, JM Financial

Industry overview

Growth in retail and MSME credit to support overall systemic credit

India's systemic credit grew at annualised run-rate of 16% over FY22-25 and 12% over FY19-25. This growth was supported by substantial investments in infrastructure development and increase in retail consumption led by urbanisation, rise in penetration in rural/semi-rural geographies due to digitisation. As per Crisil Intelligence going forward, systemic credit is expected to grow at pace of 13-15% CAGR over FY25-28 led by further improvement in retail credit mix in overall systemic credit, continued support for investment in infrastructure development and expansion in MSME credit led by rise in touch-points/product penetration.

Exhibit 13. Systemic credit is expected to grow at 13-15% CAGR over FY25-28 led by increase in retail and MSME penetration

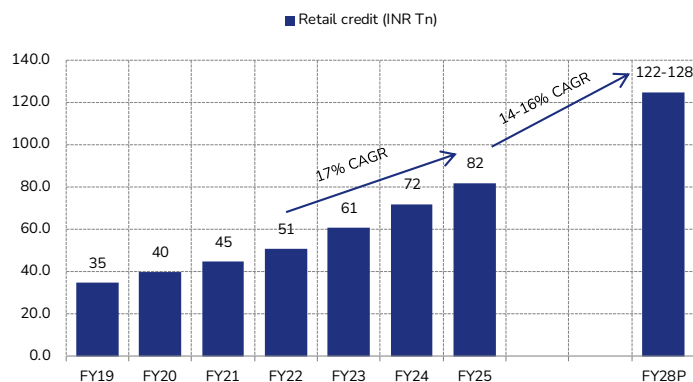


Note: Systemic credit includes domestic banking credit (after deduction of bank lending to NBFC), NBFC credit, commercial papers, external borrowings, corporate bonds excluding those issued by Banks and NBFC.

Source: Capri Global DRHP, RBI, Company Reports, Crisil Intelligence

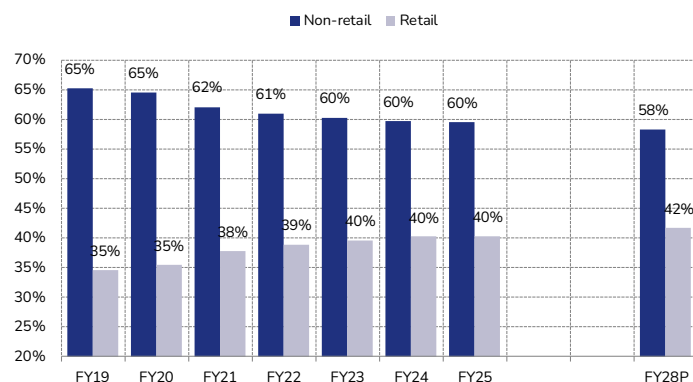
Retail credit mix in overall systemic credit is expected to increase further from current 40% in FY25 to 42% in FY28E. The Indian retail credit market has grown at 17% over FY22-25 and 15% over FY19-22 and is expected to grow further at 14-16% between over FY25-28 (as per Crisil Intelligence). This growth would be supported by steady demand for assets like housing, auto, gold loans, credit card, and personal loans growth driven by consumption, urbanisation and increasing penetration in rural/semi-urban market.

Exhibit 14. Retail credit is projected to grow by 14-16% over FY25-28



Source: Capri Global DRHP, RBI, Company Reports, Crisil Intelligence

Exhibit 15. Consumption led demand to drive increase in share of retail

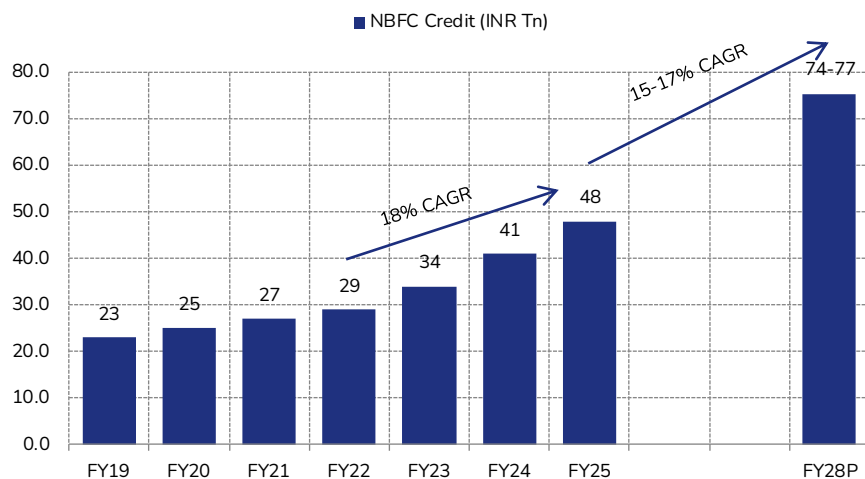


Source: Company, JM Financial

NBFCs drive financial inclusion through retail loan focus

The NBFC sector has evolved significantly in India, marked by growth in size, technological sophistication, and diverse business models. Fuelled by increased digital adoption and mobile penetration, financial services-especially credit - have become more modular. From FY19-25, NBFC credit grew at run-rate of ~13% and 18% over FY22-25. This growth was primarily driven by the retail segment, which saw CAGR of ~14% over FY19-24, while non-retail credit grew at around 9% over FY19-24.

Exhibit 16. NBFCs credit to grow by 15-17% over FY25-28 primarily driven by retail and MSME

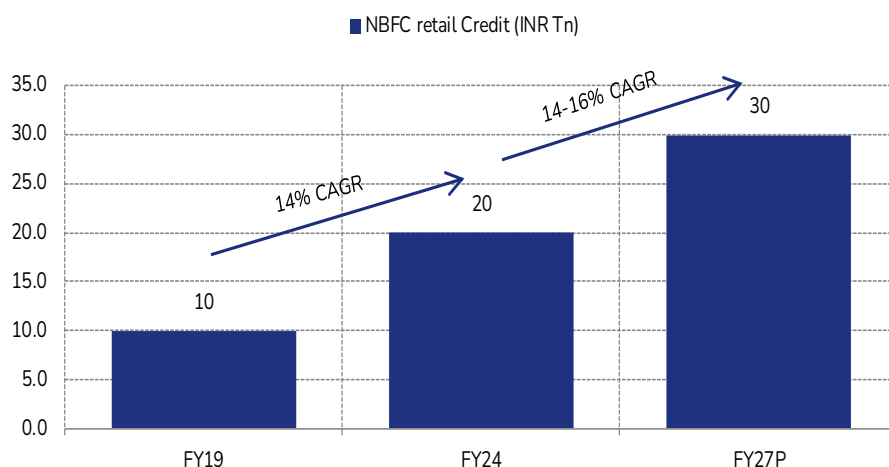


Note: Systemic credit includes domestic banking credit (after deduction of bank lending to NBFC), NBFC credit, commercial papers, external borrowings, corporate bonds excluding those issued by Banks and NBFC.

Source: Capri Global DRHP, RBI, Company Reports, Crisil Intelligence

Looking ahead, Crisil Intelligence expect NBFCs' credit to grow at 15-17% over FY25-28, driven by sustained growth in the retail segment and increased in MSME lending in the wholesale segment. The retail segment is expected to grow at a CAGR of 14-16% from FY24-27, reflecting sustained emphasis on consumer lending. At the same time, several players are strategically reducing wholesale exposure (ex-MSME/SME), reinforcing retail-led growth as the primary driver of overall NBFC credit expansion.

Exhibit 17. NBFCs' retail credit is expected to grow at 14-16%

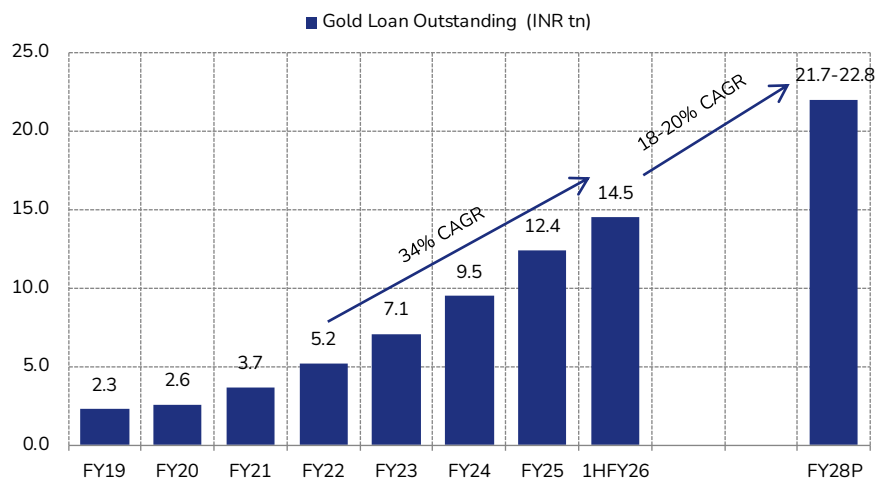


Source: Note: P = Projected; Retail credit above includes housing finance, vehicle finance, microfinance, gold loans, construction equipment finance, consumer durable finance and education loans; Source: Company reports, RBI, CRISIL MI&A

Gold loans

The gold loan sector, traditionally dominated by unorganised players, is experiencing significant growth, with organised gold loan credit increasing by CAGR of ~34% from FY12 to FY25, reaching INR 14.5trln. This trend is expected to continue, with CRISIL MI&A projecting a CAGR of 18-20% for outstanding credit over 1HFY26-28. This growth is driven by increasing customer comfort with gold loans, efforts to capture market share from unorganised lenders, and geographic expansion beyond South India. The demand is further fuelled by micro-enterprises and individuals seeking working capital and personal finance, as well as the adoption of convenient doorstep loan models.

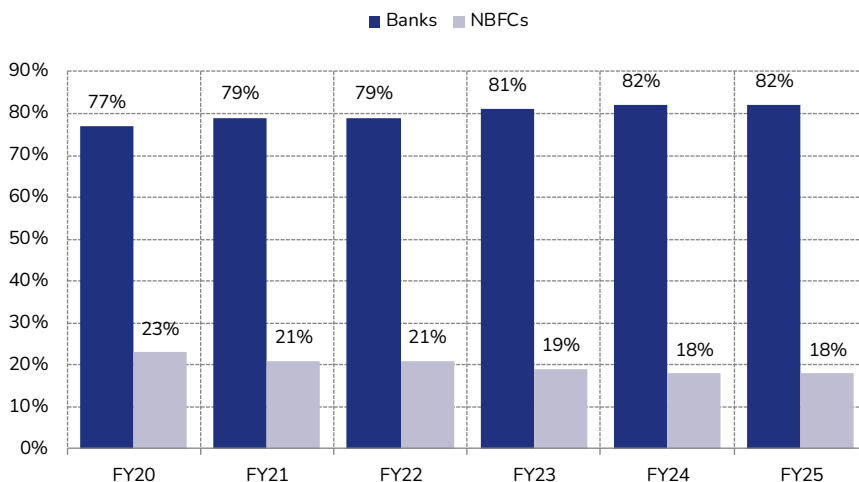
Exhibit 18. Gold loans credit is expected to grow at a CAGR of 18-20% from 1HFY26-28P



Source: CRIF Highmark, CRISIL MI&A

NBFCs market share decline over FY20-23 was mainly due to tighter regulatory scrutiny and lower price offerings by banks (mainly PSBs) leading heightened competition. However, over past two years NBFCs has able to maintain their market share at 18% due to deepening presence and lower disbursement TAT.

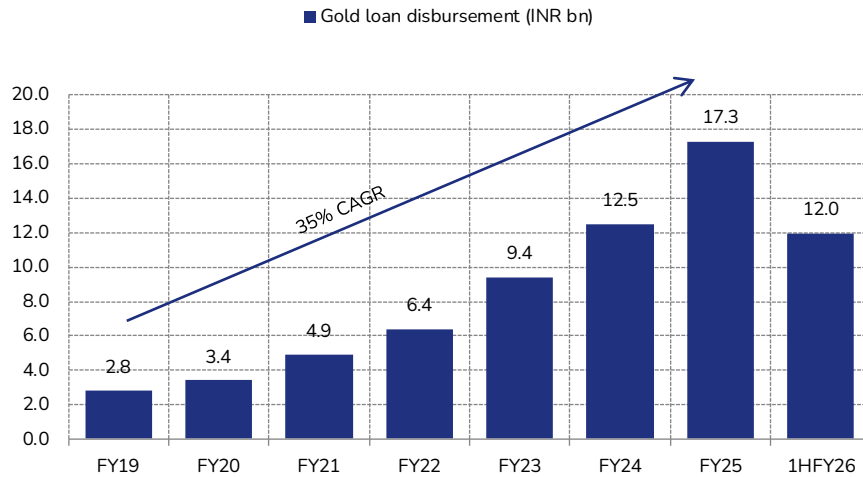
Exhibit 19. NBFCs account for nearly ~18% share in overall gold loans credit; whereas within banks, public sector banks accounting for the highest share



Source: Capri Global DRHP, CRIF Highmark, CRISIL MI&A

Over the last 7 years organised disbursements increased at a CAGR of ~35% from FY19 to FY25, reaching INR 17.3trln due to increasing comfort on gold loans, wider acceptance of doorstep gold loan services and online availability of gold loans.

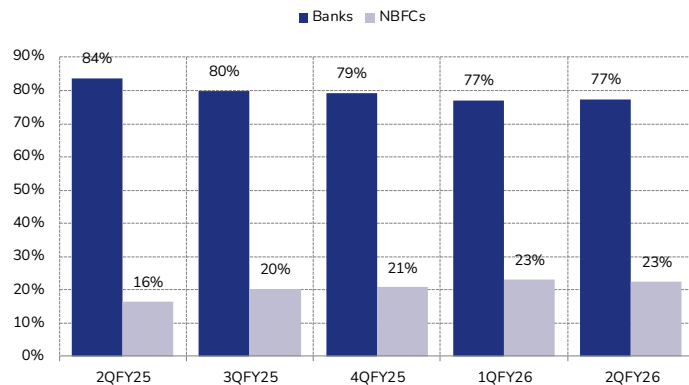
Exhibit 20. Growth in gold loan origination has witnessed 35% growth over FY19-25 led by sustained uptrend in gold prices and shift in demand from unsecured to secured



Source: Capri Global DRHP, CRIF Highmark, CRISIL MI&A

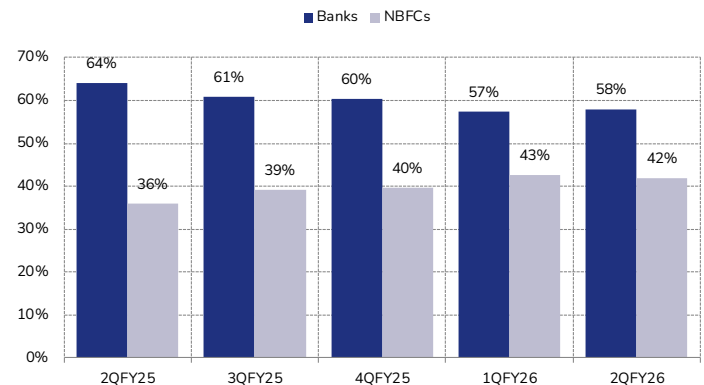
Though market share in gold loan credit is low at 18%, NBFCs market share in origination has been rising by value and volume over past couple of quarters. This indicates deepening in market reach in rural areas by NBFCs.

Exhibit 21. Market share in loan origination by value- NBFCs gaining traction gradually



Source: Capri Global DRHP, RBI, Company Reports, Crisil Intelligence

Exhibit 22. NBFCs dominate market share in loan originations volumes, reflecting their strength in disbursing small-ticket loans.

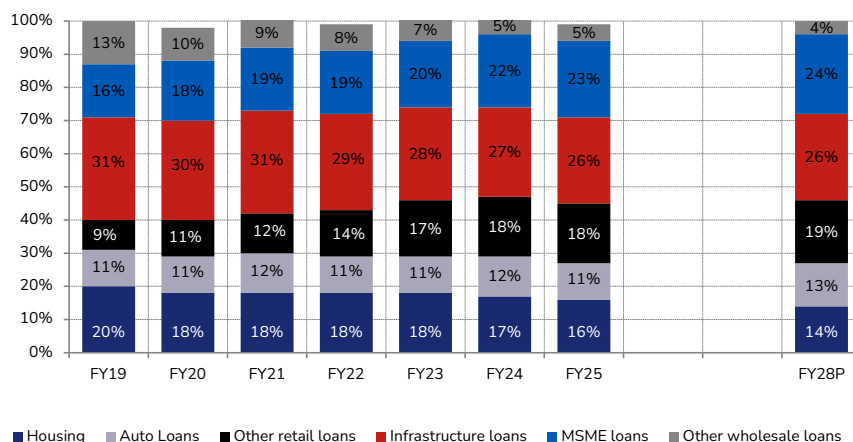


Source: Company, JM Financial

MSME, auto and other retail loans contributed 51% to NBFCs credit in FY25

Although infrastructure continues to account for the largest share of NBFC credit at 26% as of FY25, its contribution has moderated from 31% in FY19. Growth momentum is increasingly shifting toward the retail and MSME segments. MSME credit, in particular, has expanded meaningfully, with its share rising to 23% in FY25 from 16% in FY19. Retail lending is expected to grow at 17–18% in FY26, supported by strong demand in housing, vehicle finance and consumer durables. That said, NBFCs are likely to maintain a conservative stance on unsecured products amid emerging stress in the microfinance and personal loan categories. Meanwhile, gold loan growth is expected to revert to more normalised levels after the exceptional expansion witnessed in FY25.

Exhibit 23. Distribution of NBFC credit across asset classes



Note: Other retail loans include gold loans, microfinance loans, personal loans, consumer durable loans, education loans, Other wholesale loans include wholesale loan and construction equipment loan;

Source: Company reports, CRISIL MI&A

Overview of MSME sector in India

The MSME sector is a vital component of India's economy, with an estimated 70mn enterprises as of FY22. These businesses are crucial for generating employment with low capital investment, promoting industrialisation in rural areas, and reducing regional economic disparities. The government aims for MSMEs' contribution to GDP to increase from 29.2% in FY22 to 40-50% by FY30. As of FY24, MSMEs accounted for 45.73% of India's total exports. The UDYAM registration portal has recorded 196mn jobs since its inception in Jul'20.

Exhibit 24. MSME segment accounts for about ~29% of India's GDP

INR trillion	Total MSME GVA	Growth (%)	Total GVA	Share of MSME in GVA (%)	All India GDP	Share of MSME in All India GDP (in %)	Number of MSMEs (in million) *
FY16	41	11.00%	126	32.30%	138	29.70%	64
FY17	45	10.90%	140	32.20%	154	29.20%	66
FY18	51	13.00%	155	32.80%	171	29.80%	67
FY19	57	12.90%	172	33.50%	190	30.00%	69
FY20	61 [^]	7.60%	184	33.40%	201	30.50%	NA
FY21	54 [^]	-12.00%	182	29.70%	198	27.20%	NA
FY22	69 [^]	27.10%	214	32.00%	235	29.20%	70
FY23	81 [^]	8%	246	30.10%	269	NA	NA

Note: (*) – Estimated, All India GDP as of current prices, (^) Calculated numbers, Source: MSME Ministry Annual reports, Role of MSME Sector in India- Ministry of Micro, Small & Medium Enterprises, Source: PIB (govt.), CRISIL MI&A

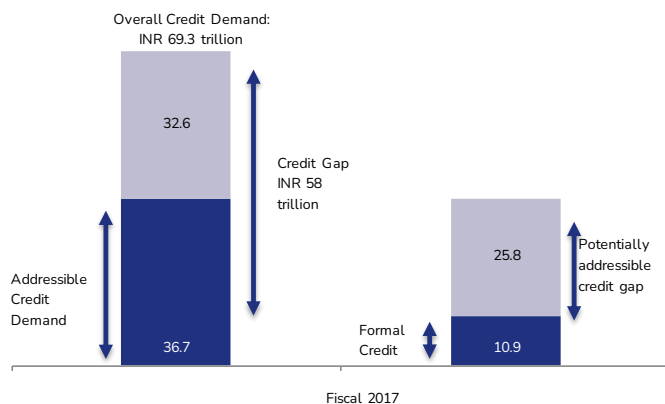
Exhibit 25. Snapshot of MSMEs in India

Note: *Data as of FY23, ^ Data as of FY22 ** The numbers are estimated

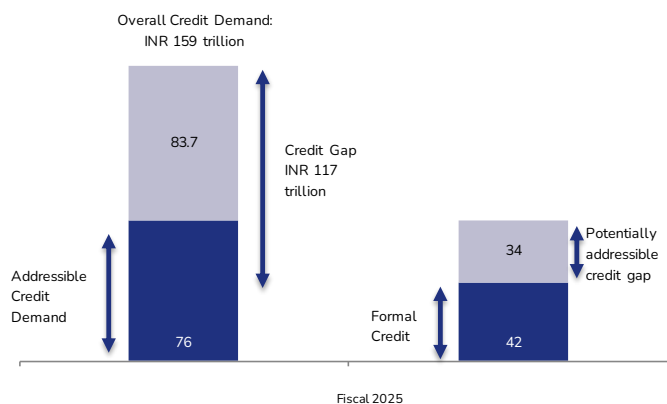
Source: MSME Ministry Annual report for FY23, MSME Ministry Annual report for FY24, Ministry of Micro, Small & Medium Enterprises), CRISIL MI&A

MSME credit gap

A high-risk perception and the prohibitive cost of physical service delivery have historically constrained formal lending to MSMEs, leaving a significant credit gap. According to an IFC report from Nov'18, the MSME credit demand in FY17 was estimated at INR 69.3trln, with only about 16% met by formal financing. This resulted in an estimated credit gap of INR 58.4trln, which was often filled by informal sources charging high-interest rates (30-60% per annum). The credit gap has widened further due to slower economic growth and the Covid-19 pandemic. Government schemes like ECLGS provided relief primarily to MSMEs with existing formal loans, excluding many in need. As of FY25, MSME credit demand is estimated to have grown to approximately INR 159trln, with formal financing meeting only 27-28% of this demand. CRISIL MI&A estimates the credit gap to have widened to INR 117trln as of FY25.

Exhibit 26. ~16% MSME credit demand was met through formal financing led to credit gap 58trn...

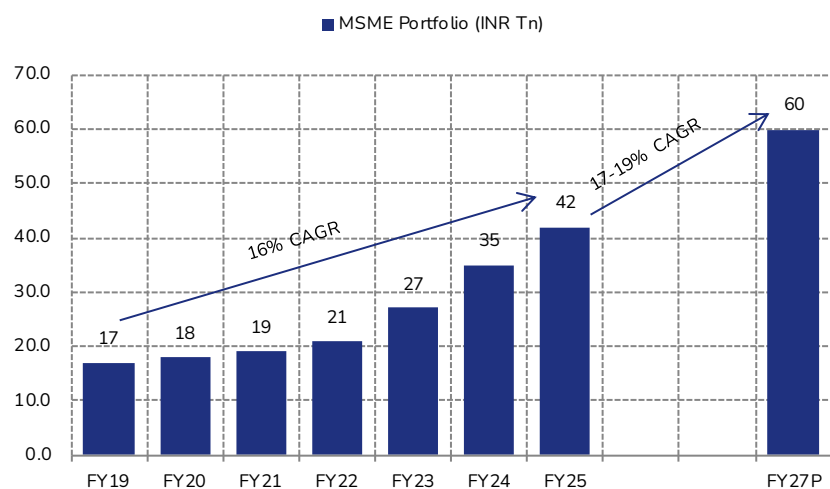
Source: Capri Global DRHP, Note: E: Estimated, Source: IFC report on Financing India's MSMEs dated November 2018, CRISIL MI&A estimates

Exhibit 27. ...Despite increase in MSME loans outstanding, the large credit gap still exists

Source: Capri Global DRHP, Note: E: Estimated, Source: IFC report on Financing India's MSMEs dated November 2018, CRISIL MI&A estimates

While the total MSME credit gap has grown, a closer look at the "addressable" demand reveals a more targeted opportunity for financial institutions. In FY17, the total MSME credit demand was INR 69.3trln, but the addressable demand (excluding new, unviable, or informal-seeking MSMEs) was at INR 36.7trln. With formal financing meeting INR 10.9trln of this, the addressable credit gap stood at INR 25.8trln. By FY25, CRISIL MI&A estimates the total addressable credit demand has grown to INR 76trln. Formal financing currently accounts for INR 42trln, leaving an addressable gap of INR 33-34trln for financial institutions to capture.

Exhibit 28. Portfolio outstanding (INR trln) for MSME portfolio to grow at 17-19% CAGR



Source: CRISIL MI&A estimates

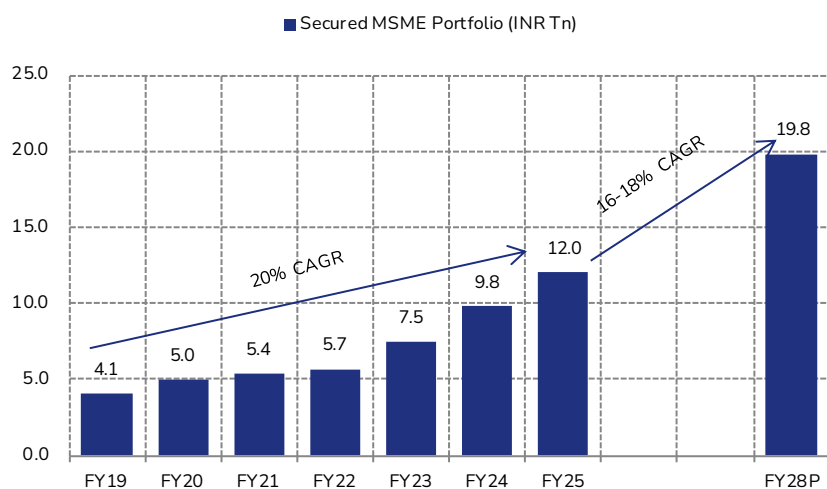
Overall Secured MSME (LAP) Portfolio Outstanding

Overall secured MSME portfolio outstanding is projected to grow by 16-18% over FY25-28

The overall secured MSME loan (Loan Against Property) segment has shown robust growth, with its outstanding portfolio registering a CAGR of nearly 20% from FY19-25. As of FY25, this portfolio stood at an estimated INR 12trln. Growth in this segment slowed to about 8%/6% YoY in FY21/FY22 but rebounded strongly with 32% YoY growth in FY23, supported by normalising economic activity and government initiatives like Aatmanirbhar Bharat. This momentum continued into FY24 and FY25, where the portfolio grew by roughly 31% and 22% YoY, driven by strong economic conditions and domestic consumption.

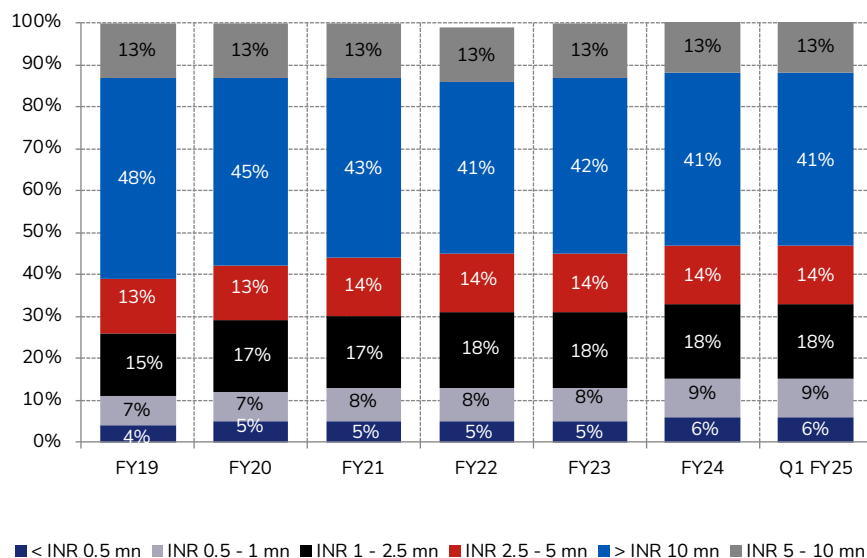
Lenders, particularly NBFCs, are increasingly focusing on this space, aided by an expanded branch network, better data availability, and government initiatives like GST and Udyam. NBFCs (including HFCs and NBFC-Fintech) currently hold a significant 38% market share in the secured MSME portfolio as of Mar'25.

Exhibit 29. Secured MSME portfolio outstanding is projected to grow by 16-18% over FY25-28



Note: P: Projected, Source: CRIF Highmark, CRISIL MI&A

Exhibit 30. Share of overall secured MSME portfolio outstanding with ticket size INR 1.0mn-2.5mn has been increasing in the overall pie



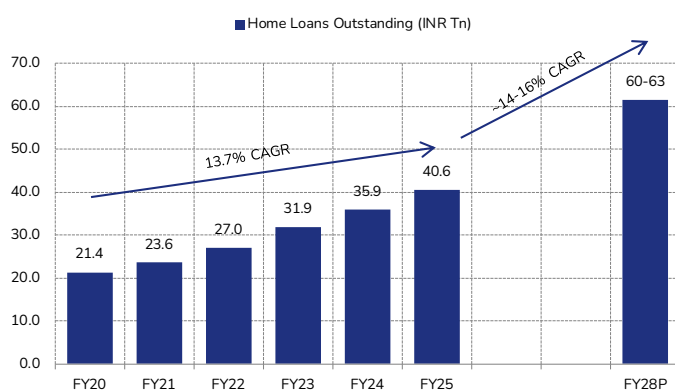
Source: CRIF Highmark, CRISIL MI&A

Home loans market in India

The Indian housing finance sector includes various financial institutions such as banks, housing finance companies (HFCs), and NBFCs. From FY20-25, the home loans market grew at a healthy 13.7% CAGR, driven by rising disposable incomes, increased demand, and more market entrants. As of Mar'24, outstanding credit in the sector stood at ~INR 35.9trln, with 12.8% YoY growth in FY24, fuelled by young, aspirational consumers and government initiatives. The home loan segment reached ~INR 40.6trln by FY25, growing 13.1% YoY. Key drivers included rate cuts and government programs like the Interest Subsidy Scheme under Pradhan Mantri Awas Yojana. Recent tax reforms and interest rate reductions are expected to enhance affordability further. Crisil Intelligence projects 14-16% CAGR for the housing sector from FY25-28, supported by continued government efforts to boost homeownership and credit flow.

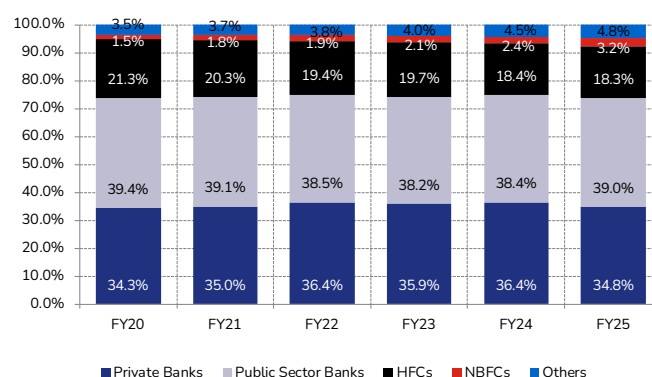
Public sector banks hold the largest share of housing credit at 39% as of FY25, followed by private sector banks (34.8%) and home loan companies (18.3%). Over FY20-25, private sector banks led in growth, with 14.0% CAGR in home loan credit, followed by public sector banks at 13.5% CAGR and home loan companies at 10.3% CAGR.

Exhibit 31. Home Loans witnessed a CAGR of 13.7% from FY20-25



Source: CRIF Highmark, Crisil Intelligence

Exhibit 32. NBFCs share in the overall home loan market has increased



Source: CRIF Highmark, Crisil Intelligence

Note: Others includes other financial institutions, Small Finance Banks and foreign banks.

As of FY25, urban regions held the largest share of home loan credit at 64.1%, followed by rural (20.5%) and semi-urban regions (9.5%). During FY20-25, rural areas recorded the fastest credit growth with a CAGR of 16.4%, followed by semi-urban regions at 15.9%, and urban regions at 12.4%.

In FY21, the overall housing loan GNPA's rose from 2.4% to 2.6%, driven by economic uncertainty, job losses, and the impact of lockdowns on self-employed individuals and MSMEs. By FY25, GNPA's improved to 2.1%. Private sector banks maintained the highest asset quality, with 90+ DPD at ~1.1%, followed by public sector banks at ~1.4%, and NBFCs at ~2.4% as of FY25.

Exhibit 33. Private banks had the best asset quality among lenders as of FY25; while NBFCs have been seeing gradual improvement in asset quality as well

Lender Wise NPA (%)	FY20	FY21	FY22	FY23	FY24	FY25
Private Banks	1.2%	1.8%	1.4%	1.3%	1.1%	1.1%
Public Sector Banks	2.5%	2.1%	2.1%	2.0%	1.6%	1.4%
HFCs	3.1%	3.7%	4.1%	4.6%	5.0%	3.3%
NBFCs	5.6%	3.9%	5.2%	3.8%	2.0%	2.4%
Others	7.9%	8.9%	7.5%	6.5%	7.0%	10.3%
Industry	2.4%	2.6%	2.5%	2.5%	2.3%	2.1%

Source: CRIF Highmark, Crisil Intelligence

Note: Others includes other financial institutions, Small Finance Banks and foreign banks

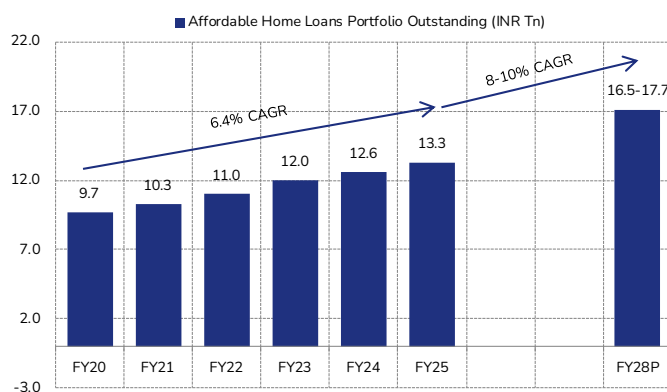
Affordable home loans market in India

As of FY25, the affordable housing loans market—defined as loans below INR 2.5mn—stood at INR 13.3trln, representing 33% of the overall home loan market. Between FY19 and FY25, this segment registered a modest 6.4% CAGR, significantly lower than the 13.7% CAGR for the overall home loan market. The subdued growth was driven by the economic slowdown, the NBFC sector stress, the Covid-19 pandemic, and shifting consumer preferences toward larger homes, partly due to the rise of remote work.

Looking ahead, supportive measures such as the INR 2.2trln allocation for PMAY-Urban in the Union Budget 2024–25 and a cumulative 100bps rate cut between Feb'25 and Jun'25 are expected to provide momentum to the affordable housing sector. Crisil Intelligence projects the segment to grow at 8–10% CAGR, reaching INR 16.5trln–17.7trln by FY28.

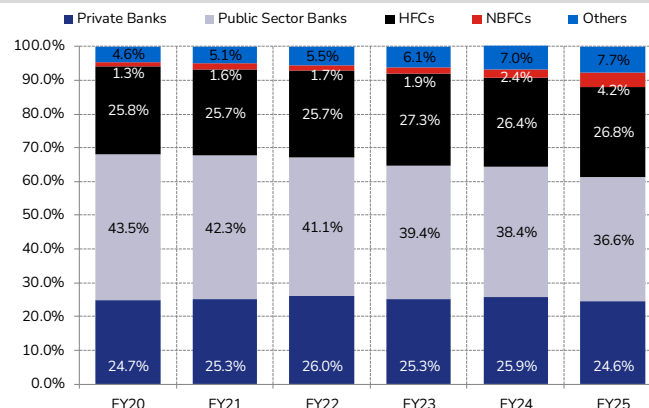
In terms of market share as of FY25, public sector banks lead with 36.6%, followed by HFCs at 26.8% and private sector banks at 24.6%. However, NBFCs led segment growth during FY20–25, posting a CAGR of 34.9%, ahead of HFCs (7.2%) and private sector banks (6.3%).

Exhibit 34. Encouraging and favourable trends in affordable HL market



Source: CRIF Highmark, Crisil Intelligence

Exhibit 35. NBFCs share in the affordable HL market has increased



Source: CRIF Highmark, Crisil Intelligence

Note: Others include other financial institutions, Small Finance Banks and foreign banks.

As of FY25, urban regions accounted for the largest share of affordable housing credit at 53.6%, followed by rural regions at 29.3% and semi-urban regions at 12.0%. Between FY20 and FY25, rural areas recorded the fastest growth in affordable housing credit with a CAGR of 10.0%, followed by semi-urban regions at 8.0%, while urban areas expanded at a more moderate 4.5% CAGR.

In terms of asset quality, private sector banks reported the lowest GNPA in the affordable housing segment at 1.8%, followed by public sector banks at 2.1%. NBFCs and HFCs recorded relatively higher GNPA at 2.8% and 3.8%, respectively, compared with an overall industry GNPA of 3.3% for affordable home loans.

Exhibit 36. Among major lenders in affordable home loans segment, private banks had the best asset quality (~1.8%) among lenders as of FY25

Lender Wise NPA (%)	FY20	FY21	FY22	FY23	FY24	FY25
Private Banks	1.4%	2.1%	1.8%	1.8%	1.6%	1.8%
Public Sector Banks	2.9%	2.5%	2.6%	2.6%	2.3%	2.1%
HFCs	2.7%	3.3%	3.7%	4.3%	5.8%	3.8%
NBFCs	4.5%	3.6%	4.3%	3.5%	2.4%	2.8%
Others	9.5%	10.6%	9.0%	8.1%	8.6%	12.4%
Industry	2.8%	3.0%	3.1%	3.2%	3.5%	3.3%

Source: CRIF Highmark, Crisil Intelligence

Note: Others includes other financial institutions, Small Finance Banks and foreign banks.

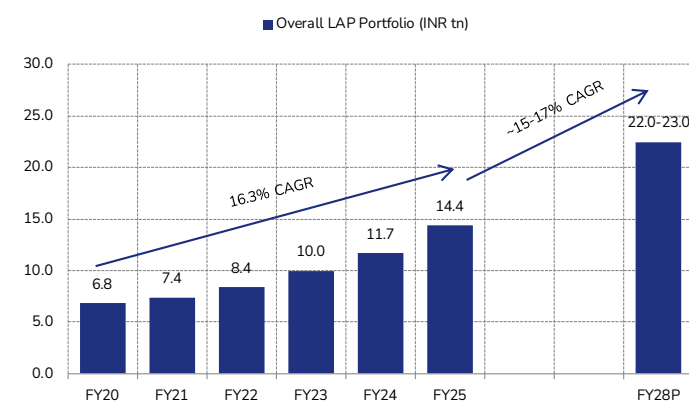
Loans against property (LAP) financing market

Overall LAP portfolio outstanding is projected to grow by 15-17% over FY25-28

The LAP market expanded from INR 6.8trln in FY20 to INR 14.4trln in FY25, driven by greater financial penetration and the entry of new players. Growth moderated to 10% YoY in FY21 due to the pandemic but rebounded to 19% YoY during FY22-23 on the back of economic recovery. In FY25, bank-led LAP growth slowed to 17.2%, as banks prioritised higher-yield products, whereas NBFCs and HFCs reported strong growth of 36.0% and 29.3% YoY, respectively, focusing on secured lending to maintain asset quality and improve yields. Crisil Intelligence projects the segment to grow at 15-17% CAGR over FY25-28, supported by enhanced lender focus, better data availability, technology adoption, new entrants, and government initiatives.

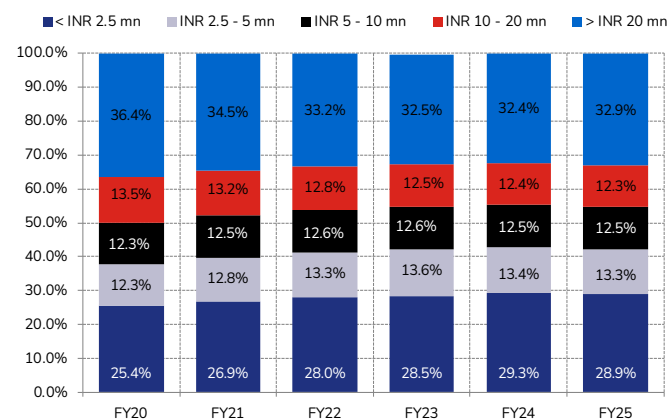
Over FY20-25, LAP loans under INR 2.5mn recorded the fastest growth, at 19.4% CAGR, followed by the INR 2.5mn-5mn segment (18.2% CAGR) and INR 5mn-10mn segment (16.6% CAGR). By FY25, the largest share by value was in the INR 20mn+ segment (32.9%), followed by the <INR 2.5mn segment (28.9%) and the INR 2.5mn-5mn segment (13.3%).

Exhibit 37. Outstanding overall LAP portfolio is expected to deliver a 15%-17% CAGR from FY25-28



Source: CRIF Highmark, Crisil Intelligence

Exhibit 38. LAP portfolio (< INR 2.5mn) witnessed a CAGR of 19.4% growth over FY20-25



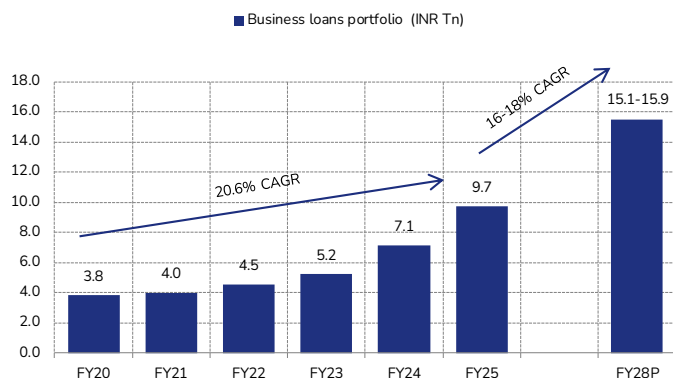
Source: CRIF Highmark, Crisil Intelligence

As of FY25, private sector banks hold the largest share of LAP outstanding credit at 40.9%, followed by NBFCs at 23.3% and HFCs at 17.2%. During FY20-25, NBFCs led in growth with 19.7% CAGR, followed by private sector banks at 17.8%, while public sector banks and HFCs grew at 10.3% and 13.4%, respectively.

Business loans

As of FY25, the unsecured business-loan segment in India (comprising general business loans, business credit, and professional loans without collateral) stood at ~INR 9.7trln, growing at a CAGR of ~20.6% since FY20. The portfolio saw strong YoY growth of 14.8% in FY23 and 37.5% in FY24, with momentum continuing at 36.9% in FY25. Looking ahead, Crisil Intelligence forecasts 16-18% CAGR through FY28, driven by rising number of enterprises, deeper financial outreach in rural/urban markets, and more advanced underwriting models beyond mere credit bureau scoring.

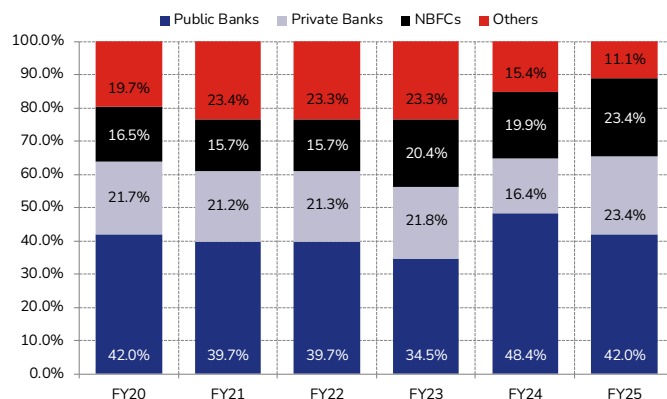
Exhibit 39. Business loans witnessed a CAGR of 20.6% from FY20-25



Source: CRIF Highmark, Crisil Intelligence

Note: Business loans portfolio includes business loan general, business loan unsecured, and loans to professional as per bureau.

Exhibit 40. NBFCs witnessed the fastest growth among lender in BLs



Source: CRIF Highmark, Crisil Intelligence

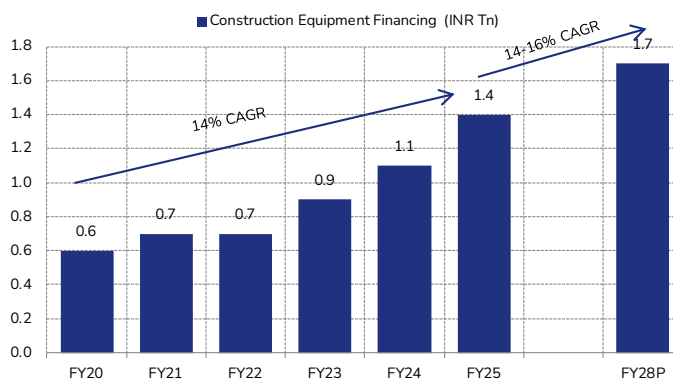
Note: Business Loans portfolio includes business loan general, business loan unsecured, and loans to professional as per bureau. Others includes SFBs, foreign banks and other small players

Between FY20 and FY25, NBFCs delivered the fastest growth in business loans, expanding at a CAGR of ~29.3%, followed by public banks at ~20.6%. In FY25, public sector banks still held the largest share of outstanding business credit at ~42.0%, with NBFCs and private banks together accounting for ~23.4%.

Construction equipment loans

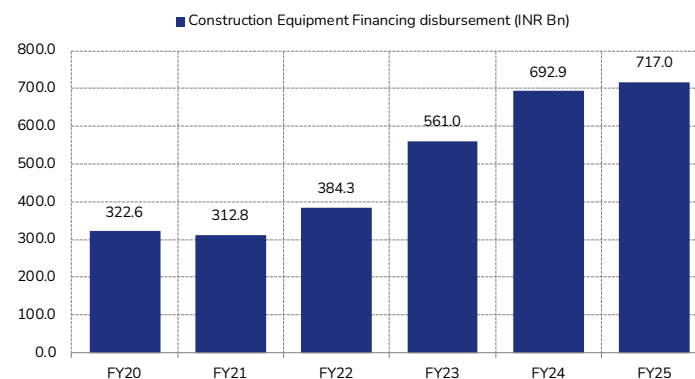
The CE finance market expanded ~26.1% YoY in FY 25, reaching ~INR 1.4trln. Over FY20-25, it posted a CAGR of ~17.5%. Going forward, the segment is projected to grow at ~14-16% CAGR through FY28, underpinned by higher new construction equipment sales.

Exhibit 41. CE is expected to grow at a CAGR of ~14-16% from FY25-28



Source: CRIF Highmark, Crisil Intelligence

Exhibit 42. Construction equipment financing disbursement

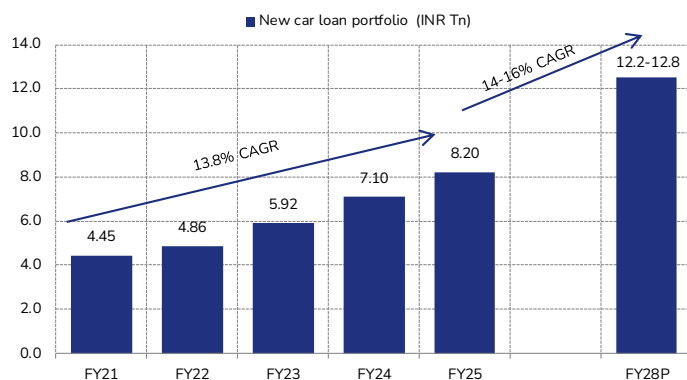


Source: CRIF Highmark, Crisil Intelligence

Car loan financing market

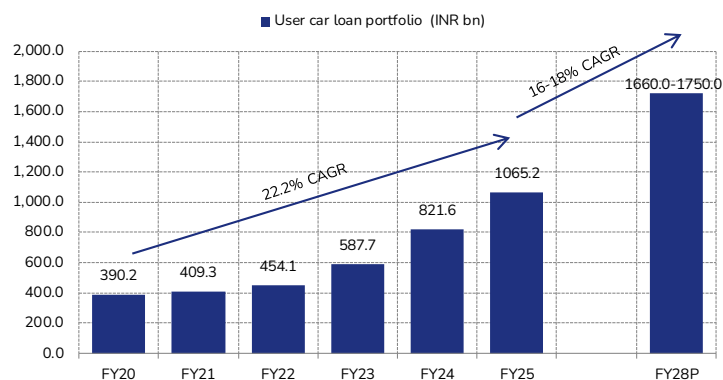
The new car loan segment recorded a CAGR of ~13.8% over FY20–FY25, with YoY growth of 21.9% in FY23, 19.8% in FY24, and 15.6% in FY25. Passenger vehicle sales underperformed during FY24–25, impacted by weak consumer sentiment, elevated inventory levels (71–76 days in 3QFY25), extreme weather conditions, and persistently high interest rates since Feb'23, alongside the tapering of pent-up demand. Uneven rural rainfall further constrained cash flows and demand. Nonetheless, 2HFY25 saw a recovery, supported by festive demand and inventory clearance discounts. Crisil Intelligence expects auto finance penetration to reach 75–80%, with further scope for growth over the medium term.

Exhibit 43. New car loan portfolio expected to grow at 14-16% CAGR from FY25 to FY28



Source: CRIF Highmark, Crisil Intelligence

Exhibit 44. Used car loan portfolio expected to grow at 16-18% CAGR from FY25 to FY28

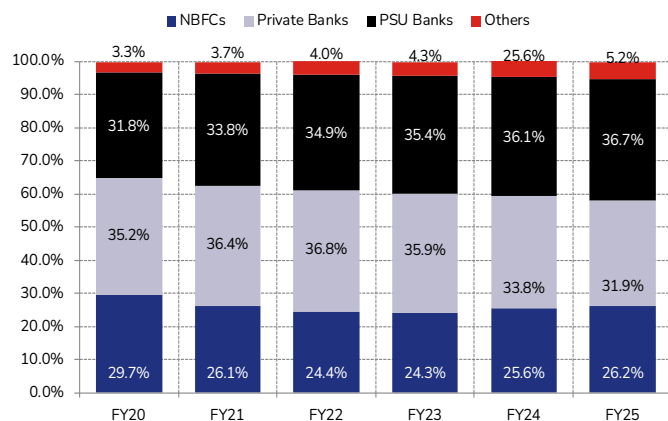


Source: CRIF Highmark, Crisil Intelligence

Banks have steadily expanded their presence in the new-auto lending space, exerting pressure on non-captive NBFCs, although captive financiers continue to maintain share through strong dealer relationships. NBFCs remain active in new and used car financing due to lower credit risk in the PV segment, superior reach in tier II/III markets, and the ability to serve under-banked borrowers. Conversely, banks benefit from lower cost of funds and cross-sell capabilities, enabling them to offer more competitive rates and adopt an aggressive stance in the segment. NBFCs, however, retain a relative advantage in rural and semi-urban areas that remain relatively less penetrated by banks.

As of FY25, private banks accounted for 50.4% of the used car finance market, followed by NBFCs at 40.8%. Over FY20–25, banks' share contracted from 65.6% to 50.4%, with NBFCs capturing a significant portion of the displaced market.

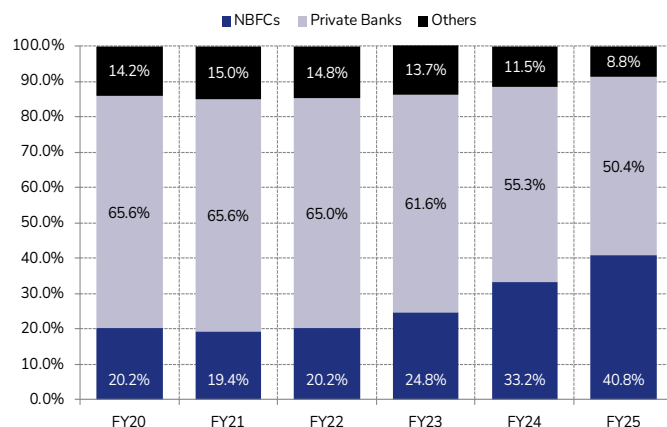
Exhibit 45. Lender-wise share of new car loan portfolio outstanding



Source: CRIF Highmark, Crisil Intelligence

Note: Others includes other financial institutions, Small Finance Banks and foreign bank

Exhibit 46. Lender-wise share of used car loan portfolio outstanding



Source: CRIF Highmark, Crisil Intelligence

Note: Others includes other financial institutions, Small Finance Banks and foreign bank

Developer finance market for NBFCs

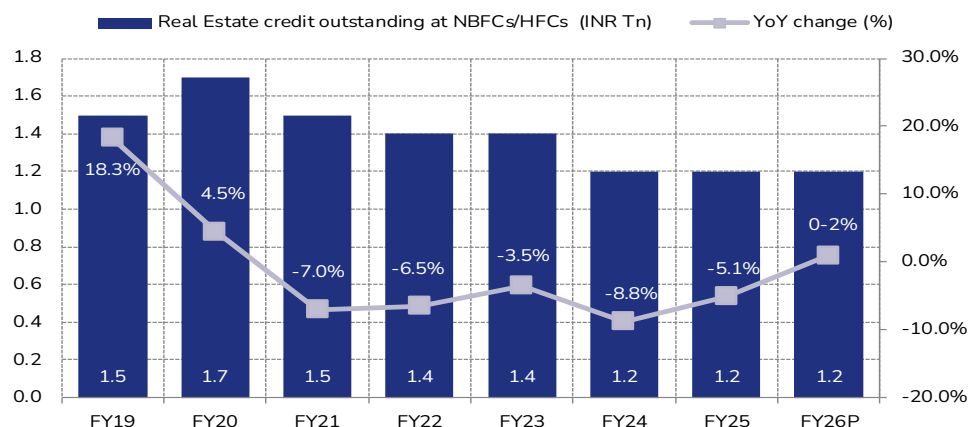
NBFCs' developer finance credit book to change direction owing to increasing developer penetration in the Indian market

NBFCs' real estate lending has evolved in both size and complexity, with several HFCs downsizing portfolios due to asset quality concerns, while a few have expanded via strong credit monitoring and diversified customer sourcing. Post-pandemic residential housing demand is supported by supply rationalisation, pent-up demand, tax incentives, stamp duty concessions, sustained economic growth, and the hybrid work model. Key residential markets have demonstrated strong momentum, with growth in FY25 driven by demand for larger homes and lifestyle upgrades. Increasing preference for RERA-compliant properties has also enhanced buyer confidence. Separately, green finance is gaining traction, supported by rising investments in renewable energy and sustainable infrastructure as India pursues low-carbon economy targets.

NBFCs have remained cautious in lending to corporate and real estate segments, prioritising retail credit over wholesale exposure due to high-ticket risk and volatile asset quality. This approach has led to a gradual reduction in wholesale portfolios, as defaults and delinquencies have exerted pressure on GNPA. Nevertheless, resolution efforts in recent years have improved asset quality. NBFCs' real estate lending declined to ~INR 1.2trln in FY25 from ~INR 1.5trln in FY19, impacted by pandemic-related lockdowns, pre-existing sector stress, and liquidity challenges following the DHFL and IL&FS crises. Government support through low repo rates, stamp duty concessions, and affordable housing incentives has sustained the sector, with demand shifting toward Tier II/III affordable housing and a gradual pickup in luxury housing.

The developer finance book contracted ~5.1% in FY25, reflecting further downsizing of wholesale lending. Growth is expected to normalise to ~1–2% in FY26 as NBFCs complete portfolio transitions. The government is promoting diversified funding channels, including REITs, to mitigate developer financing risks amid economic volatility.

Exhibit 47. NBFCs' developer finance is estimated to grow by 0-2% in FY26



Source: Company reports, RBI, Crisil Intelligence

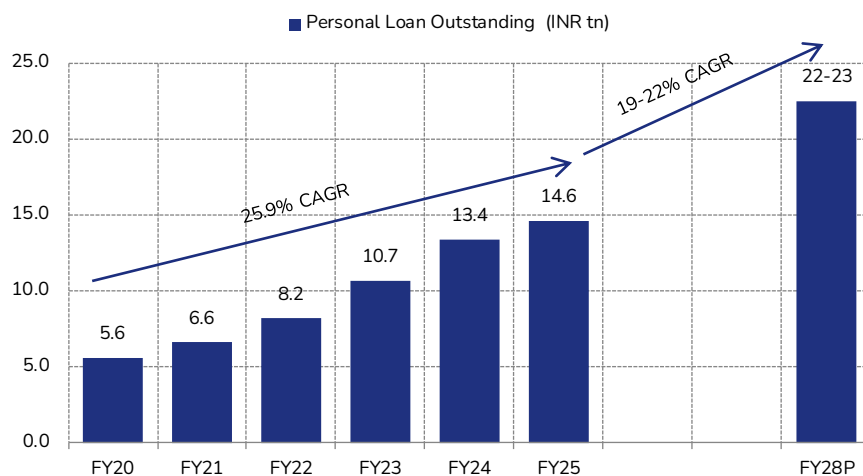
Note: Data is of overall real-estate credit (residential and commercial) and is excluding of lease rental discounting (LRD)

Personal Loans

Strong disbursements especially from NBFCs led to robust personal loan book growth in FY24

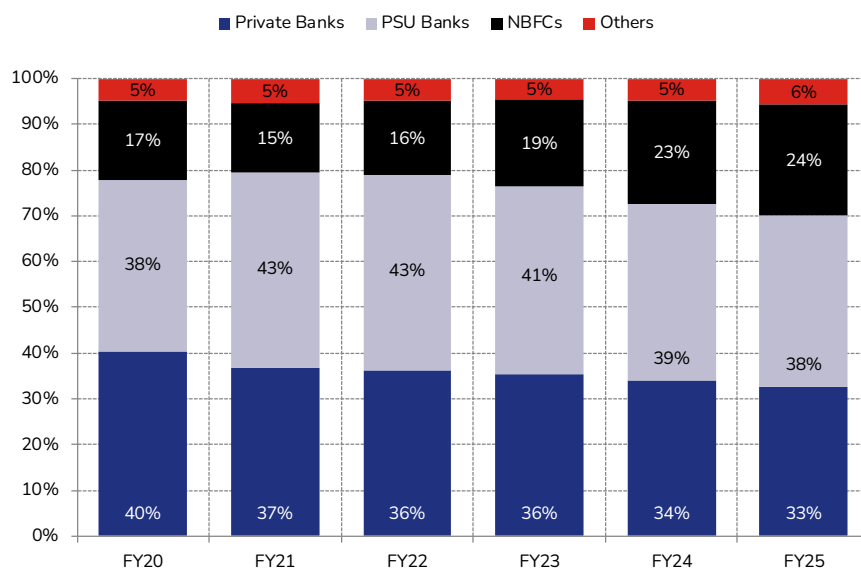
From FY20 to FY25, personal loans outstanding grew at a CAGR of ~21.3%, from INR 5.6trln to INR 14.6trln. This surge was fuelled by the rise of new-age lenders, increased focus on Tier 1 and beyond customers, and a shift to a consumption-driven economy. Post-pandemic, the segment saw a period of "exuberance" as lenders favoured retail over wholesale loans due to granularity and improved asset quality. However, a slowdown occurred in the second half of FY24 after the RBI increased risk weights on unsecured loans, leading banks and NBFCs to recalibrate their strategies. While the "exuberance" is expected to taper, growth remains healthy. Personal loans outstanding grew by 9% to INR 14.6trln in FY25. Looking ahead, the segment is projected to grow by 13-15% in FY26, driven by anticipated boosts in retail consumption from income tax relief under the Union Budget 2025-26.

Exhibit 48. Personal loan outstanding stood at INR 14.6trln as of FY25



Note: P – Projected, Source: CRIF Highmark, CRISIL MI&A

Exhibit 49. Share of NBFCs in personal loan outstanding has increased in the past few years



Note: Others includes other financial institutions, Small, Finance Banks and foreign banks, Source: CRIF Highmark, CRISIL MI&A

Capri Global Capital | BUY

Multiple growth pillars; an attractive play

We initiate coverage on Capri Global Capital Ltd (CGCL) with a BUY rating and a TP of INR 245, valuing the stock at 2.3x FY28E P/B. Established in 2011, CGCL is an emerging diversified NBFC with a strong retail orientation, with ~80% of its portfolio in retail segments, and it operates a 100% secured lending franchise. CGCL commenced operations with Construction Finance (CF) in 2011 and subsequently expanded into secured MSME lending (2013) and Housing Finance (HF) through a subsidiary (2017). Post Covid, the company capitalised on rising gold prices and entered the Gold Loan (GL) segment in 2022, followed by the launch of Micro-LAP in 2025, a segment witnessing strong industry traction. CGCL's current portfolio mix is MSME (21%), GL (38%), HF (22%), and CF (18%). Beyond lending, CGCL operates a car loan origination vertical, which is a pure sourcing business contributing stable non-interest income. The company began co-lending in 2021, and currently ~20% of AUM is in co-lending/DA structures, providing a meaningful boost to income over the past 4 years. It also obtained an IRDAI licence for insurance distribution in 2024, further strengthening its fee-income streams. We believe CGCL's ability to diversify income and hedge against NIM pressure differentiates it from peers. Asset quality remains best in class, with GS3/NS3 at 1.3%/0.7% as of 2QFY26, underpinned by its fully secured book. We expect AUM CAGR of ~35% over FY25–27E, supported by operating leverage benefits and steady credit costs of ~0.5% post FY26E, driving PAT CAGR of ~62% during FY25–27E. This translates into an average RoA/RoE of 3.6%/15.6% over FY26E–FY27E.

- **Rising gold prices and MSME credit gap provide strong growth tailwinds:** CGCL has delivered strong expansion in its GL portfolio over the past 3 years, cementing its position as a key growth driver in the medium term. While the company continues to operate across multiple segments-HL, CF, and MSME-the GL segment remains particularly attractive due to its higher-yield profile. However, as the franchise scales up, CGCL plans to introduce MSME prime loans, which carry comparatively lower yields, thereby offsetting the margin impact from the high-yield micro-LAP segment. We expect CGCL to clock AUM CAGR of ~35% over FY25–27E.
- **Non-interest income creation a key to profitability:** CGCL has strategically diversified its income streams since 2021, beginning with co-lending, which now accounts for ~20% of AUM and contributes ~40% of other income through consistent spreads. The company also operates a dedicated car loan origination vertical, generating steady fee income. Additionally, CGCL secured an insurance distribution licence in 2024, which has meaningfully contributed over the past 5 quarters. The recent foray into bond syndication in 2QFY26 is expected to further bolster non-interest income and support profitability.
- **Robust asset quality:** CGCL's asset quality has been stable, with GS3 consistently below 3.5% over the past 5 years. Although the company experienced a temporary spike in GNPA in 1QFY26, largely within the MSME and CF segments, proactive collection efforts resulted in a swift improvement to levels even better than before. Backed by a 100% secured loan book, we do not foresee any material deterioration in asset quality.
- **Valuations and view:** At CMP, CGCL trades at ~1.8x FY28E P/BV, which in our view offers meaningful upside given the projected average RoA/RoE of 3.6%/15.6% over FY26E–FY27E. We assign a 2.3x FY28E P/B multiple based on the residual income valuation method, arriving at a TP of INR 245. Downside risks: A sharp correction in gold prices, a broad-based economic slowdown, and rising stress in the MSME segment remain key risks to our investment thesis.



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	NA
Current Price Target (12M)	245
Upside/(Downside)	30.2%
Previous Price Target	NA
Change	NA

Key Data – CGCL IN

Current Market Price	INR188
Market cap (bn)	INR181.0/US\$2.0
Free Float	25%
Shares in issue (mn)	968.0
Diluted share (mn)	968.0
3-mon avg daily val (mn)	INR437.0/US\$4.9
52-week range	232/151
Sensex/Nifty	85,707/26,203
INR/US\$	89.5

Price Performance

%	1M	6M	12M
Absolute	-7.3	24.0	-9.9
Relative*	-9.2	17.9	-16.1

* To the BSE Sensex

Financial Summary

(INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Profit	2,794	4,785	8,624	12,559	16,731
Net Profit (YoY) (%)	36.5%	71.3%	80.2%	45.6%	33.2%
Assets (YoY) (%)	28.4%	37.5%	39.9%	31.6%	28.4%
ROA (%)	2.1%	2.7%	3.5%	3.7%	3.8%
ROE (%)	7.5%	11.8%	15.0%	16.1%	18.1%
EPS	3.4	5.8	8.9	13.0	17.3
EPS (YoY) (%)	-31.8%	71.2%	53.6%	45.6%	33.2%
P/E (x)	55.5	32.4	21.1	14.5	10.9
BV	47	52	74	87	104
BV (YoY) (%)	-46.2%	12.2%	41.9%	17.5%	19.9%
P/BV (x)	4.04	3.60	2.54	2.16	1.80

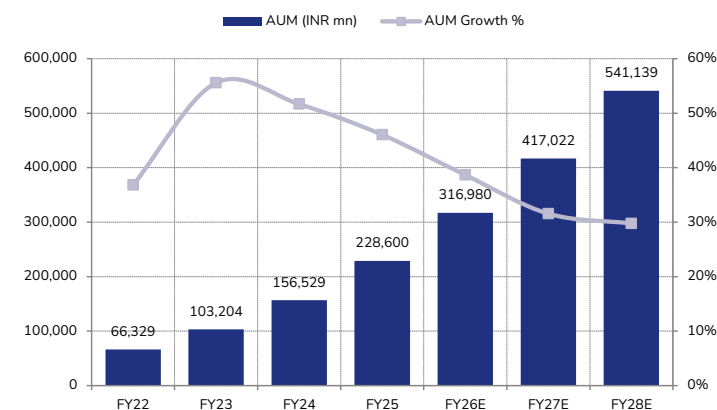
Source: Company data, JM Financial. Note: Valuations as of 28/Nov/2025

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

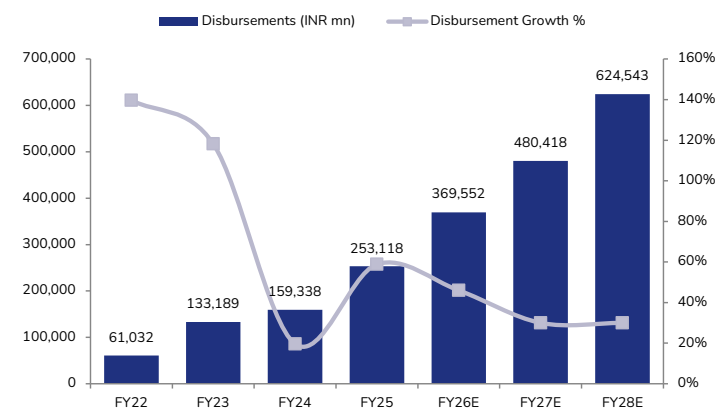
Focus Charts

Exhibit 1. Strong growth history led by gold loan expansion



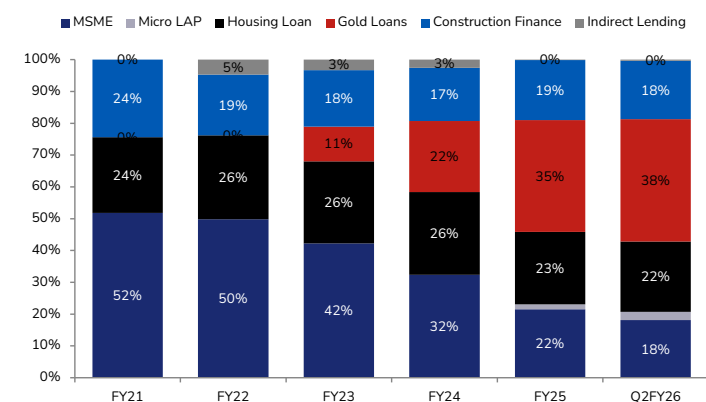
Source: Company, JM Financial

Exhibit 2. Disbursements growth to remain strong



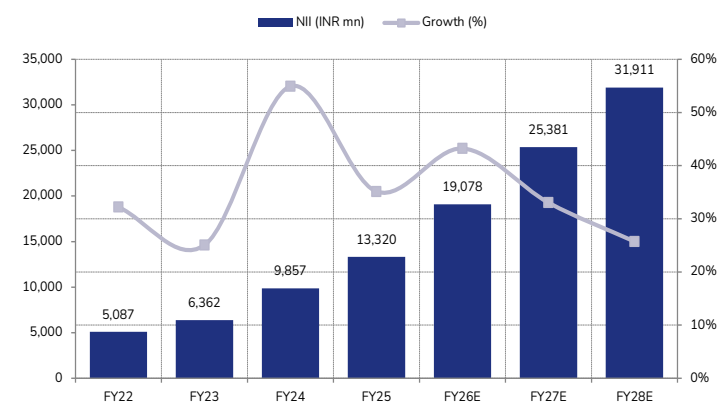
Source: Company, JM Financial

Exhibit 3. AUM should grow at ~35% CAGR over FY25-27E



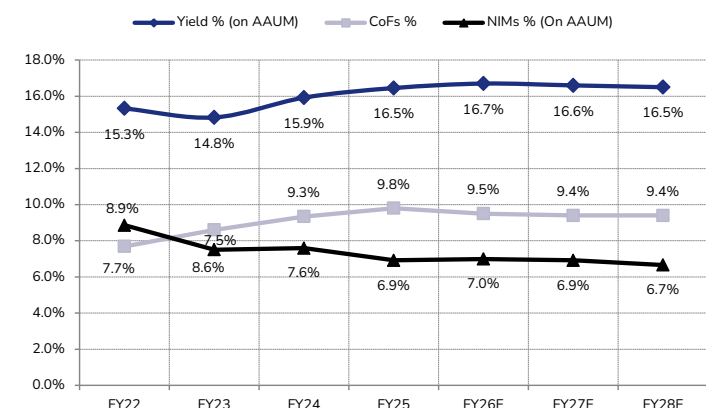
Source: Company, JM Financial

Exhibit 4. NII to grow at 38% CAGR over FY25-27E



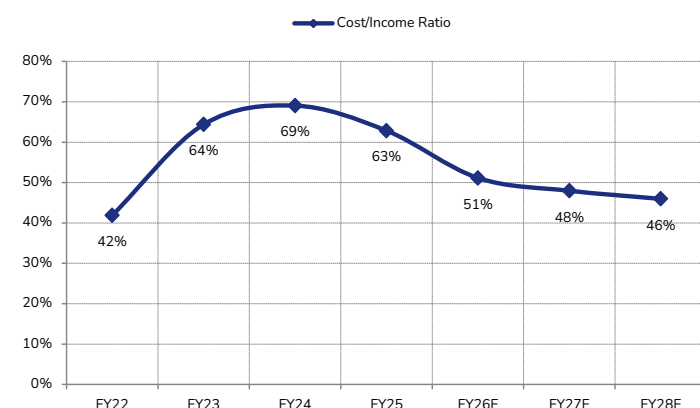
Source: Company, JM Financial

Exhibit 5. Margins to be largely steady



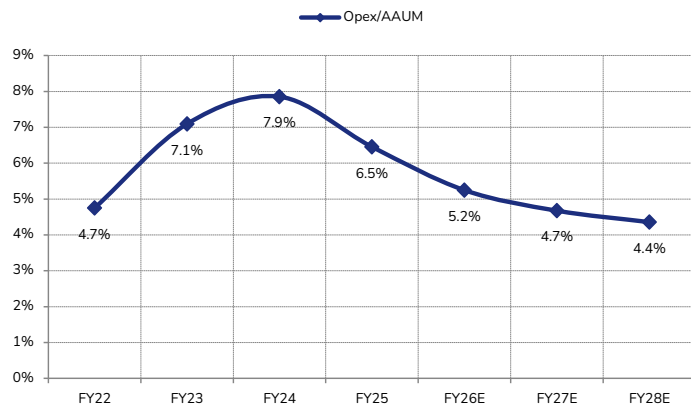
Source: Company, JM Financial

Exhibit 6. C/I ratios to improve as branches mature



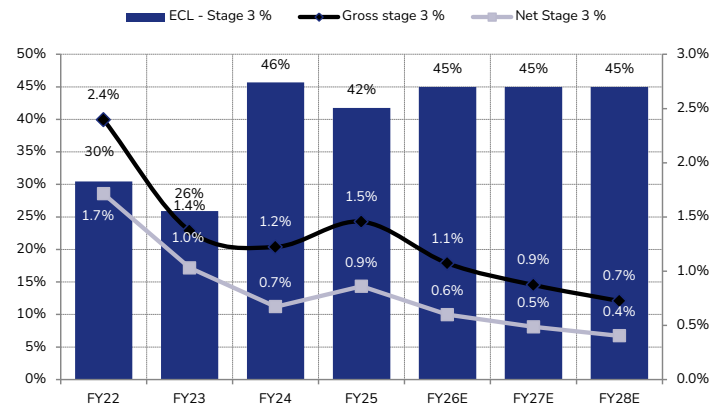
Source: Company, JM Financial

Exhibit 7. Opex/loans to continue improving with productivity and tech



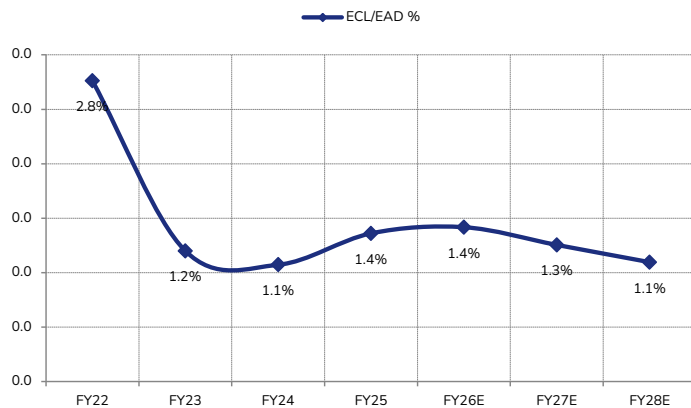
Source: Company, JM Financial

Exhibit 8. Healthy asset quality



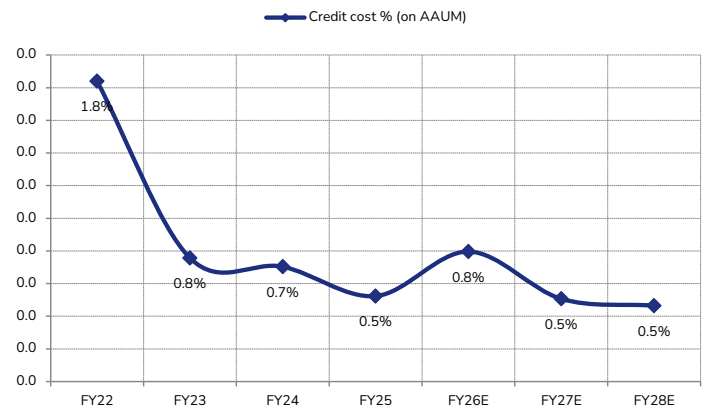
Source: Company, JM Financial

Exhibit 9. ECL cover steady with higher gold exposure



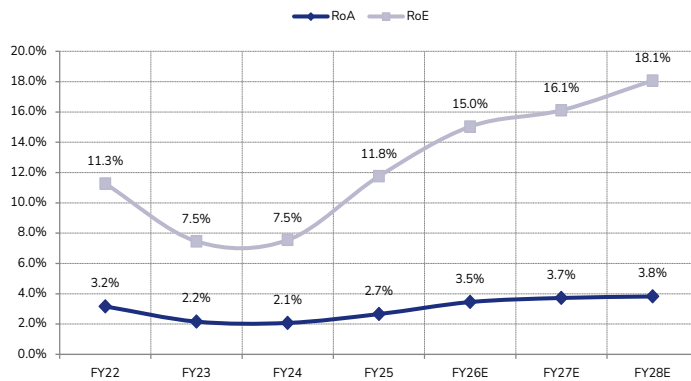
Source: Company, JM Financial

Exhibit 10. Credit cost (% of AUM) to decline over the medium term



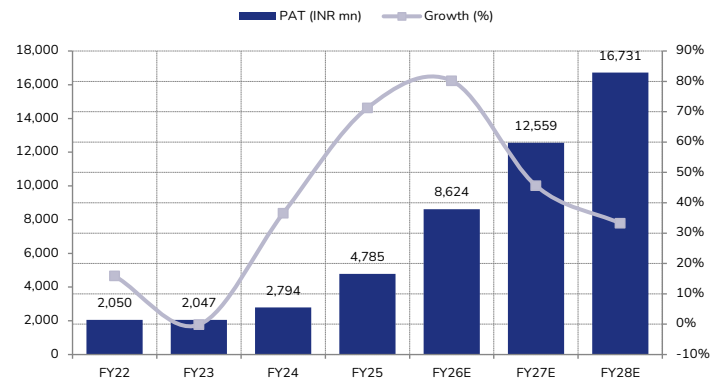
Source: Company, JM Financial

Exhibit 11. Return ratios to improve with operating leverage



Source: Company, JM Financial

Exhibit 12. PAT to grow 62% CAGR over FY25-27E on a lower base



Source: Company, JM Financial

Investment Thesis

■ Strong AUM growth potential

CGCL has maintained a robust growth trajectory, posting ~41% AUM CAGR over FY20–Q2FY26, driven primarily by the rapid expansion of its GL portfolio and the company's increasing participation in co-lending with leading banks. The co-lending model, first introduced in the MSME segment in 2022, has since been extended to HL and GL, significantly enhancing distribution and scale. CGCL now has partnerships with major banks including SBI, Union Bank of India, Central Bank of India, IOB, BOB, UCO Bank, Yes Bank, Bank of Maharashtra, Punjab & Sind Bank, and BOI. As a result, the off-book portfolio has expanded meaningfully to ~21% of AUM as of Sep'25, up from 5.3% in Mar'23 and 1.7% in Mar'22. Looking ahead, we expect ~35% AUM CAGR over FY25–27E, supported by ~38% CAGR in disbursements.

■ Profitability improving with diversification into fee-generating businesses

CGCL has progressively broadened its product suite, with additions such as secured LAP (within MSME), HF, indirect lending, and more recently, GL. The company has also strengthened its non-interest income profile through distribution of third-party financial products. Historically, AUM was concentrated in wholesale lending; however, asset quality pressures in this segment prompted a strategic shift. CGCL recalibrated its exposure by reducing ticket sizes in both CF and MSME, while simultaneously moving toward a more retail-heavy mix. As of Sep'25, the AUM composition (including co-lending) was GL (35%), HL (23%), MSME (22%), CF (19%), and micro-LAP (2%). Additionally, CGCL distributes third-party car loans and holds an insurance distribution licence, supporting recurring fee income. The company has also entered the bond syndication and arranger business, which is expected to materially augment non-interest income in the near term. These developments strengthen CGCL's risk profile by enabling cross-sell opportunities and deeper revenue diversification.

■ Continued gold book growth coupled with prime MSME to offer steady NIMs

CGCL has scaled its GL franchise rapidly over the past 3 years, making it a key medium-term growth engine. While the company remains active across HL, CF, and MSME, the higher-yielding GL book continues to be a notable contributor to overall margins. However, as the business scales, CGCL plans to introduce MSME prime loans, which carry lower yields and will partly offset the margin uplift from micro-LAP. Accordingly, we do not foresee a material rise in NIMs from current levels.

■ Controlled asset quality

CGCL has delivered stable asset quality, consistently maintaining GS3 below 3.5% over the last 5 years. As of Sep'25, GS3 stood at 1.3%, down from 1.6% in the prior year. With a PCR of ~43%, NS3 improved to 0.7%, compared to 1% in Sep'24. The company continues to strengthen its risk-management architecture through investments in technology, underwriting systems, and operational infrastructure, supported by a well-secured and diversified loan book. That said, rapid AUM growth in relatively newer verticals such as GL has resulted in limited vintage across certain portfolios. CGCL's ability to sustain strong collection efficiency and contain GS3 levels amid accelerated expansion remains a key monitorable.

■ Valuations inexpensive

We estimate ~35% AUM CAGR over FY25–27E, supported by rising non-interest income, improving operating efficiencies, and stable credit costs. This should translate into 38%/62% CAGR in NII/PAT, respectively, driving RoA/RoE to 3.7%/16.1% by FY27E. At CMP, the stock trades at 1.8x FY28E BV (factoring in the planned INR 20bn capital raise in FY26). We initiate coverage with a BUY rating and a TP of INR 245, valuing the stock at 2.3x FY28E BV.

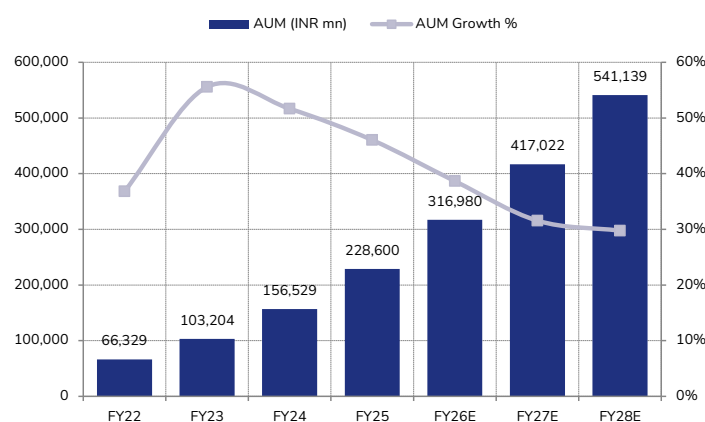
Healthy return ratios aided by higher non-interest income

CGCL has built a well-diversified mix of asset-light income streams through its car loan and insurance distribution businesses, co-lending partnerships, and cross-sell initiatives. The company currently engages in co-lending across MSME, affordable housing, and GL segments with nine partner banks. As of Sep'25, the co-lending AUM was INR 56.8bn, accounting for 21% of CGCL's total AUM. During 2QFY26, co-lending generated INR 806mn in fee income, contributing ~40% of overall non-interest income. With the implementation of CLM 2.0, this income stream is expected to moderate from 4QFY26 due to revised regulatory norms. However, CGCL has proactively diversified into bond syndication, which is likely to support stronger non-interest income and cushion the impact of CLM 2.0.

The company also distributes life, general, and health insurance products to its MSME, housing, and GL customers through tie-ups with 18 insurers. Its car loan distribution business operates through alliances with 10 banks and 3 NBFCs, generating meaningful fee income. As of Sep'25, car loan originations stood at INR 28.3bn, with 24,591 loans sourced. CGCL reported INR 252mn net fee income from car loan distribution in 2QFY26, representing ~12% of non-interest income.

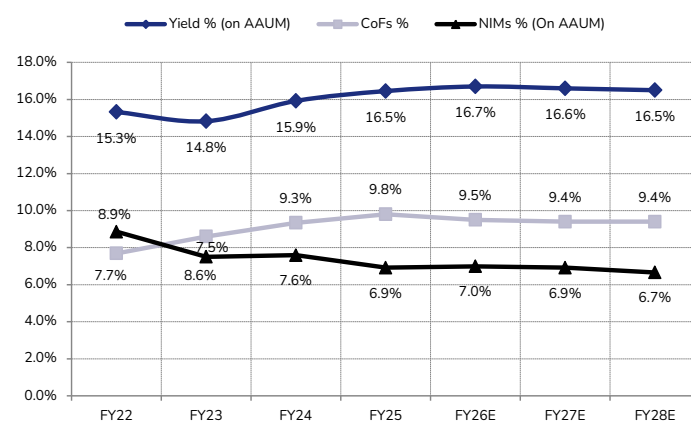
Overall, these asset-light verticals are expected to drive sustained growth in non-interest income, thereby supporting strong earnings momentum and improved return ratios. We expect CGCL to deliver healthy average ROA/RoE of 3.6%/15.6% over FY26–27E.

Exhibit 13. AUM to grow at ~35% CAGR over FY25-27E



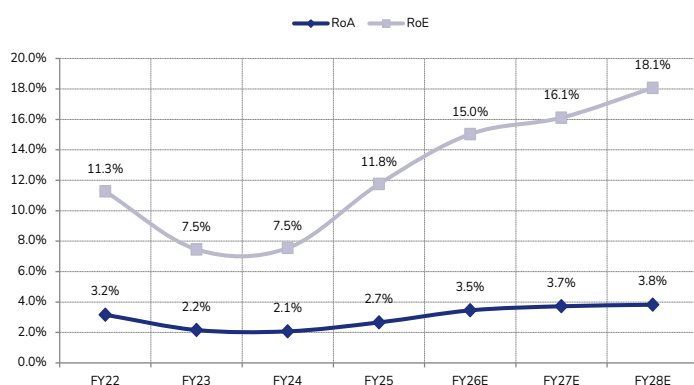
Source: Company, JM Financial

Exhibit 14. Margins to be range-bound



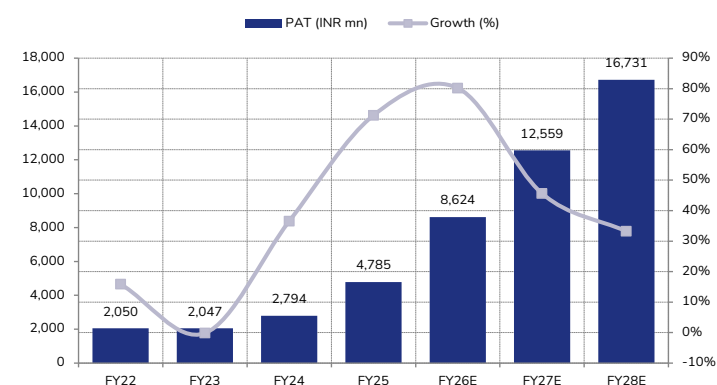
Source: Company, JM Financial

Exhibit 15. Return ratios to improve with operating leverage



Source: Company, JM Financial

Exhibit 16. PAT to grow 63% CAGR over FY25-27E on a lower base



Source: Company, JM Financial

Exhibit 17. DuPont (% of assets)

	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest income	13.0%	12.3%	13.5%	14.5%	14.6%	14.4%	14.4%
Interest expenses	5.1%	5.6%	6.2%	7.1%	6.9%	6.9%	7.2%
Net Interest income	7.8%	6.7%	7.3%	7.4%	7.6%	7.5%	7.3%
Other income	2.2%	3.1%	3.6%	3.6%	3.6%	3.1%	3.1%
Net income	10.0%	9.9%	11.0%	11.0%	11.2%	10.6%	10.4%
Operating expenses	4.2%	6.3%	7.6%	6.9%	5.7%	5.1%	4.8%
Operating Profit	5.8%	3.5%	3.4%	4.1%	5.5%	5.5%	5.6%
Provisions	1.6%	0.7%	0.7%	0.6%	0.9%	0.6%	0.5%
PBT	4.2%	2.8%	2.7%	3.5%	4.6%	5.0%	5.1%
ROAA	3.2%	2.2%	2.1%	2.7%	3.5%	3.7%	3.8%
Leverage (x)	3.6	3.5	3.6	4.4	4.4	4.3	4.7
ROAE	11.3%	7.5%	7.5%	11.8%	15.0%	16.1%	18.1%

Source: Company, JM Financial

Valuation and view

We value CGCL at 2.3x FY28E book to arrive at a target price of INR 245, which will be driven by ~35%/50% AUM/EPS CAGR over FY25-27E and average RoA/RoE of ~3.6%/15.6% during FY26/27F. **We have valued CGCL using the residual income model assuming cost of equity of 13.5%, average asset growth of 25% and RoE of ~17.5% during FY26-45F.**

~35% growth in AUM over FY25-FY27E, higher non-interest income, improved operating efficiency and stable credit cost translates into 38%/62% CAGR in NII/ PAT with RoA/RoE of 3.7%/ 16.1%, by FY27E. At CMP the stock trades at 1.8x FY28E BV (factoring in INR 20bn capital-raise in FY26). We initiate coverage on CGCL with a BUY rating and target price of INR 245, valuing it at 2.3x FY28E BV.

Key risks to our call: Sudden gold price dip, and higher credit cost led by industry-wide MSME stress.

Exhibit 18. Valuation basis residual income method

	INR mn	Contribution of value	Avg. ROA assumption	Avg. ROE assumption
Sep-25 Net-worth	66,730	34.0%		
PV of RI over Mar26-Mar-35F (incl dividends)	33,495	16.7%	3.3%	17.0%
PV of RI over FY36-45F (incl dividends)	51,394	23.9%	2.3%	17.6%
Terminal value	57,012	25.4%	1.9%	16.6%
Total value of the firm	208,632	100.0%		
Total number of shares (mn)	968			
Target price per share	245			
Implied P/B-FY28E	2.3			
Cost of equity assumption	13.5%			
Terminal growth assumption	5.0%			

Source: Company, JM Financial

Exhibit 19. Sensitivity of valuation to asset growth, RoA and RoE

FY26-45F	Bear Case	Base Case	Bull Case
Average asset growth	23%	25%	26%
Average RoA	2.8%	2.8%	2.8%
Average RoE	16.6%	17.7%	18.5%
Fair Value	165	245	315
Upside/downside	-12%	30%	67%
Implied P/B-FY27F	1.9	2.3	3.6
Implied P/E-FY27F	12.8	18.9	24.4

Source: Company, JM Financial

Exhibit 20. We expect CGCL to deliver RoA of over 3.3% over FY26-35F

Long-term	FY25-35F	FY35-45F
CAGR of total assets (%)	27%	22%
Mean RoA (%)	3.3%	2.3%
Mean RoE (%)	17.2%	17.7%

Source: Company, JM Financial

Exhibit 21. Peer comparable – During FY22-25, CGCL delivered superior RoE compared to SBFC and also delivered higher AUM growth

CAGR/ YoY	Capri Global Capital			Fedbank Financial Services			SBFC Finance		
	2QFY26	FY25	FY22-25	2QFY26	FY25	FY22-25	2QFY26	FY25	FY22-25
Disbursements	63.8%	58.9%	60.7%	36.6%	38.3%	36.0%	21.3%	6.5%	22.7%
AUM	40.3%	46.0%	51.0%	13.5%	29.7%	36.7%	28.8%	28.2%	39.9%
PAT	143.3%	71.3%	42.8%	24.2%	-8.0%	29.6%	29.9%	45.6%	75.2%
Ratios (%)									
Yield on AUM (%)	16.5%	16.5%	15.6%	12.8%	13.5%	14.1%	18.2%	17.9%	18.1%
Cost of funds (%)	9.6%	9.8%	8.9%	8.4%	9.2%	8.3%	8.7%	9.1%	8.6%
NIM on AUM (%)	7.4%	6.9%	7.7%	7.4%	7.6%	8.1%	10.4%	10.0%	9.2%
Credit cost (%)	0.5%	0.5%	1.0%	0.8%	1.5%	1.1%	1.3%	0.9%	1.0%
ECL/EAD (%)	1.5%	1.4%	1.6%	2.0%	2.3%	1.7%	1.8%	1.8%	1.9%
Du Pont (%)									
NII	8.0%	7.4%	7.3%	8.8%	8.8%	8.2%	10.6%	9.9%	8.0%
Total income	12.0%	11.0%	10.5%	9.7%	10.1%	9.5%	11.9%	11.3%	9.5%
Opex	6.2%	6.9%	6.3%	5.5%	5.8%	5.5%	4.4%	4.5%	4.5%
PPOP	5.8%	4.1%	4.2%	4.2%	4.3%	4.0%	7.5%	6.8%	5.0%
Provision	0.5%	0.6%	0.9%	0.9%	1.8%	1.1%	1.3%	0.9%	0.9%
RoA (%)	4.0%	2.7%	2.5%	2.4%	1.8%	2.1%	4.6%	4.4%	3.1%
RoE (%)	14.4%	11.8%	9.5%	12.0%	9.4%	11.9%	13.0%	11.6%	9.3%
Valuation-FY27									
P/E (x)			14.5			12.2			21.4
P/B (x)			2.2			1.6			2.8

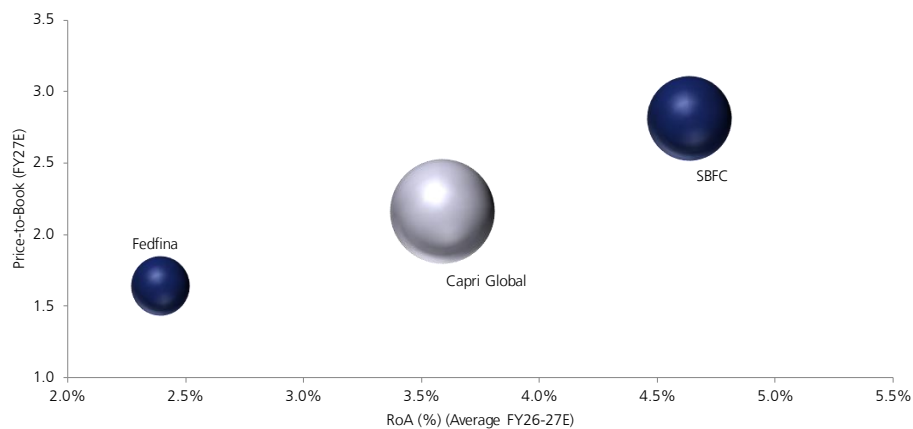
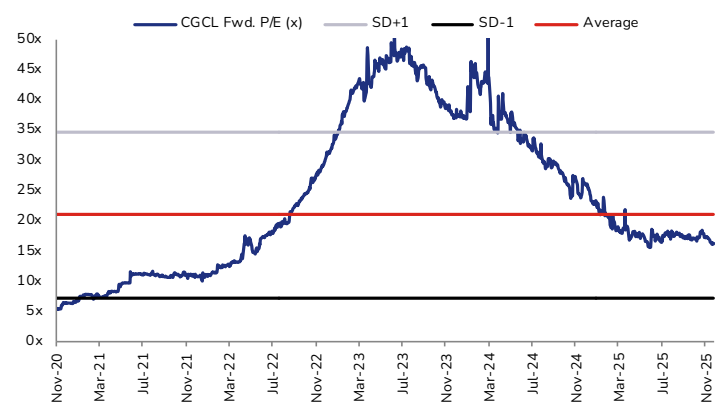
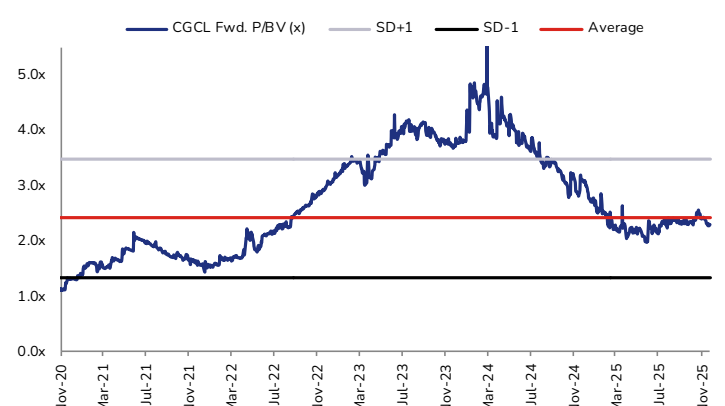
Source: Bloomberg, Company, JM Financial; Note: CMP as of 28th Nov'25**Exhibit 22. We expect CGCL to deliver average RoA/RoE of ~3.6%/15.6% over FY26-27E**Source: Bloomberg, JM Financial; Note: CMP as of 28th Nov'25

Exhibit 23. Valuation comparison of peers

Name	MCap	EPS CAGR	AUM CAGR	P/B				P/E				RoA (%)				RoE (%)			
	(USD mn)	FY25-27E	FY25-27E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
MSME/Other lenders																			
Capri Global	2,026	50%	35%	3.6	2.5	2.2	1.8	32.4	21.1	14.5	10.9	2.7%	3.5%	3.7%	3.8%	11.8%	15.0%	16.1%	18.1%
SBFC	1,329	26%	26%	3.7	3.2	2.8	2.4	34.1	26.9	21.4	16.9	4.4%	4.6%	4.6%	4.8%	11.6%	13.2%	14.2%	15.8%
Fedfina	614	41%	19%	2.1	1.9	1.6	1.4	24.3	16.5	12.2	10.2	1.8%	2.3%	2.5%	2.4%	9.4%	12.2%	14.5%	14.9%

Source: Bloomberg, Company, JM Financial, *Note: CMP taken are as of 28th Nov'25

Exhibit 24. CGCL's is trading below its long term average (LTA) at 16xSource: Bloomberg, Company, JM Financial, Last price as on 1st Dec 2025**Exhibit 25. ...while on 12M fwd P/B it's trading at par with its LTA**Source: Bloomberg, Company, JM Financial, LTA means long term average, Last price as on 1st Dec 2025

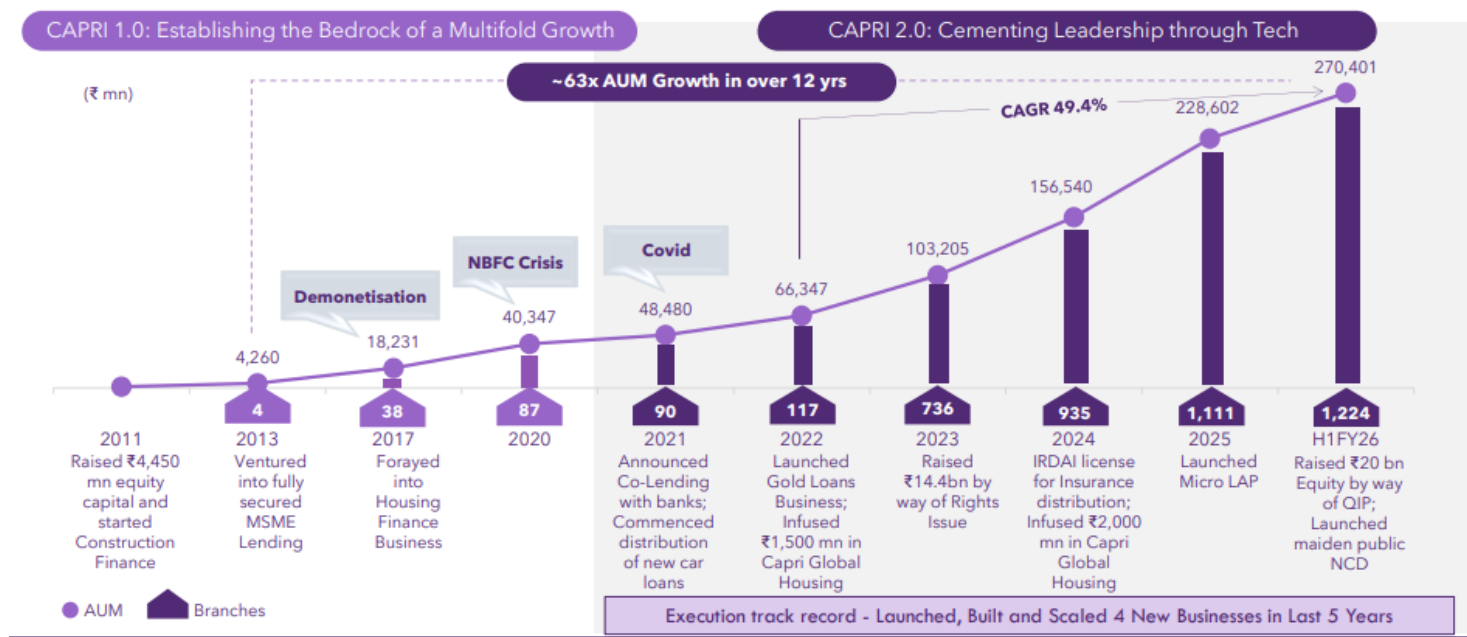
Company Overview

CGCL is a technology-enabled, systemically important, non-deposit taking NBFC with a nationwide footprint comprising 842 gold loan branches and 382 non-gold branches. The company primarily serves self-employed non-professionals and first-time borrowers who have limited access to formal credit channels. CGCL has undertaken a comprehensive digital transformation, enabling stronger operating efficiency and deeper penetration into underserved customer segments.

The company operates across five lending and distribution verticals: Gold Loans (38% of AUM), MSME Loans (21% of AUM), Housing Loans (22% of AUM), Construction Finance (18% of AUM), and Insurance Distribution.

In addition, CGCL is engaged in third-party new car loan origination. The housing finance business is housed under its wholly owned subsidiary Capri CGHFL, while car loan sourcing is undertaken through Capri Loans Cars Platforms Pvt Ltd. As of 2QFY26, CGCL reported total AUM of INR 270bn, serving a customer base of ~590mn.

Exhibit 26. Capri Global Capital - Evolution



Source: Company, JM Financial

Diversified retail lender focusing on high growth segments

CGCL mainly focuses on the gold finance segment, which contributes ~38% to its overall AUM of INR 270bn in 2QFY26, followed by MSME (21%), housing (22%) and construction finance (18%). The company has also ventured into the micro-LAP segment, which focuses on small ticket secured loans to self-employed customers. The management expects the gold, housing and CF segments to drive growth, with overall AUM estimated to grow at 30%+ CAGR over FY25-27. Recently, the company has also ventured into rooftop solar financing under MSME loans, in partnership with Credit Fair (a renewable energy fintech); however, the company stopped offering this product in 2QFY26. At the same time, it launched micro-LAP and prime MSME loans to promote growth in the MSME segment.

Exhibit 27. Products suite system

Segment	Description	Ticket Size	Tenor	Security	Average LTV
MSME	Business loans to MSMEs against residential or commercial or industrial property.	INR 0.2 - 20mn	Up to 15 years	First and exclusive charge on collateral property having a clean and marketable title	~53%
Housing	Loans extended towards purchasing residential units, construction and extension, home renovation, plot purchase and home equity loans	INR 0.2 - 15mn	Up to 25 years	First and exclusive charge / mortgage over property having a clear and marketable title	~52.7%
Gold loans	Loan against gold jewellery	INR 3k - 3mn	Up to 1 year	Hypothecation of gold ornaments (18 to 22 carat gold) with maximum 75% LTV	~71%
Construction Finance	Construction-linked loans to small and mid-sized real estate developers	INR 20 - 600mn	Less than 7 years	Exclusive lending with escrow mechanism, minimum 1.5x of loan outstanding	Asset cover: 1.5x of the amount of loan outstanding
Car loan distribution	Origination of new car loans for leading commercial banks for fee consideration	Presence: Pan-India, through 821 feet-on street locations	Fee: Net fee income of 1.1% on originated loans (FY24)	Exclusive lending with escrow mechanism, minimum 1.5x of loan outstanding	-

Source: Company, JM Financial

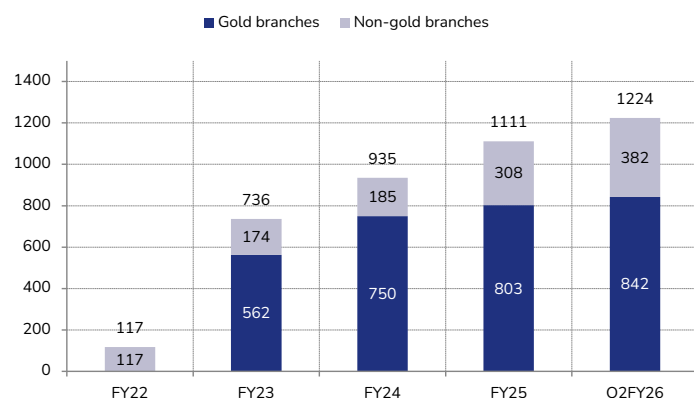
Aggressive gold loan branch expansion

CGCL entered the gold loan (GL) business in 2QFY23, launching 108 branches on day one as part of its scale-focused strategy. The franchise has since expanded meaningfully, with AUM per branch increasing to INR 124mn as of 2QFY26, up from INR 20mn in FY23, and the business is already profitable at the operating level.

As of 2QFY26, the GL portfolio stood at ~INR 104bn, accounting for ~38% of total AUM. CGCL targets customers with an average disbursement ticket size of ~INR 130k (as of FY25), with loans starting as low as INR 3k, and earns 18–20% yields on this portfolio. The company's branch network is concentrated largely across the North and West; it has limited exposure to the South, where the market is dominated by larger incumbents.

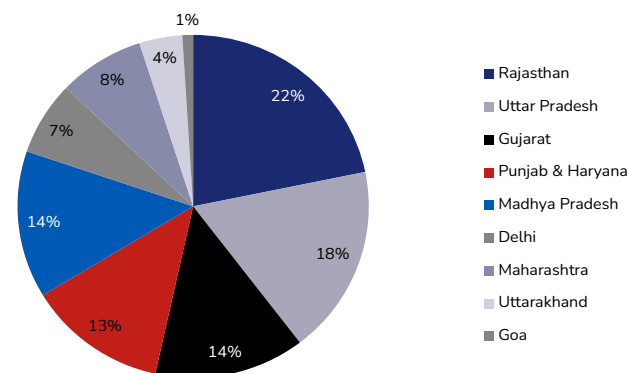
The management remains optimistic about the growth outlook for the GL segment and aims to expand the network to 1,500 GL branches by FY27, supporting the potential for 30%+ YoY growth.

Exhibit 28. Aggressive gold branch growth over last 3 years



Source: Company, JM Financial

Exhibit 29. Geographical mix focused away from south



Source: Company, JM Financial

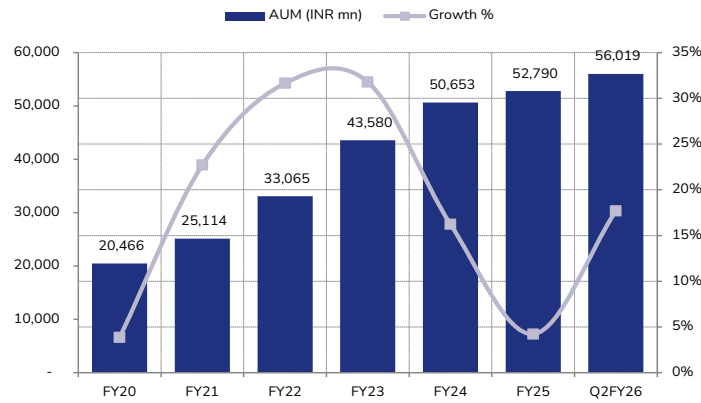
MSME loans - One of the key business segments

CGCL focuses on serving first-generation entrepreneurs, independent non-professionals, and underprivileged women borrowers operating in sectors such as small manufacturing, trading, retail, and services across tier II and tier III locations. Within MSME, the company has also created a dedicated sub-segment targeting EWS/LIG customers through its micro-LAP offering, providing small-ticket loans aimed at meeting immediate funding requirements.

The MSME portfolio accounts for 21% of the total loan book (including co-lending). The segment has grown at a 21% CAGR over FY20–25, with the company focusing on medium-ticket MSME loans averaging INR 2.1mn and maturities of up to 15 years. As of Sep'25, CGCL had 31.1k active MSME accounts, with an LTV of 55.4% (as of 2QFY26).

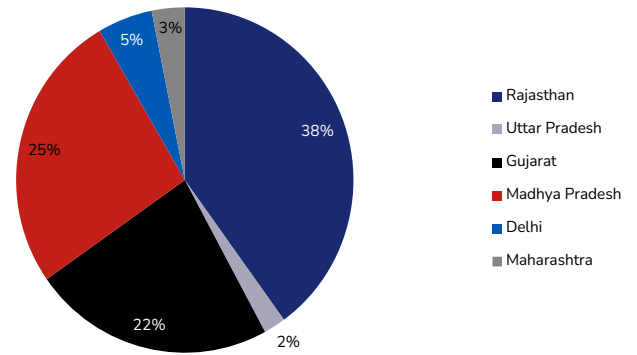
The recently introduced micro-LAP product, which will be reported under MSME, has gained traction, with AUM of ~INR 5.5bn as of Sep'25. The management expects this to scale to INR 10bn by Mar'26. In addition, the company has launched prime MSME loans, which are expected to further support portfolio growth in the coming periods.

Exhibit 30. AUM growth to bounce back in 2H



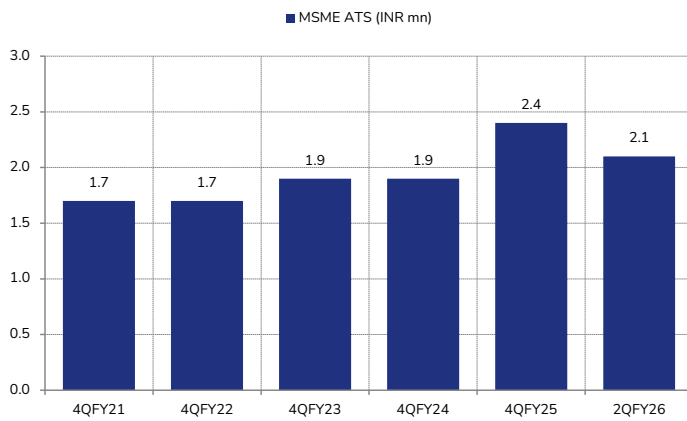
Source: Company, JM Financial

Exhibit 31. Greater presence in Rajasthan and Madhya Pradesh



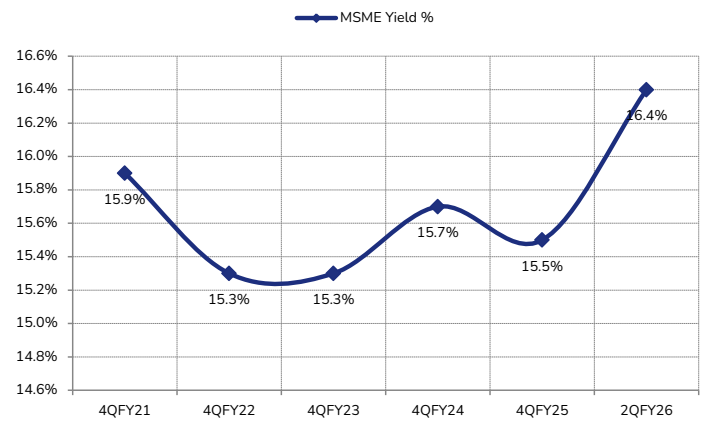
Source: Company, JM Financial

Exhibit 32. ATS decline led by microLAP; prime MSME to increase ATS



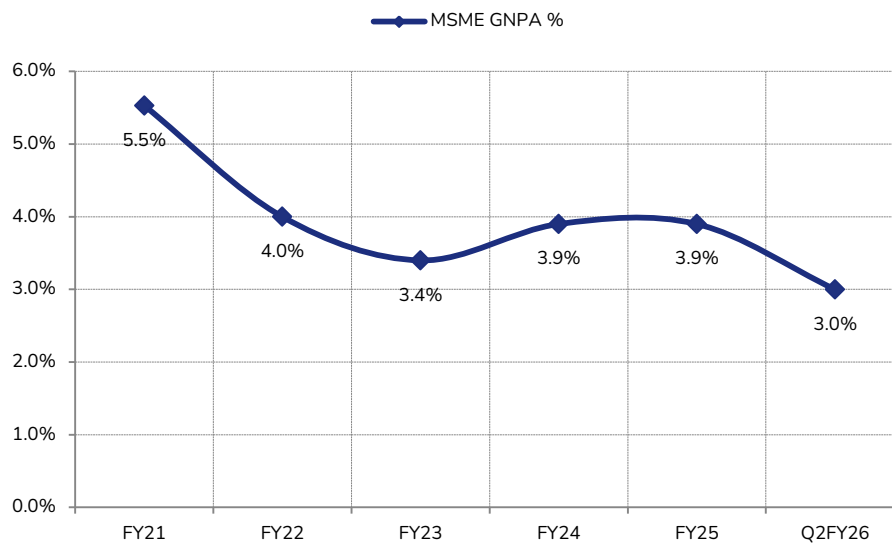
Source: Company, JM Financial

Exhibit 33. Micro-LAP contributing to higher yields



Source: Company, JM Financial

Exhibit 34. GNPA's improving gradually



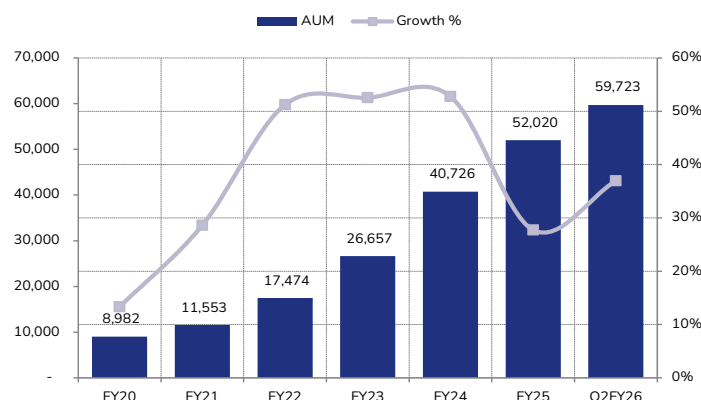
Source: Company, JM Financial

Housing Finance – mainly affordable segment

Housing finance is CGCL's second-largest portfolio segment, accounting for 22% of AUM, following gold and MSME. The company entered the housing finance space in 2017 through its wholly owned subsidiary, Capri Global Housing Finance Limited (CGHFL). The housing portfolio has delivered a strong 42% CAGR over FY20–25. Lending is primarily directed towards (i) purchase of residential properties, (ii) construction, extension and renovation, (iii) purchase of land, and (iv) home equity loans, with a strategic focus on tier II and III cities—markets that remain comparatively underpenetrated. The segment reported an average ticket size of INR 2.1mn for incremental disbursements in 2QFY26, while maintaining a prudent average LTV of ~56%.

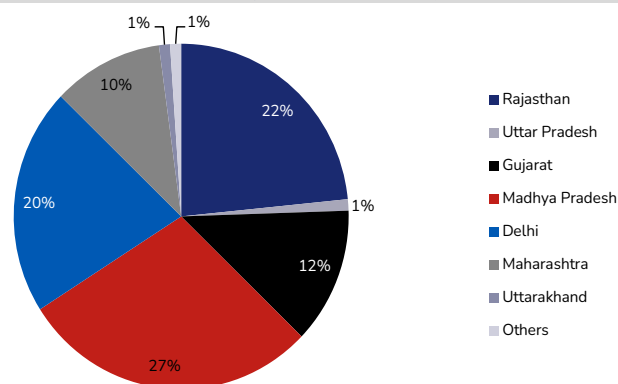
The management attributes the growth opportunity to low mortgage penetration, increasing urbanisation and rising housing demand, all of which continue to support sector expansion. It remains confident of sustaining ~40% growth in the affordable housing business over the near term, supported by ongoing technology initiatives, improved turnaround times, deeper market penetration and branch network expansion.

Exhibit 35. AUM growth to bounce back in 2H



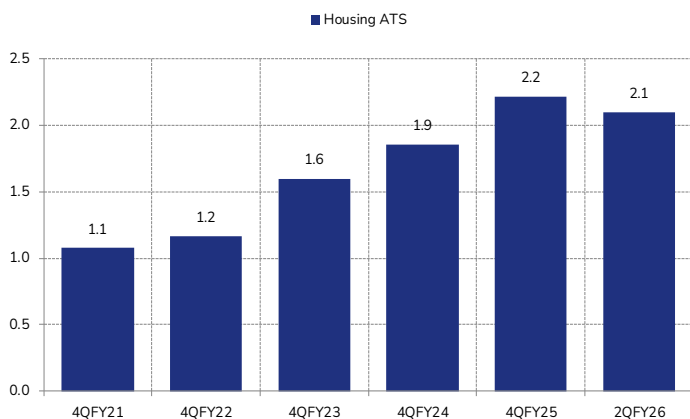
Source: Company, JM Financial

Exhibit 36. Greater presence in Rajasthan and Madhya Pradesh



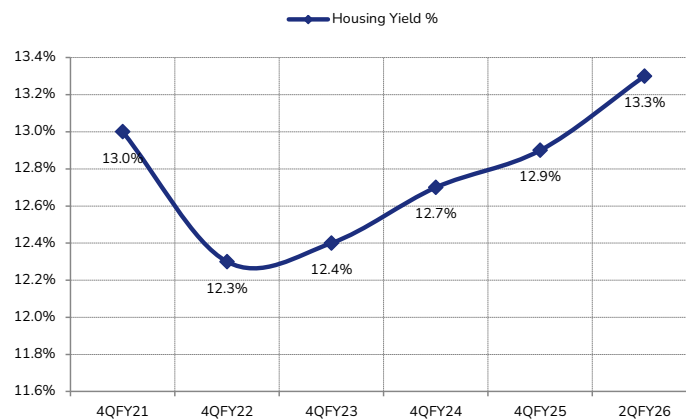
Source: Company, JM Financial

Exhibit 37. ATS decline led by affordable housing segment



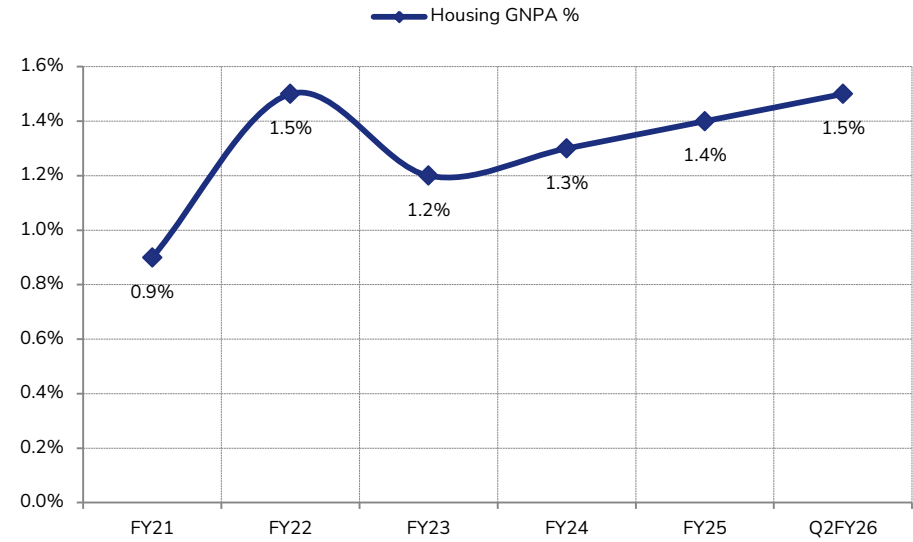
Source: Company, JM Financial

Exhibit 38. Affordable segment contributing to higher yields



Source: Company, JM Financial

Exhibit 39. GNPA's to improve in 2HFY26



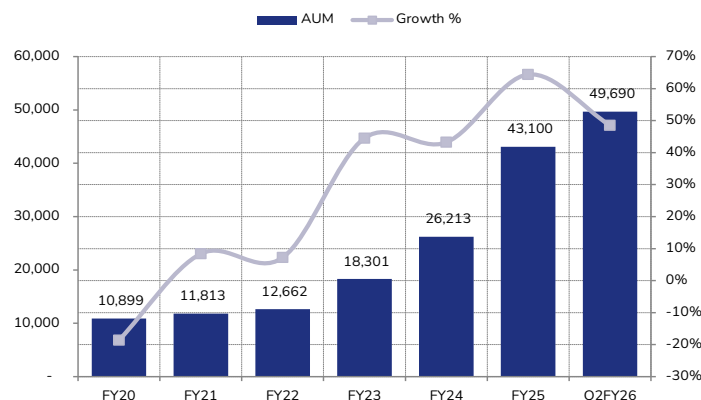
Source: Company, JM Financial

Construction finance (CF): One of the high-yielding products

CGCL extends construction-linked financing to small and mid-sized real estate developers, primarily operating in tier II and III cities. This is a niche segment where the company has built strong domain expertise, having offered CF loans since the commencement of its lending operations in FY11. As of Sep'25, the CF portfolio stood at INR 49.7bn, representing ~18% of total AUM, with an average sanction ticket size of INR 521mn and an average outstanding ticket size of INR 173mn. The management intends to maintain the CF book at below 20% of AUM.

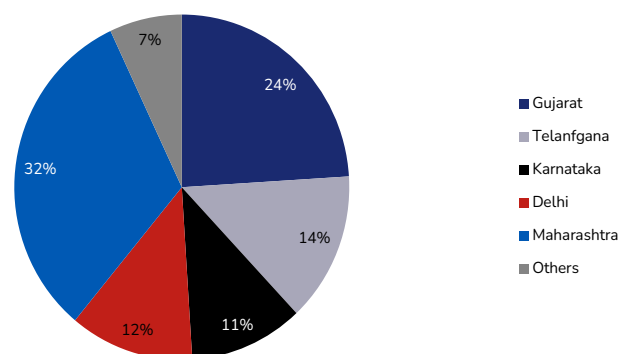
Nearly half of the portfolio (by value) is concentrated in Ahmedabad and Mumbai, with the remainder spread across key markets such as Bengaluru, Hyderabad, Delhi NCR, Pune and Gandhinagar. The CF segment remains one of CGCL's highest-yielding and lowest-opex businesses, generating an average yield of ~17% (~170–460bps above other product categories). Asset quality remains robust, with net NPAs near zero (0.2% as of Sep'25).

Exhibit 40. Strong AUM growth traction over past 3 years



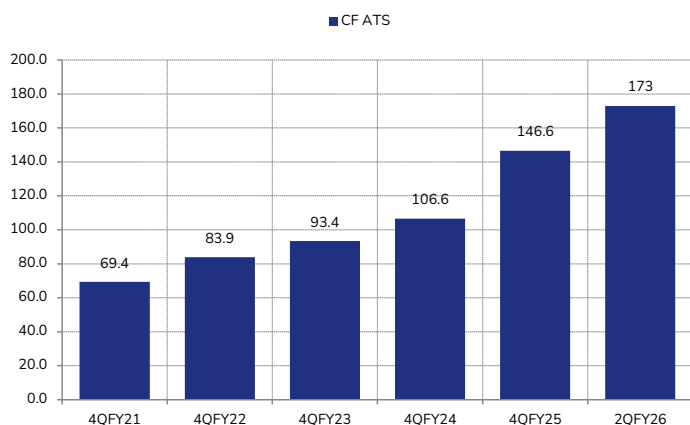
Source: Company, JM Financial

Exhibit 41. Greater presence in Gujarat and Maharashtra



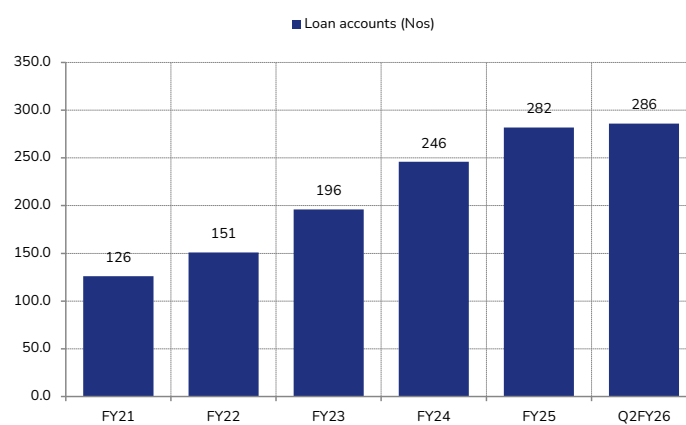
Source: Company, JM Financial

Exhibit 42. ATS has increased over past 3 years led by inflation

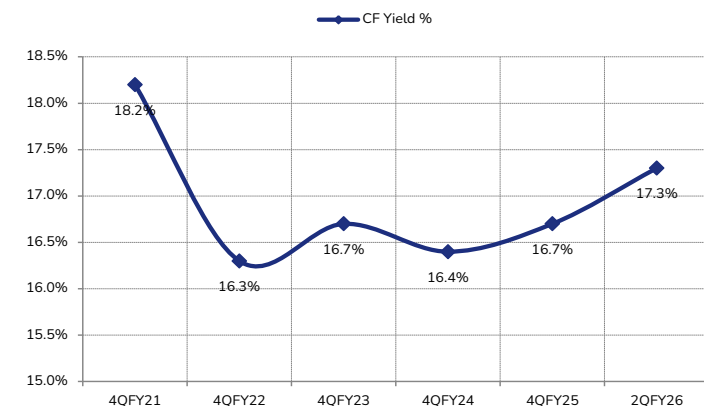


Source: Company, JM Financial

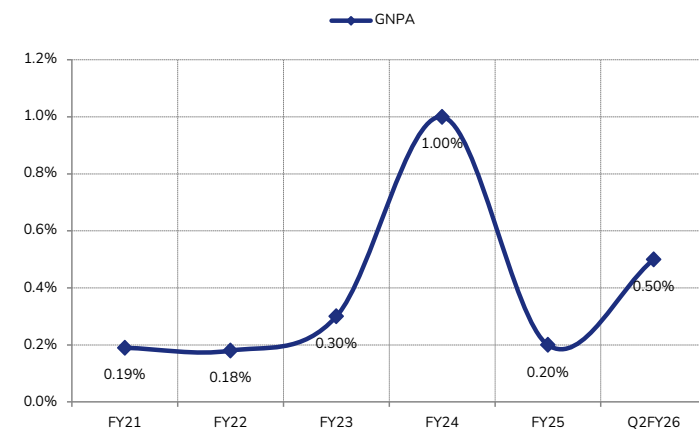
Exhibit 43. No. of loan accounts has been growing gradually with better risk calibration



Source: Company, JM Financial

Exhibit 44. One of the highest-yielding products of CGCL

Source: Company, JM Financial

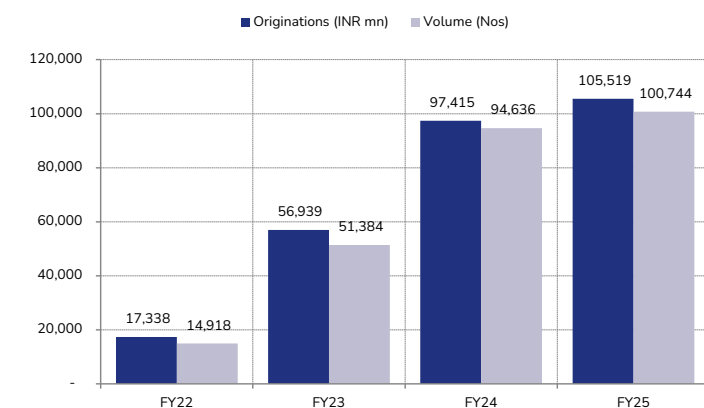
Exhibit 45. GNPA's have remained range-bound led by steady recoveries

Source: Company, JM Financial

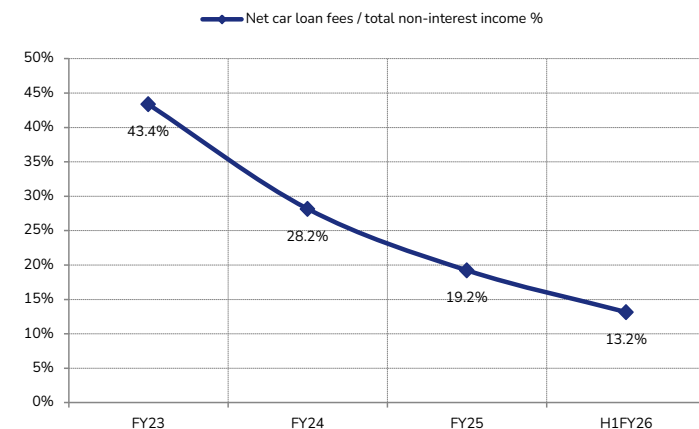
Car loan distribution: Volumes to expand at 15% YoY

CGCL entered the car loan distribution business in Jan'21 and currently partners with 10 major commercial banks (SBI, HDFC Bank, BOI, ICICI Bank, BOB, IOB, BoM, Indian Bank, Union Bank and Punjab & Sind Bank) along with three NBFCs (HDB, MMFS and Tata Capital) to distribute new car loan products. It leverages its Capri Car Loans Leads App for sourcing, enabling fully paperless on-boarding and seamless capture of customer and loan details.

Supported by its nationwide network of 821 locations and on-ground sourcing teams, CGCL generated a loan origination volume of 24,591 in 2QFY26. The management targets ~15% YoY growth in volume by deepening the company's presence in southern markets, particularly tier III and IV towns, while enhancing customer acquisition through digital marketing initiatives.

Exhibit 46. Healthy origination/volume in car loan distribution business

Source: Company, JM Financial

Exhibit 47. Strong contribution from net car loan fees in other income

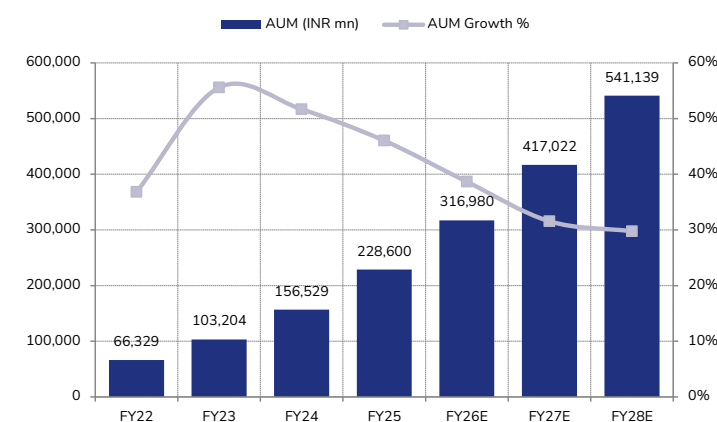
Source: Company, JM Financial

Strong growth aided by gold price surge and SME demand

CGCL has delivered a growth of 41% CAGR over FY20-25; post Covid, its AUM has grown at a robust CAGR of 51% over FY22-25, mainly supported by the gold business started in Aug'22. Meanwhile, CAGR for other segments over FY20-25 stood at MSME (19% CAGR), construction finance (32% CAGR) and housing (42% CAGR).

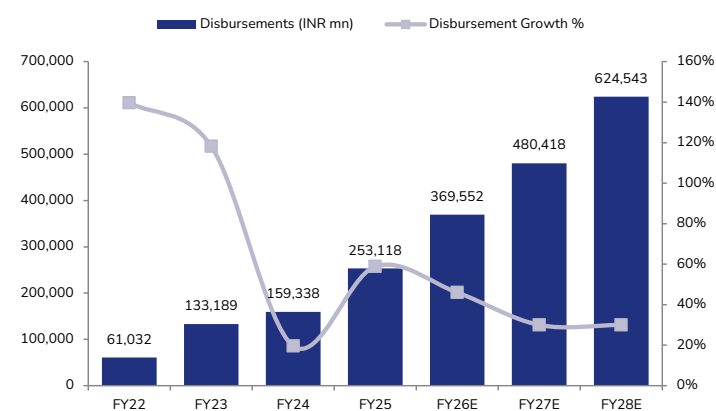
Since a majority of CGCL's branches have been opened in the last 3 years, especially gold branches, seasoning of those new branches should lead to an increase in productivity over the medium term. With strong digital infrastructure and an established brand presence, we expect CGCL to deliver AUM growth of 35% CAGR over FY25-27E, led by 38% disbursement growth.

Exhibit 48. AUM to grow at ~35% CAGR over FY25-27E



Source: Company, JM Financial

Exhibit 49. Disbursements to grow at ~38% CAGR over FY25-FY27E



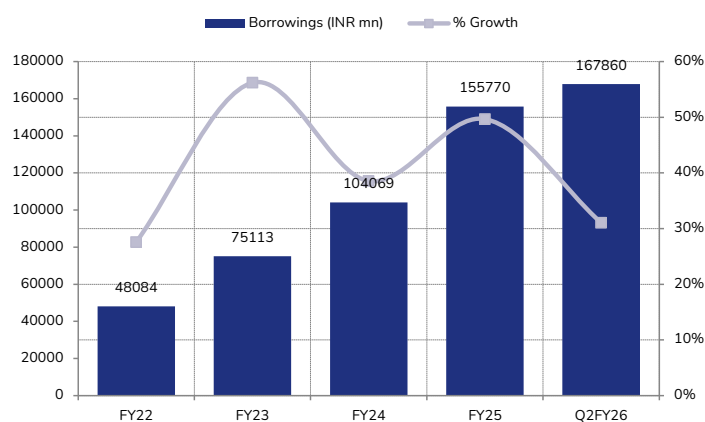
Source: Company, JM Financial

Borrowing skewed towards bank borrowings; focus on high yield segment to keep NIMs healthy

CGCL's borrowing mix is predominantly bank-led, with banks accounting for ~79% of total borrowings, followed by SIDBI/NABARD at ~11%, market borrowings at ~6% and NHB at ~5%. The company maintains zero exposure to short-term money market instruments. Market borrowings—comprising NCDs/CPs—have risen appreciably over the past 4 quarters, increasing from 1.6% in 2QFY25 to 5.7% in 2QFY26. Over FY21–FY25, CGCL's average cost of borrowings was ~8.6%. The management targets maintaining spreads near ~7% (6.9% in 2QFY26), supported by continued benefits from cost of funds.

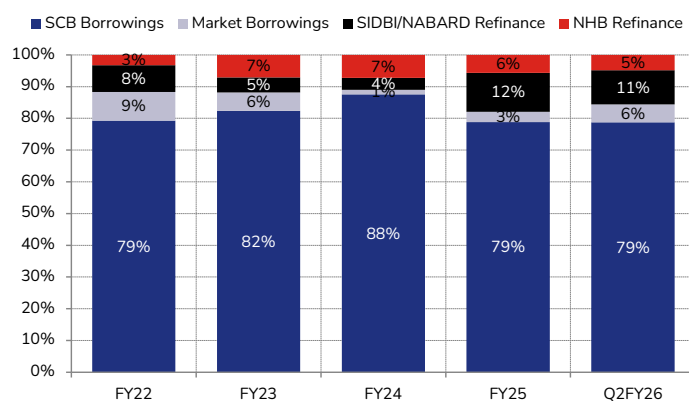
The gold loan business, launched in 2QFY23, remains the highest-yielding segment with yields of ~19%, compared to MSME (~16%), CF (~17%) and housing finance (12–13%). The gold loan segment's share of overall AUM has expanded sharply, reaching 38% in 2QFY26 vs. 22% in 4QFY24 and 11% in 4QFY23. The management expects NIMs to remain robust, aided by both lower funding costs and rising contribution from high-yield products.

Exhibit 50. Borrowings growth to moderate on recent QIP infusion



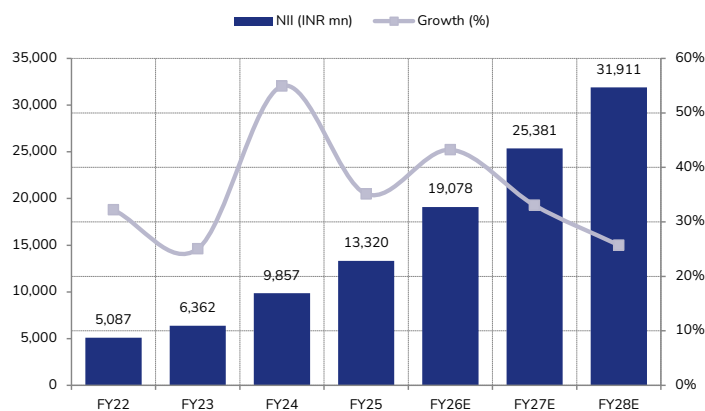
Source: Company, JM Financial

Exhibit 51. Market borrowings (NCDs/CPs) gaining traction again



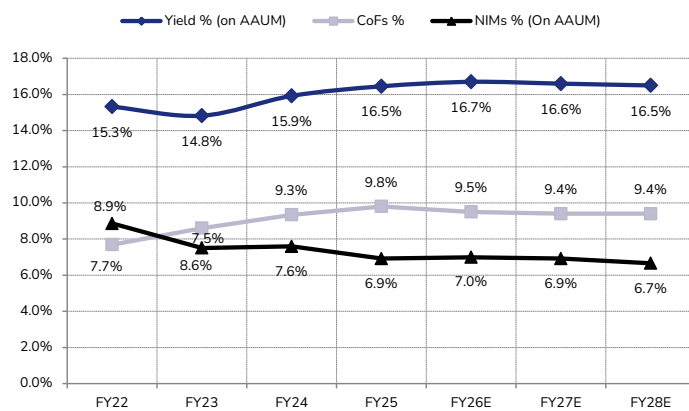
Source: Company, JM Financial

Exhibit 52. NII to grow 38% over FY25-27E



Source: Company, JM Financial

Exhibit 53. Margins to be range-bound



Source: Company, JM Financial

Tech enabled processes to drive operating efficiency

Technology remains a core strategic priority for CGCL, reflected in its strong digital capabilities. Over the past few years, the company has rolled out several tech and data science initiatives, including a sales app for customer onboarding, an in-house LOS, a customer app, a digital collections module, and Oracle's FLEXCUBE LMS. These investments have enhanced operational efficiency and improved customer experience. The customer app provides access to documents, self-service repayment options, and instant top-up loans (within 60 seconds), based on eligibility.

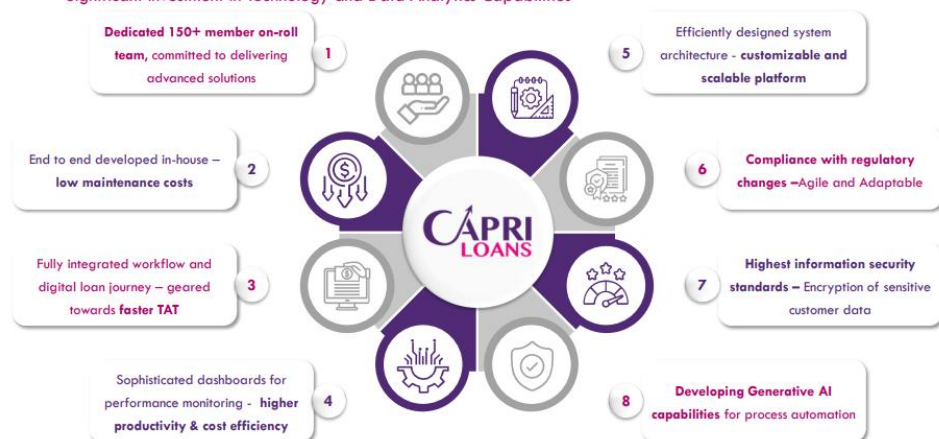
Having executed aggressive branch expansion over the last 2 years, CGCL is now directing efforts toward improving productivity and process efficiency. Key focus areas include: (a) optimising costs by lowering processing expenses per file, (b) risk-based pricing through data-driven underwriting, (c) strengthening portfolio quality via scorecards and digital collateral assessment, (d) leveraging dashboards and real-time monitoring for early delinquency detection, and (e) enhancing employee productivity.

In 2QFY26, the company further expanded its AI capabilities through initiatives such as AI-driven Data Genie, capriglobal.ai with its AI-Dost customer chatbot, HireRight AI for RM hiring optimisation, and AI-enabled call centres with in-house voice-to-text systems to improve cost efficiency.

We believe that though 90% of the branches have already matured with each branch contributing more than INR 500mn to AUM (which is the breakeven level), further seasoning will aid operating leverage going forward. In addition, CGCL has built an in-house technology team of over 150 professionals and invested ~INR 3bn in tech and data science over the past 3 years, contributing to elevated C/I ratios. With front-ended investments in both branch expansion and technology largely complete, the management expects the C/I ratio to improve to ~40–43% (from 49% reported in 2QFY26),

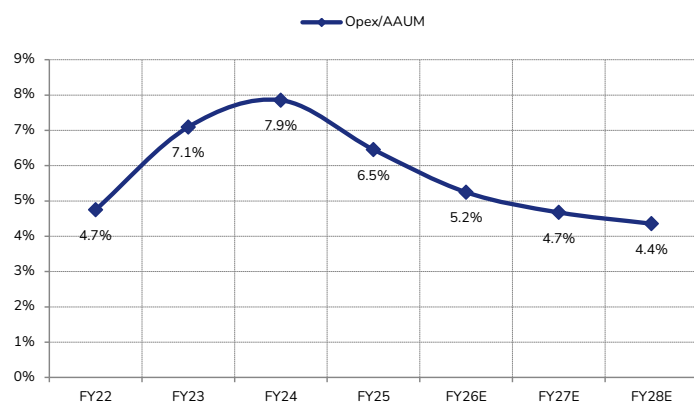
Exhibit 54. In-house developed advanced technology platform

Significant Investment in Technology and Data Analytics Capabilities



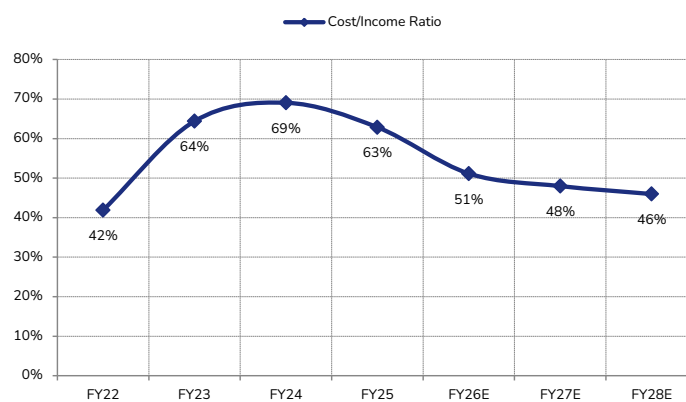
Source: Company, JM Financial

Exhibit 55. Opex/loans to continue improving with productivity and tech



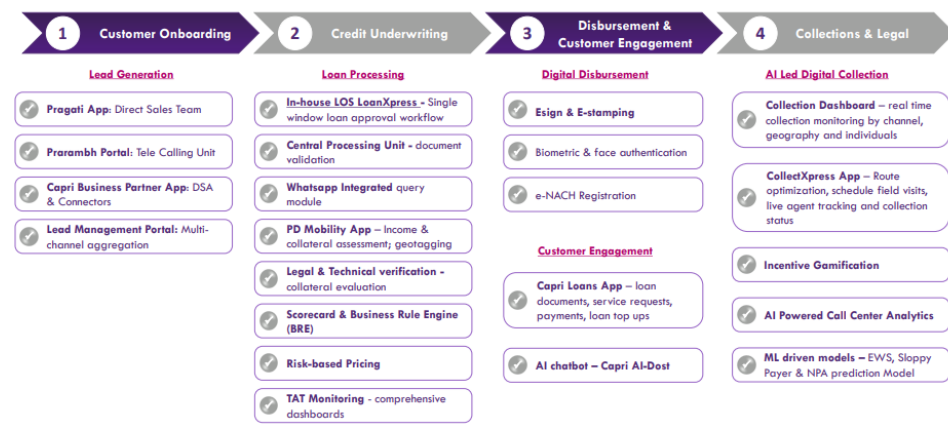
Source: Company, JM Financial

Exhibit 56. C/I ratios to improve as branches mature



Source: Company, JM Financial

Exhibit 57. End-to-end digital journey of MSME and housing loans



Source: Company, JM Financial

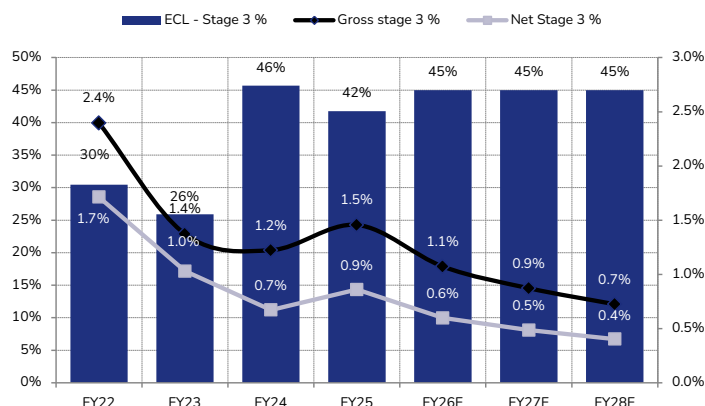
Controlled asset quality

CGCL follows an in-house income assessment framework to evaluate customers' repayment capacity, supported by a structure in which the sales team assumes responsibility for collections after the first year. This integrated approach reinforces collection discipline and helps contain delinquencies. On the wholesale side, the company operates in construction finance and indirect lending (to NBFCs and fintechs), segments that inherently carry higher risk. Nonetheless, CGCL has maintained stable asset quality, with stage-3 assets averaging 1.4% over FY23–FY25.

While the company witnessed a temporary uptick in GNPA during 1QFY26 (primarily within the MSME and CF portfolios), swift and targeted collection actions enabled a rapid improvement, bringing metrics back to levels better than before, underscoring the portfolio's resilience. The management expects to keep overall GNPA below 1.5% on a sustained basis.

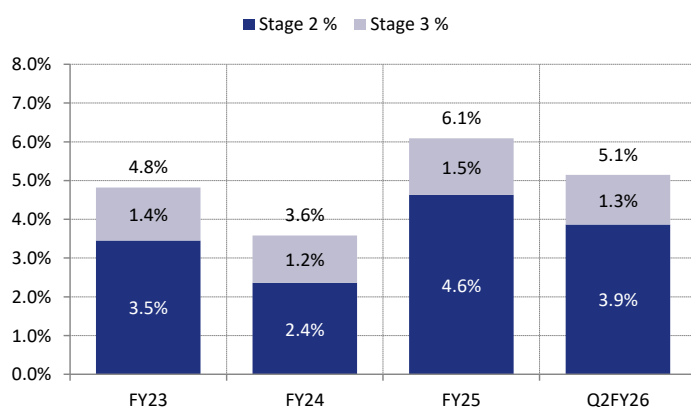
Robust underwriting standards, in-house operational controls, and data analytics-driven collection systems, coupled with a secured lending portfolio, continue to support CGCL's industry-leading asset quality performance.

Exhibit 58. Stage 3 assets have been declining gradually



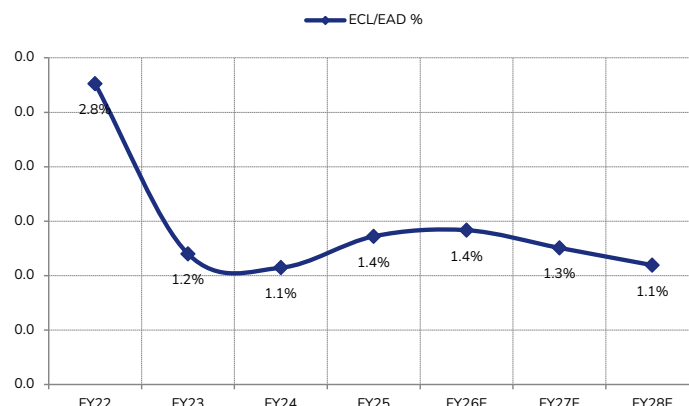
Source: Company, JM Financial

Exhibit 60. Stressed (stage 2+3) pool has moved up marginally due to MSME stress



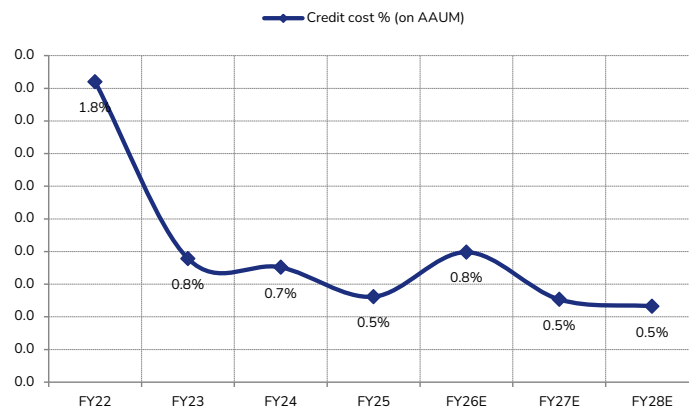
Source: Company, JM Financial

Exhibit 59. Healthy ECL cover with 38% GL book



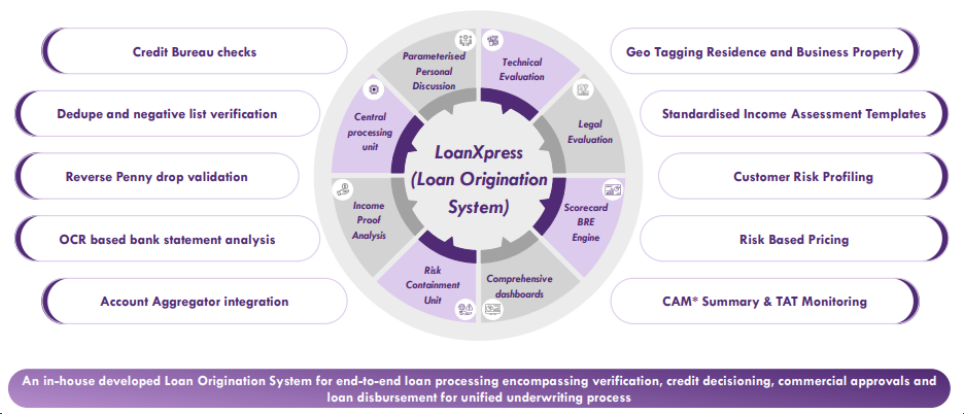
Source: Company, JM Financial

Exhibit 61. Credit cost (% of AUM) to decline over the medium term



Source: Company, JM Financial

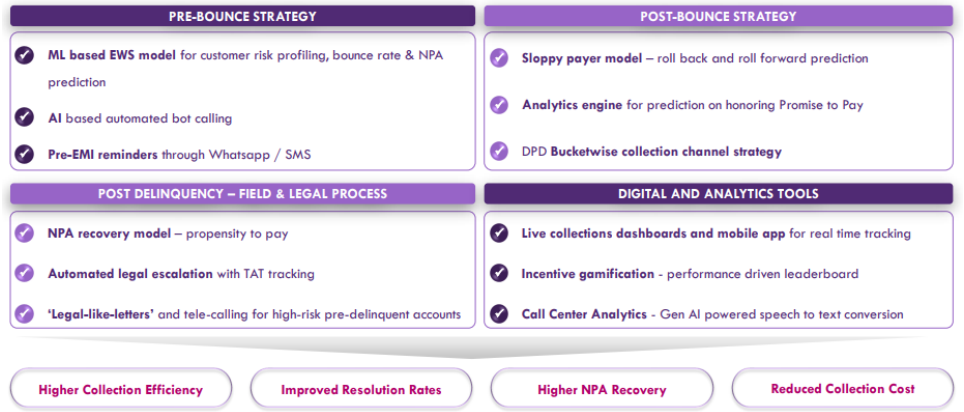
Exhibit 62. Comprehensive credit assessment and underwriting



Source: Company, JM Financial

Exhibit 63. Disciplined and data analytics-driven approach to collections

Customised channel wise collection strategy basis past customer behavior



Source: Company, JM Financial

Peer Comparison

Exhibit 64. Peer comparable – During FY22-25, CGCL delivered superior RoE compared to SBFC and also delivered higher AUM growth

CAGR/ YoY	Capri Global Capital			Fedbank Financial Services			SBFC Finance		
	2QFY26	FY25	FY22-25	2QFY26	FY25	FY22-25	2QFY26	FY25	FY22-25
Disbursements	63.8%	58.9%	60.7%	36.6%	38.3%	36.0%	21.3%	6.5%	22.7%
AUM	40.3%	46.0%	51.0%	13.5%	29.7%	36.7%	28.8%	28.2%	39.9%
PAT	143.3%	71.3%	42.8%	24.2%	-8.0%	29.6%	29.9%	45.6%	75.2%
Ratios (%)									
Yield on AUM (%)	16.5%	16.5%	15.6%	12.8%	13.5%	14.1%	18.2%	17.9%	18.1%
Cost of funds (%)	9.6%	9.8%	8.9%	8.4%	9.2%	8.3%	8.7%	9.1%	8.6%
NIM on AUM (%)	7.4%	6.9%	7.7%	7.4%	7.6%	8.1%	10.4%	10.0%	9.2%
Credit cost (%)	0.5%	0.5%	1.0%	0.8%	1.5%	1.1%	1.3%	0.9%	1.0%
ECL/EAD (%)	1.5%	1.4%	1.6%	2.0%	2.3%	1.7%	1.8%	1.8%	1.9%
Du Pont (%)									
NII	8.0%	7.4%	7.3%	8.8%	8.8%	8.2%	10.6%	9.9%	8.0%
Total income	12.0%	11.0%	10.5%	9.7%	10.1%	9.5%	11.9%	11.3%	9.5%
Opex	6.2%	6.9%	6.3%	5.5%	5.8%	5.5%	4.4%	4.5%	4.5%
PPOP	5.8%	4.1%	4.2%	4.2%	4.3%	4.0%	7.5%	6.8%	5.0%
Provision	0.5%	0.6%	0.9%	0.9%	1.8%	1.1%	1.3%	0.9%	0.9%
RoA (%)	4.0%	2.7%	2.5%	2.4%	1.8%	2.1%	4.6%	4.4%	3.1%
RoE (%)	14.4%	11.8%	9.5%	12.0%	9.4%	11.9%	13.0%	11.6%	9.3%
Valuation-FY27									
P/E (x)			14.5			12.2			21.4
P/B (x)			2.2			1.6			2.8

Source: Bloomberg, Company, JM Financial; Note: CMP as of 28th Nov'25

Keys risks

- **Growth headwinds from strict gold loan norms:** CGCL could face near-term growth headwinds from the RBI's proposed harmonisation of gold loan norms. Stricter LTV maintenance throughout the loan tenure (including accrued interest), mandatory end-use monitoring, prohibition on top-ups for NPA accounts, and tighter appraisal norms could slow disbursements and impact asset quality management. Moreover, restrictions on bullet repayment loans and enhanced provisioning requirements on LTV breaches may compress margins and increase operational intensity.
- **Economic slowdown:** A broad-based slowdown in India may hamper AUM and earnings growth.
- **Asset quality deterioration:** Failure to maintain asset quality, especially in the SME segment, could raise credit costs.
- **Gold price volatility:** With increasing gold loan exposure, sharp price corrections may drive up NPAs and reduce disbursement potential.

Experienced and stable senior leadership team

CGCL is led by its MD, founder, and promoter, Mr Rajesh Sharma, who brings over 25 years of experience across corporate finance, investment banking, merchant banking, and asset financing. Board oversight remains strong, with a majority of independent directors possessing deep expertise in financial services, data science, and public administration. The senior management team also has substantial lending experience, with most leaders associated with the company for over 5 years, reinforcing stability and strategic continuity.

Over the past few years, CGCL has strengthened its leadership bench by onboarding senior professionals across key new verticals—including the gold business, car loan origination, and technology & data science—which further enhances the company's execution capability.

Exhibit 65. TCL- Key management personnel

Name	Designation	Description
Monu Ratra	Chief Executive Officer	Mr. Monu Ratra is a seasoned financial services leader with over 20 years of experience. Before joining Capri Global, he served as Executive Director & CEO of IIFL Home Finance and held senior roles at Indiabulls, ICICI Bank, and HDFC Ltd. He has driven key initiatives across retail lending and mortgage operations, focusing on scaling businesses, strengthening processes, and advancing digital transformation. A strong advocate of technology-led efficiency, he has implemented digital solutions across credit, legal, technical, and collections functions, helping achieve one of the industry's lowest cost-to-income ratios. His work has supported national housing goals under PMAY and promoted sustainable lending practices. His leadership and deep expertise in the lending ecosystem will play a pivotal role in strengthening Capri Global's presence and driving sustainable growth.
Divya Sutar	Director – Business Strategy	Ms Divya is a Harvard Business School Alumni and has completed the General Management Program, besides she holds a degree of Bachelor in Engineering from Mumbai University and has completed her Master's degree from University of San Francisco. She has More than 23 years of experience in financial service industry. She joined Capri in 2012 and under her able leadership during last 11 years, the organization has added multiple new lines of retail business such as MSME Loans, & Gold Loans. These business units over the years have acted as key pillars of growth in the organization's success. Her belief in strengthening the overall processes by bringing in org-wide Digital Transformation has helped the organisation in achieving the desired scale and profitability, thereby improving the presence & visibility in the marketplace. Prior to joining Capri Global, she was associated with CSC Global (Formerly known as Viteos Capital Market Services) and XL Dynamics.
Kishore Lodha	Chief Financial Officer	Kishore brings over 23 years of experience in banking and financial services. A Chartered Accountant, he has held senior leadership roles at U GRO Capital, Hinduja Leyland Finance, SREI Infrastructure Finance, and Future Group. He has raised more than INR 500bn in long-term and INR 130bn in short-term debt through QIPs, Rights Issues, Preference Allotments, NCDs, and securitisation. Kishore has led finance teams across large NBFCs and retail institutions, overseeing multi-geography operations and diverse portfolios. His experience spans DRHP filings, IPO preparedness, corporate restructuring, business valuations, and audit readiness. He began his career at Future Group, spending over a decade managing finance for its retail operations and contributing significantly to its rapid expansion. At Capri Global, he leads financial strategy, strengthen governance, and support sustainable growth, leveraging his strong expertise in regulatory frameworks and structured finance to enhance capital efficiency and diversify funding.
Sanjeev Srivastava	Chief Risk Officer	Sanjeev has more than two decades of experience in the financial service industry. Throughout his career, he has implemented multiple strategic plans to mitigate company risks and established enterprise risk management practices across organizations. Prior to joining Capri Loans, Sanjeev held several leadership positions across Banking & Financial Services. In his most recent role, Sanjeev was the Chief Risk Officer at IIFL Finance Limited. He has also held various leadership positions in credit and risk management at organizations such as Karvy Financial Services Ltd., GE Money, ICICI Bank, and Reliance Group.
Abhishek Yadav	Chief Compliance Officer	Abhishek has over 19 years of work experience in the financial institutions and banking sector. He brings a wealth of knowledge and expertise in developing and implementing regulatory risk frameworks and managing regulatory relationships to ensure compliance across various businesses. Prior to joining Capri Global, he served as the Head of Compliance for India at Australia and New Zealand Banking Group Ltd. His previous roles include senior positions at Kotak Bank, L&T Financial Services, YES Bank, Axis Bank, and Ernst & Young.
Tarun Aggarwal	Group Chief Technology Officer	Tarun is a seasoned technology leader with nearly 20 years of experience in Generative AI, Big Data, Cloud Computing, DevOps, and Platform Engineering. Before joining Capri Loans, he served as Senior Vice President of Engineering at Paytm, where he led Platform Engineering, drove key OpenAI initiatives, enhanced the App/Web experience, and built high-availability systems like Hawkeye with 99.99% uptime. He has previously worked with Adobe, Quad Analytix (Wiser), Expedia India, and Guavus Networks, delivering solutions such as Aadhaar integration with Adobe Sign and a multi-cloud disaster recovery framework. At Capri Loans, Tarun will lead technology innovation, improve digital infrastructure, and strengthen scalable, customer-centric platforms to support the company's growth.

Source: Company, JM Financial

Financial Tables (Consolidated)

Income Statement		(INR mn)				
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	
Net Interest Income (NII)	9,857	13,320	19,078	25,381	31,911	
Non Interest Income	4,914	6,453	8,907	10,383	13,497	
Total Income	14,771	19,772	27,985	35,764	45,408	
Operating Expenses	10,201	12,431	14,315	17,159	20,872	
Pre-provisioning Profits	4,570	7,341	13,670	18,604	24,536	
Loan-Loss Provisions	914	1,008	2,172	1,860	2,228	
Others Provisions	0	0	0	0	0	
Total Provisions	914	1,008	2,172	1,860	2,228	
PBT	3,656	6,333	11,498	16,745	22,308	
Tax	862	1,548	2,875	4,186	5,577	
PAT (Pre-Extra ordinaries)	2,794	4,785	8,624	12,559	16,731	
Reported Profits	2,794	4,785	8,624	12,559	16,731	
Dividend	0	0	0	0	0	
Retained Profits	2,794	4,785	8,624	12,559	16,731	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	
Equity Capital	825	825	968	968	968	
Reserves & Surplus	37,541	42,216	70,697	83,255	99,986	
Borrowed Funds	1,04,069	1,55,768	2,09,207	2,87,745	3,78,797	
Preference Shares	9,067	9,504	10,454	11,500	12,650	
Total Liabilities	1,51,502	2,08,313	2,91,326	3,83,468	4,92,402	
Net Advances	1,34,212	1,82,515	2,57,705	3,36,954	4,30,205	
Investments	2,162	1,604	2,225	2,927	3,798	
Cash & Bank Balances	6,746	15,312	25,358	37,532	54,114	
Fixed Assets	3,401	3,009	3,160	3,318	3,484	
Total Assets	1,51,502	2,08,313	2,91,326	3,83,468	4,92,402	

Source: Company, JM Financial

Key Ratios		FY24A	FY25A	FY26E	FY27E	FY28E
Growth (YoY) (%)						
Borrowed funds		38.6%	49.7%	34.3%	37.5%	31.6%
Advances		41.6%	36.0%	41.2%	30.8%	27.7%
Total Assets		28.4%	37.5%	39.9%	31.6%	28.4%
NII		54.9%	35.1%	43.2%	33.0%	25.7%
Non-interest Income		65.1%	31.3%	38.0%	16.6%	30.0%
Operating Expenses		69.6%	21.9%	15.2%	19.9%	21.6%
Operating Profits		37.5%	60.6%	86.2%	36.1%	31.9%
Core Operating profit		0.0%	0.0%	0.0%	0.0%	0.0%
Provisions		42.4%	10.3%	115.4%	-14.4%	19.8%
Reported PAT		36.5%	71.3%	80.2%	45.6%	33.2%
Yields / Margins (%)						
Interest Spread		6.58%	6.65%	7.20%	7.20%	7.10%
NIM		7.59%	6.92%	6.99%	6.92%	6.66%
Profitability (%)						
ROA		2.07%	2.66%	3.45%	3.72%	3.82%
ROE		7.5%	11.8%	15.0%	16.1%	18.1%
Cost to Income		69.1%	62.9%	51.2%	48.0%	46.0%
Asset quality (%)						
Gross NPA		1.22%	1.46%	1.07%	0.87%	0.72%
LLP		0.70%	0.52%	0.80%	0.51%	0.47%
Capital Adequacy (%)						
Tier I		26.15%	22.43%	22.43%	22.43%	22.43%
CAR		26.63%	22.84%	22.84%	22.84%	22.84%

Source: Company, JM Financial

Dupont Analysis		FY24A	FY25A	FY26E	FY27E	FY28E
NII / Assets		7.32%	7.40%	7.64%	7.52%	7.29%
Other Income / Assets		3.65%	3.59%	3.57%	3.08%	3.08%
Total Income / Assets		10.96%	10.99%	11.20%	10.60%	10.37%
Cost / Assets		7.57%	6.91%	5.73%	5.09%	4.77%
PPP / Assets		3.39%	4.08%	5.47%	5.51%	5.60%
Provisions / Assets		0.68%	0.56%	0.87%	0.55%	0.51%
PBT / Assets		2.71%	3.52%	4.60%	4.96%	5.09%
Tax rate		0.0%	0.0%	0.0%	0.0%	0.0%
ROA		2.71%	3.52%	4.60%	4.96%	5.09%
Leverage		2.8	3.3	3.3	3.2	3.5
ROE		7.5%	11.8%	15.0%	16.1%	18.1%

Source: Company, JM Financial

Valuations		FY24A	FY25A	FY26E	FY27E	FY28E
Y/E March						
Shares in Issue		824.9	825.1	968.0	968.0	968.0
EPS (INR)		3.4	5.8	8.9	13.0	17.3
EPS (YoY) (%)		-31.8%	71.2%	53.6%	45.6%	33.2%
P/E (x)		55.5	32.4	21.1	14.5	10.9
BV (INR)		47	52	74	87	104
BV (YoY) (%)		-46.2%	12.2%	41.9%	17.5%	19.9%
P/BV (x)		4.04	3.60	2.54	2.16	1.80
DPS (INR)		0.0	0.0	0.0	0.0	0.0
Div. yield (%)		0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company, JM Financial

APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.

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Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return \geq 15% over the next twelve months.
ADD	Expected return \geq 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return \geq -10% and $<$ 5% over the next twelve months.
SELL	Expected return $<$ -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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