

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
CAPITAL INDIA FINANCE LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **CAPITAL INDIA FINANCE LIMITED** (the "Company"), for the quarter and nine months ended December 31, 2020 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Deloitte
Haskins & Sells LLP**

5. We draw attention to Note 6 to the financial results, in which the Company describes the uncertainties arising from COVID 19 pandemic.

Our conclusion on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Pallavi A. Gorakshakar
(Partner)
Membership No. 105035
UDIN: 21105035AAAAAZ5367

Place: Mumbai
Date: February 11, 2021

(Rs. In lakhs)

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2020

S.No.	Particulars	Quarter Ended			Nine months ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Refer Note 8	Refer Note 8	Refer Note 8	Unaudited	Unaudited	Audited
	Revenue from operation						
(i)	Interest income	2,341.27	2,353.90	2,465.12	6,955.89	7,683.92	10,277.24
(ii)	Fees and commission income	35.61	24.15	4.29	59.77	59.09	101.19
(iii)	Sale of foreign currency	10,606.74	56.56	-	10,663.30	-	-
(iv)	Net gain on fair value changes	26.64	22.37	37.32	51.38	114.30	140.98
(v)	Other operating income	0.58	-	-	0.58	18.00	-
(I)	Total revenue from operations	13,010.84	2,456.98	2,506.73	17,730.92	7,875.30	10,519.41
(II)	Other income	-	-	-	-	1.61	4.63
(III)	Total Income (I+II)	13,010.84	2,456.98	2,506.73	17,730.92	7,876.92	10,524.04
	Expenses						
(i)	Finance costs	475.79	448.78	281.74	1,242.17	947.89	1,294.35
(ii)	Purchases of Stock-in-trade	10,560.56	58.57	-	10,619.13	-	-
(iii)	Changes in inventories of Stock-in-trade	(9.85)	(2.33)	-	(12.18)	-	-
(iv)	Employee benefits expense	663.05	552.58	625.68	1,836.31	1,875.59	2,293.91
(v)	Depreciation & amortisation	237.80	230.13	195.05	689.38	580.08	772.22
(vi)	Impairment of financial assets (Refer Note 6)	18.42	(57.41)	149.50	70.56	377.49	1,338.98
(vii)	Other expenses	317.50	151.24	110.69	593.21	469.30	700.19
(IV)	Total Expenses	12,263.27	1,381.56	1,362.66	15,038.58	4,250.35	6,399.65
(V)	Profit before tax (III-IV)	747.57	1,075.42	1,144.07	2,692.34	3,626.57	4,124.39
(VI)	Tax Expenses						
(1)	Current tax	118.13	274.51	328.56	625.21	1,057.68	1,440.49
(2)	Deferred tax	68.04	1.27	(33.97)	55.58	(110.72)	(354.36)
(VII)	Profit for the period/ year (V-VI)	561.40	799.64	849.48	2,011.55	2,679.61	3,038.26
(VIII)	Other Comprehensive Income	-	-	-	-	-	7.08
(IX)	Total comprehensive income (VII+VIII)	561.40	799.64	849.48	2,011.55	2,679.61	3,045.34
(X)	Paid up Equity Share Capital (Face value of Rs 10/-)	7,773.43	7,773.43	7,773.43	7,773.43	7,773.43	7,773.43
(XI)	Reserves excluding Revaluation Reserve	-	-	-	-	-	46,184.35
(XII)	Earnings per share (not annualised):						
(a)	Basic (Rs.)	0.72	1.03	1.09	2.59	3.45	3.91
(b)	Diluted (Rs.)	0.71	1.02	1.08	2.55	3.40	3.86
(c)	Face value per equity share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00

Notes :-

- These Financial Results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India (RBI). The figures have been presented in accordance with the format prescribed for financial statements for a Non-Banking Financial Companies (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules 2015, in Division III of Notification No. GSR 1022 (E) dated October 11, 2018, issued by the Ministry of Corporate Affairs, Government of India.
- The results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 11, 2021.
- The auditors have carried out Limited Review of the financial results for the quarter and period ended December 31, 2020, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
- Segment information in accordance with the Ind AS 108 – Operating Segments of the Company is as under:

Sr. No.	Particulars	Quarter Ended			Nine months ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
1	Segment Revenue						
	Lending business	2,383.71	2,388.27	2,506.73	7,035.07	7,876.92	10,524.04
	Forex business	10,627.13	68.71	-	10,695.85	-	-
	Total Segment Revenue	13,010.84	2,456.98	2,506.73	17,730.92	7,876.92	10,524.04
2	Segment Results (Profit before Tax)						
	Lending business	938.21	1,250.57	1,144.07	3,234.56	3,626.57	4,124.39
	Forex business	(190.64)	(175.15)	-	(542.22)	-	-
	Total Segment Results	747.57	1,075.42	1,144.07	2,692.34	3,626.57	4,124.39
3	Segment Assets						
	Lending business	79,752.07	72,873.40	65,153.20	79,752.07	65,153.20	67,674.04
	Forex business	1,911.24	1,015.29	-	1,911.24	-	-
	Unallocated	825.62	791.69	-	825.62	-	-
	Total Segment Assets	82,488.93	74,680.38	65,153.20	82,488.93	65,153.20	67,674.04
4	Segment Liabilities						
	Lending business	26,028.87	18,661.16	11,450.87	26,028.87	11,450.87	13,716.26
	Forex business	465.95	454.69	-	465.95	-	-
	Unallocated	83.98	225.79	-	83.98	-	-
	Total Segment Liabilities	26,578.80	19,341.64	11,450.87	26,578.80	11,450.87	13,716.26

Note : Business Segments have been identified and reported taking into account the nature of products and services, the organisation structure, the internal business reporting system and the guidelines prescribed by the RBI. The Company doesn't have any reportable geographical segment.



- 5) During the quarter year ended December 31, 2020, the Company has issued 400 Secured Redeemable, Non-Convertible Debentures of the face value of Rs. 10 Lakhs each issued at par. These Debentures are fully secured by pari passu charge by hypothecation of book debts including coupon.
- 6) The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package and in accordance therewith, the Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if the said amounts were overdue on February 29, 2020. For all such accounts, where the moratorium was granted, the asset classification remained standstill during the moratorium period (i.e., the number of days past due shall exclude the moratorium period for the purpose of asset classification as per the policy).
- Given the uncertainty over the potential macro-economic impact and external developments including the final decision of the Honourable Supreme Court in relation to moratorium and other related matters, the Management has considered internal and external information up to the date of approval of these financial results, and has estimated overlays and made certain judgements in accordance with the policy of the Company for the purpose of determination of the provision for impairment of financial assets carried at amortised cost and in relation to revenue recognition.
- The provision for expected credit loss on financial assets as at December 31, 2020 aggregates Rs. 1,804.27 lakh (as on March 31, 2020 - Rs.1,733.71 lakh) which includes management overlay for potential impact on account of the pandemic. Based on the current indicators of future economic conditions, the Company considers these provisions to be adequate.
- The extent to which the pandemic could impact future results of the Company will depend on future developments, which are highly uncertain. Given the uncertainty over the potential macro-economic condition and judicial decisions, the impact of the COVID pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period.
- 7) The Code on Wages, 2019 and Code Social Security, 2020 ("the Codes") relating to employees compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Codes become effective.
- 8) The figures for the quarter ended December 31, 2020 and December 31, 2019 are the balancing figures between unaudited figures in respect of the nine-months ended December 31, 2020 and December 31, 2019 and the unaudited figures of the half year ended September 30, 2020 and September 30, 2019 respectively. Figures for the quarter ended September 30, 2020 are the balancing figures between half year ended September 30, 2020 and quarter ended June 30, 2020.
- 9) Previous period/ year figures have been regrouped/ reclassified to make them comparable with those of current period.

Place: Mumbai
Date: February 11, 2021



By order of the Board
Capital India Finance Limited



Keshav Jorwal
Managing Director
DIN: 06706341



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
CAPITAL INDIA FINANCE LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **CAPITAL INDIA FINANCE LIMITED** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), for the quarter and nine months ended December 31, 2020 (the "Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Parent:

- a. Capital India Finance Limited

Subsidiaries:

- b. Capital India Home Loans Limited
- c. Capital India Asset Management Private Limited
- d. Capital India Wealth Management Private Limited
- e. CIFL Holdings Private Limited
- f. CIFL Investment Adviser Private Limited
- g. Rapipay Fintech Holding Private Limited
- h. Rapipay Fintech Private Limited



**Deloitte
Haskins & Sells LLP**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 7 to the financial results, in which the Group describes the uncertainties arising from COVID 19 pandemic. Our conclusion on the Statement is not modified in respect of this matter.
7. We did not review the interim financial results of 2 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 1,093.30 lakhs and Rs. 2,270.28 lakhs for the quarter and nine months ended 31 December, 2020 respectively, total net loss after tax and total comprehensive loss of Rs. 274.52 lakhs and Rs. 372.99 lakhs for the quarter and nine months ended 31 December, 2020, respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of this matter
8. The consolidated unaudited financial results includes the interim financial results of 4 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenues of nil and nil for the quarter and nine months ended 31 December, 2020 respectively, total net loss after tax and total comprehensive loss of Rs. 0.62 lakhs and Rs. 0.82 lakhs for the quarter and nine months ended 31 December, 2020, respectively, as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group. Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Pallavi A. Gorakshakar
(Partner)
Membership No. 105035
UDIN: 21105035AAAABA5580

Place: Mumbai
Date: February 11, 2021

(Rs. in lakhs)

Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2020

S.No.	Particulars	Quarter Ended			Nine months ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Refer Note 8	Refer Note 8	Refer Note 8	Unaudited	Unaudited	Audited
	Revenue from operations						
(i)	Interest income	2,770.31	2,699.66	2,588.12	7,990.53	7,941.11	10,742.06
(ii)	Fees and commission income	480.71	449.71	19.62	1,135.47	75.92	672.75
(iii)	Sale of foreign currency	10,606.73	56.57	-	10,663.30	-	-
(iv)	Net gain on fair value changes	43.12	28.73	63.02	81.73	178.17	225.33
(v)	Sale of devices	472.53	447.35	224.21	929.11	250.66	29.87
(vi)	Other operating income	128.62	37.29	18.42	194.10	233.89	227.30
(I)	Total revenue from operations	14,502.02	3,719.31	2,913.39	20,994.24	8,679.75	11,897.31
(II)	Other income	-	6.50	0.08	6.60	2.02	2.17
(III)	Total Income (I+II)	14,502.02	3,725.81	2,913.47	21,000.84	8,681.77	11,899.48
	Expenses						
(i)	Finance costs	647.73	554.49	420.11	1,585.34	1,142.40	1,669.51
(ii)	Impairment of financial assets (Refer Note 7)	67.03	(30.41)	156.14	158.17	396.10	1,394.60
(iii)	Loss on derecognition of financial assets	-	-	-	-	130.00	130.00
(iv)	Purchases of Stock-in-trade	10,909.06	299.38	-	11,365.37	-	23.43
(v)	Changes in inventories of Stock-in-trade	(55.40)	24.03	-	(180.76)	-	3.65
(vi)	Employee benefits expenses	1,504.79	1,090.90	1,147.54	3,671.20	2,856.67	3,824.51
(vii)	Depreciation and amortization	367.52	350.36	318.06	1,057.67	857.88	1,151.97
(viii)	Others expenses	834.85	429.22	341.26	1,498.23	819.49	1,267.57
(IV)	Total Expenses	14,275.58	2,717.97	2,383.11	19,155.22	6,202.54	9,465.24
(V)	Profit before tax (III-IV)	226.44	1,007.84	530.36	1,845.62	2,479.23	2,434.24
(VI)	Tax expense :						
(1)	Current tax	118.13	274.51	328.56	625.21	1,057.68	1,440.49
(2)	Deferred tax	94.41	(18.11)	(36.62)	48.33	(134.04)	(392.31)
(VII)	Profit for the period (V-VI)	13.90	751.44	238.42	1,172.08	1,555.59	1,386.06
	Profit for the period attributable to:						
	Owners of the Company	194.39	743.57	414.66	1,406.14	1,762.69	1,723.08
	Non-controlling interest	(180.49)	7.87	(176.24)	(234.06)	(207.10)	(337.02)
(VIII)	Other Comprehensive Income	-	-	-	-	-	12.22
(IX)	Total Comprehensive Income (VII+VIII)	13.90	751.44	238.42	1,172.08	1,555.59	1,398.28
	Total comprehensive income for the period attributable to:						
	Owners of the Company	194.39	743.57	414.66	1,406.14	1,762.69	1,734.67
	Non-controlling interest	(180.49)	7.87	(176.24)	(234.06)	(207.10)	(336.39)
(X)	Paid-up equity share capital (Face value of 10/- each)	7,773.43	7,773.43	7,773.43	7,773.43	7,773.43	7,773.43
(XI)	Reserves excluding Revaluation reserve	-	-	-	-	-	44,341.29
(XII)	Earnings per share (not annualised):						
(a)	Basic (Rs.)	0.25	0.96	0.53	1.81	2.27	2.22
(b)	Diluted (Rs.)	0.25	0.95	0.53	1.79	2.24	2.19
(c)	Face value per equity share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00

- These Financial Results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India (RBI). The figures have been presented in accordance with the format prescribed for financial statements for a Non-Banking Financial Companies (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules 2015, in Division III of Notification No. GSR 1022 (E) dated October 11, 2018, issued by the Ministry of Corporate Affairs, Government of India.
- The results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 11, 2021
- The auditors have carried out Limited Review of the financial results for the quarter and period ended December 31, 2020, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
- During the quarter year ended December 31, 2020, the Company has issued 400 Secured Redeemable, Non-Convertible Debentures of the face value of Rs. 10 Lakhs each issued at par. These Debentures are fully secured by pari passu charge by hypothecation of book debts including coupon.
- Consolidated Segment information in accordance with the Ind AS 108 – Operating Segments of the Group is as under:

Sr. No.	Particulars	Quarter Ended			Nine months ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
1	Segment Revenue						
	Lending business	2,781.58	2,729.93	2,670.86	8,034.71	8,409.84	11,292.31
	Prepaid Payment Instrument business	1,093.31	927.17	242.61	2,270.28	271.93	607.17
	Forex business	10,627.13	68.71	-	10,695.85	-	-
	Total Segment Revenue	14,502.02	3,725.81	2,913.47	21,000.84	8,681.77	11,899.48
2	Segment Results (Profit before Tax)						
	Lending business	777.10	1,150.04	963.34	2,882.66	2,980.78	3,346.63
	Prepaid Payment Instrument business	(359.32)	33.24	(432.90)	(493.62)	(495.49)	(904.81)
	Forex business	(190.64)	(175.15)	-	(542.22)	-	-
	Others	(0.70)	(0.29)	(0.08)	(1.20)	(6.06)	(7.58)
	Total Segment Results	226.44	1,007.84	530.36	1,845.62	2,479.23	2,434.24



3	Segment Assets						
	Lending business	83,198.16	75,147.41	62,745.94	83,198.16	62,745.94	65,191.67
	Prepaid Payment Instrument business	15,473.52	11,943.81	4,740.02	15,473.52	4,740.02	5,439.35
	Forex business	1,911.24	1,015.29	-	1,911.24	-	-
	Unallocated	1,114.22	1,092.56	758.38	1,114.22	758.38	1,087.49
	Others	5.13	5.80	890.15	5.13	890.15	7.76
	Total Segment Assets	1,01,702.27	89,204.87	69,134.49	1,01,702.27	69,134.49	71,726.27
4	Segment Liabilities						
	Lending business	33,191.77	24,489.65	12,753.17	33,191.77	12,753.17	15,035.56
	Prepaid Payment Instrument business	7,766.08	5,657.36	3,495.66	7,766.08	3,495.66	3,642.07
	Forex business	465.95	454.69	-	465.95	-	-
	Unallocated	83.98	225.79	182.87	83.98	182.87	383.34
	Others	2.10	2.10	2.40	2.10	2.40	3.50
	Total Segment Liabilities	41,509.88	30,829.59	16,434.10	41,509.88	16,434.10	19,064.47

Note : Business Segments have been identified and reported taking into account the nature of products and services, the organisation structure, the internal business reporting system and the guidelines prescribed by the RBI. The Group doesn't have any reportable geographical segment.

- 6) The Board of Directors of the Rapipay Fintech Holding Private Limited and Rapipay Fintech Private Limited, in their meeting held on January 27, 2020, have approved the amalgamation of Rapipay Fintech Holding Private Limited with Rapipay Fintech Private Limited. The Board believes this will simplify the corporate structure and consolidate its similar businesses under single entity. Further, the Rapipay Fintech Holding Private Limited and Rapipay Fintech Private Limited has filed a first motion application on March 2, 2020 with National Company Law Tribunal in this respect, under section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules.
- 7) The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package and in accordance therewith, the Company and one of the Subsidiary Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if the said amounts were overdue on February 29, 2020. For all such accounts, where the moratorium was granted, the asset classification remained standstill during the moratorium period (i.e., the number of days past due shall exclude the moratorium period for the purpose of asset classification as per the policy).
Given the uncertainty over the potential macro-economic impact and external developments including the final decision of the Honourable Supreme Court in relation to moratorium and other related matters, the Management has considered internal and external information up to the date of approval of these financial results, and has estimated overlays and made certain judgements in accordance with the policy of the Company and the Subsidiary Company for the purpose of determination of the provision for impairment of financial assets carried at amortised cost and in relation to revenue recognition.
The provision for expected credit loss on financial assets as at December 31, 2020 aggregates Rs. 1,936.88 lakh (as on March 31, 2020 - Rs.1,778.71 lakh) which includes management overlay for potential impact on account of the pandemic. Based on the current indicators of future economic conditions, the Company and the Subsidiary Company considers these provisions to be adequate.
The extent to which the pandemic could impact future results of the Group will depend on future developments, which are highly uncertain. Given the uncertainty over the potential macro-economic condition and judicial decisions, the impact of the COVID pandemic may be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period.
- 8) The figures for the quarter ended December 31, 2020 and December 31, 2019 are the balancing figures between unaudited figures in respect of the nine-months ended December 31, 2020 and December 31, 2019 and the unaudited figures of the half year ended September 30, 2020 and September 30, 2019 respectively. Figures for the quarter ended September 30, 2020 are the balancing figures between half year ended September 30, 2020 and quarter ended June 30, 2020.
- 9) The Code on Wages, 2019 and Code Social Security, 2020 ("the Codes") relating to employees compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Group will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Codes become effective.
- 10) Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period.

By order of the Board
Capital India Finance Limited


Keshav Porwal
Managing Director
DIN: 06706341

Place: New Delhi
Date : February 11, 2021

