

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED
FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

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

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2020 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2020" ("the Statement") of **CAPITAL INDIA FINANCE LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial statements of subsidiaries referred to in Other Matters section below the Consolidated Financial Results for the year ended March 31, 2020:

- (i) 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 Manager Private Limited
 - g. Rapipay Fintech Holding Private Limited (w.e.f. September 21, 2019)
 - h. Rapipay Fintech Private Limited (w.e.f. September 21, 2019)
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2020.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2020

With respect to the Consolidated Financial Results for the quarter ended March 31, 2020, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note 17 to the Statement, which describes that the Group has recognised impairment on financial assets to reflect the adverse business impact and uncertainties arising from COVID-19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the Covid-19 pandemic.

Our conclusion and opinion is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2020, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the consolidated net profit and consolidated other comprehensive Income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2020 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

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- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2020

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2020 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 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 SA specified under section 143(10) of the Act 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.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

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.

Other Matters

- Attention is drawn to Note 10 to the Statement which states that the consolidated figures for the corresponding quarter ended March 31, 2019, duly adjusted to comply with Ind AS, as reported in the accompanying Statement have been approved by the Parent's Board of Directors, but have not been subjected to audit/ review. Our report is not modified in respect of this matter.
- The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
- We did not audit the financial statements of 6 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 6,460.62 lakhs as at March 31, 2020 and total revenues of Rs. 335.25 lakhs and Rs. 607.17 lakhs for the quarter and year ended March 31, 2020 respectively, total net loss after tax of Rs. 310.89 lakhs and Rs. 641.24 lakhs for the quarter and year ended March 31, 2020 respectively and total comprehensive loss of Rs. 309.20 lakhs and Rs. 639.55 lakhs for the quarter and year ended March 31, 2020 respectively and net cash flows of Rs. 1,548.38 lakhs for the year ended March 31, 2020, as considered in the Statement. These financial statements have been audited/ reviewed, as applicable, by other auditors whose reports have been furnished to us by the Management and our opinion and 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 under Auditor's Responsibilities section above. Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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- The previously issued consolidated financial statements of the Group for the year ended March 31, 2020, were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and were audited by us. These previously issued consolidated financial statements have been adjusted to comply with Ind AS and included in this Statement as comparative financial information. The adjustments made to the previously issued consolidated financial statements to comply with Ind AS have been audited by us. Our report is not modified in respect of this matter

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

**Rukshad Nanu
Daruvalla** Digitally signed by
Rukshad Nanu Daruvalla
Date: 2020.06.01
15:32:02 +05'30'

Rukshad N. Daruvalla
(Partner)
Membership No. 111188
UDIN: 20111188AAAACQ1699

Place: Mumbai
Date: June 1, 2020

(Rs. in lakhs)

Statement of Consolidated Financial Results for the quarter and year ended March 31, 2020						
S.No.	Particulars	Quarter Ended			Year ended	
		March 31, 2020 Refer Note 10	December 31, 2019 Unaudited	March 31, 2019 Refer Note 10	March 31, 2020 Audited	March 31, 2019 Audited
	Revenue from operations					
(i)	Interest income	2,800.95	2,588.12	2,067.33	10,742.06	4,739.26
(ii)	Fees and commission income	364.77	225.23	50.86	672.75	799.99
(iii)	Net gain on fair value changes	29.15	63.02	85.03	225.33	284.92
(iv)	Sale of devices	11.27	18.60	-	29.87	-
(v)	Other operating income	11.40	18.42	130.00	227.30	130.00
(I)	Total revenue from operations	3,217.54	2,913.39	2,333.22	11,897.31	5,954.17
(II)	Other income	0.15	0.08	6.48	2.17	11.02
(III)	Total Income (I+II)	3,217.69	2,913.47	2,339.70	11,899.48	5,965.19
	Expenses					
(i)	Finance costs	527.10	420.11	391.58	1,669.51	943.75
(ii)	Impairment of financial instruments (Refer Note 17)	998.51	26.14	191.31	1,394.60	268.72
(iii)	Loss on derecognition of financial assets	-	130.00	-	130.00	-
(iv)	Cost of materials consumed	17.30	8.70	-	27.08	-
(v)	Employee benefits expenses	967.84	1,147.54	698.24	3,824.51	1,940.31
(vi)	Depreciation and amortization	294.09	318.06	212.96	1,151.97	765.27
(vii)	Others expenses	457.85	332.56	366.37	1,267.57	927.75
(IV)	Total Expenses	3,262.69	2,383.11	1,860.46	9,465.24	4,845.80
(V)	Profit/(Loss) before tax (III-IV)	(45.00)	530.36	479.24	2,434.24	1,119.39
(VI)	Tax expense :					
	(1) Current tax	382.81	328.56	387.15	1,440.49	700.98
	(2) Deferred tax	(258.27)	(36.62)	(196.67)	(392.31)	(232.57)
(VII)	Profit/(Loss) for the year (V-VI)	(169.54)	238.42	288.76	1,386.06	650.98
	Profit/(Loss) for the year attributable to:					
	Owners of the Company	(39.62)	414.66	288.76	1,723.08	650.98
	Non-controlling interest	(129.92)	(176.24)	-	(337.02)	-
(VIII)	Other Comprehensive Income (Net of tax)	12.22	-	(5.08)	12.22	(5.08)
(IX)	Total Comprehensive Income (VII+VIII)	(157.32)	238.42	283.68	1,398.28	645.90
	Total comprehensive income for the year attributable to:					
	Owners of the Company	(28.03)	414.66	283.68	1,734.67	645.90
	Non-controlling interest	(129.29)	(176.24)	-	(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
(XI)	Reserves excluding Revaluation Reserve as per Balance Sheet				44,341.29	42,982.00
(XII)	Earnings per share (not annualised):					
	(a) Basic (Rs.)	(0.05)	0.53	0.42	2.22	1.55
	(b) Diluted (Rs.)	(0.05)	0.53	0.41	2.19	1.53
	(c) Face value per equity share (Rs)	10.00	10.00	10.00	10.00	10.00

Notes :-

1) Consolidated Statement of Assets and Liabilities as at March 31, 2020

(Rs. In lakhs)

S.No.	Particulars	As at March 31, 2020 Audited	As at March 31, 2019 Audited
	ASSETS		
1	Financial Assets		
(a)	Cash & cash equivalents	6,797.62	2,945.96
(b)	Bank balances other than Cash & cash equivalents	117.53	583.79
(c)	Receivables		
	(i) Trade Receivables	231.25	-
	(ii) Other Receivables	19.23	-
(d)	Loans	55,588.33	55,643.43
(e)	Investments	863.41	2,375.53
(f)	Other financial assets	1,658.03	1,454.56
2	Non-financial Assets		
(a)	Inventories	11.56	-
(b)	Current tax assets(net)	387.04	86.71
(c)	Deferred tax asset (net)	700.44	286.64
(d)	Property, plant and equipment	1,731.11	1,528.29
(e)	Capital work in progress	42.16	202.26
(f)	Intangible Assets Under Development	89.80	-
(g)	Goodwill on consolidation	552.26	-
(h)	Other intangible assets	469.23	4.13
(i)	Right of use assets	1,900.82	1,547.07
(j)	Other non-financial assets	566.45	361.32
	TOTAL ASSETS	71,726.27	67,019.69
	LIABILITIES AND EQUITY		
	LIABILITIES		
1	Financial Liabilities		
(a)	Payables		
	- Trade Payables		
	total outstanding dues of micro enterprises and small enterprises	0.16	8.10
	total outstanding dues of creditors other than micro enterprises and small enterprises	133.46	109.54
	- Other Payables		
	total outstanding dues of micro enterprises and small enterprises	-	-
	total outstanding dues of creditors other than micro enterprises and small enterprises	44.81	-
(b)	Debt Securities	4,000.00	-
(c)	Borrowings	8,186.74	12,679.69
(d)	Deposits	-	550.00
(e)	Other financial liabilities	5,446.87	1,950.03
2	Non-Financial Liabilities		
(a)	Current tax liabilities (net)	383.34	43.56
(b)	Provisions	222.51	348.21
(c)	Other non-financial liabilities	646.58	575.13
	EQUITY		
(a)	Equity share capital	7,773.43	7,773.43
(b)	Other equity	44,341.29	42,982.00
	Equity attributable to owners of the Company	52,114.72	50,755.43
(c)	Equity attributable to Non-Controlling Interests	547.08	-
	TOTAL - LIABILITIES AND EQUITY	71,726.27	67,019.69

2) Consolidated Statement of Cash Flows for the year ended March 31, 2020

S.No.	Particulars	(Rs. In Lakhs)	
		March 31, 2020 Audited	March 31, 2019 Audited
1	Cash From Operating Activities:		
	Net profit before tax		1,119.39
	Non-cash/ separately considered income/expense	2,434.24	1,479.32
	Other Adjustments	2,662.27	(47,921.34)
	Net Cash generated from/ (used in) operating activities (A)	(2,104.44)	(45,322.63)
2	Net Cash generated from/ (used in) investing activities (B)	2,992.07	(2,934.17)
3	Net cash (used in)/ generated from financing activities (C)	548.29	49,013.51
4	Net increase in cash and cash equivalents (A+B+C)	(1,656.17)	756.71
5	Cash and cash equivalents as at the beginning of the period	1,884.19	2,189.25
6	Cash received on acquisition of Subsidiary	2,945.96	-
7	Cash and cash equivalents as at the end of the period	1,967.47	2,945.96
		6,797.62	2,945.96

- 3) The Group has adopted Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2019 and the effective date of such transition is April 1, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India (RBI) and National Housing Bank (NHB) (Collectively referred to as "the Previous GAAP"). 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.
- 4) The results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 1, 2020.
- 5) The results for the year ended 31 March 2020 were audited by the Statutory Auditors.
- 6) The Government of India vide Ordinance No. 15 of 2019 dated September 20, 2019 amended the income tax provisions by inserting section 115BAA. As per the amended provisions, the Group has opted to pay tax at rate of 22% plus applicable surcharge and cess subject to the conditions mentioned under the amended provisions and recognised the effect of change by revising the annual effective income tax rate.
- 7) The Holding Company has acquired a wholly owned subsidiary - Rapipay Fintech Holding Private Limited (RFHPL) by making investment in equity shares of Rs 1 lakh on September 20, 2019 and converting the investment in Optionally Convertible Debentures alongwith interest of Rs 935.51 lakhs into Equity shares as per the terms of the agreement on September 21, 2019.
- 8) The Board of Directors of the Holding Company have recommended, subject to approval of shareholders, dividend of Re. 0.10 per share (1%) for FY 2020.
- 9) During the year ended March 31, 2020, the Nomination and Remuneration Committee of the Board of Directors of the Holding Company, granted 4,15,000 stock options representing equal number of equity shares of face value of Rs. 10 each in the Company to the eligible employees under the CHFL Employee Stock Option Plan 2018.
- 10) The figures for the quarter ended March 31, 2019, duly adjusted to comply with Ind AS, have been approved by the Parent's Board of Directors, but have not been subjected to audit/ review. The figures for the quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year were subject to limited review by the Statutory Auditors.
- 11) During the quarter ended 31st March 2020, the Holding Company has issued unsecured Non Convertible Debentures amounting to Rs 4,000 Lakhs.
- 12) The Net profit reconciliation between the figures reported under Previous GAAP and Ind AS is as under:

Sr. No.	Particulars	(Rs. In lakhs)	
		Quarter ended March 31, 2019 Refer Note 10	Year ended March 31, 2019 Audited
	Net profit after tax as per Previous GAAP	236.67	587.25
(a)	Expected credit losses on applicable financial instruments	(88.34)	(84.60)
(b)	ESOP measured at Fair Value	146.10	234.05
(c)	Accounting for Operating leases	4.00	(47.10)
(d)	Others (including taxes)	(9.67)	(38.62)
	Net profit after tax as per Ind AS	288.76	650.98
	Other Comprehensive Income (including taxes)	(5.08)	(5.08)
	Total Comprehensive Income as per Ind AS	283.68	645.90

- 13) The Equity reconciliation between the figures reported under Previous GAAP and Ind AS is as under:

Sr. No.	Particulars	(Rs. In lakhs)	
		As at March 31, 2019 Audited	As at April 01, 2018 Audited
	Equity as per Previous GAAP	51,042.04	13,174.20
(a)	Expected credit loss Adjustment on Financial instruments measured at Amortised cost	(171.53)	(86.94)
(b)	Accounting for Operating leases	(89.28)	(42.18)
(c)	Others (including taxes)	(25.80)	17.92
	Equity as per Ind AS	50,755.43	13,063.00

- 14) Statement of reconciliation of cash flow statement under Ind AS and cash flow statement reported under Previous GAAP for the year ended March 31, 2019

Sr. No.	Particulars	(Rs. In lakhs)		
		Previous GAAP	Adjustment	Ind AS
1	Net cash used in operating activities (A)	(45,840.74)	(518.11)	(45,322.63)
2	Net cash used in investing activities (B)	(2,932.64)	1.53	(2,934.17)
3	Net cash generated from financing activities (C)	49,531.62	518.11	49,013.51
4	Net increase in cash and cash equivalents (A+B+C)	758.24	1.53	756.71
5	Cash and cash equivalents at beginning of the year	2,189.25	-	2,189.25
6	Cash and cash equivalents at the end of the year	2,947.49	1.53	2,945.96

15) Consolidated segment wise revenue, result, total assets and total liabilities

(Rs. In lakhs)

Sr. No.	Particulars	Quarter Ended			Year ended	
		March 31, 2020 Refer Note 10	December 31, 2019 Unaudited	March 31, 2019 Refer Note 10	March 31, 2020 Audited	March 31, 2019 Audited
1	Segment Revenue					
	Lending business	2,882.45	2,670.86	2,339.70	11,292.31	5,965.19
	Prepaid Payment Instrument business	335.24	242.61	-	607.17	-
	Total Segment Revenue	3,217.69	2,913.47	2,339.70	11,899.48	5,965.19
2	Segment Results (Profit before Tax)					
	Lending business	365.86	963.34	483.86	3346.63	1123.90
	Prepaid Payment Instrument business	(409.32)	(432.90)	-	(904.81)	-
	Others	(1.54)	(0.08)	(4.62)	(7.58)	(4.51)
	Total Segment Results	(45.00)	530.36	479.24	2,434.24	1,119.39
3	Segment Assets					
	Lending business	65,191.67	62,745.94	66,640.74	65,191.67	66,640.74
	Prepaid Payment Instrument business	5,439.35	4,740.02	-	5,439.35	-
	Unallocated	1,087.49	758.38	373.34	1,087.49	373.34
	Others	7.76	890.15	5.61	7.76	5.61
	Total Segment Assets	71,726.27	69,134.49	67,019.69	71,726.27	67,019.69
4	Segment Liabilities					
	Lending business	15,035.56	12,753.17	16,220.30	15,035.56	16,220.30
	Prepaid Payment Instrument business	3,642.07	3,495.66	-	3,642.07	-
	Unallocated	383.34	182.87	43.56	383.34	43.56
	Others	3.50	2.40	0.40	3.50	0.40
	Total Segment Liabilities	19,064.47	16,434.10	16,264.26	19,064.47	16,264.26

Note : Group was operating in a Single reportable segment till December 2019.

- 16) The Board of Directors of the Group, 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 Group 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.
- 17) The outbreak of COVID 19 pandemic and consequent lockdown has severely impacted business and operations of the Group since the last week of March 2020. In terms of the policy approved by the Board of directors of Group companies pursuant to Reserve Bank of India (RBI) Circular dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Group has granted EMI moratorium to eligible borrowers for a period upto 3 months with regards to the payment falling due between March 1, 2020 and May 31, 2020. Further, in relation to the accounts overdue but standard as at February 29, 2020 where moratorium benefit has been extended in terms of aforesaid RBI guidelines, the staging of those accounts at March 31 2020 is based on the days past due status as on February 29, 2020. Based on an assessment by the Group, this relaxation has not been deemed to be automatically triggering significant increase in credit risk. On May 22, 2020, the RBI has announced extension of the Moratorium Period by further three months which is currently under evaluation by the Group. In relation to COVID-19, judgments and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries. While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from those applied prior to the COVID-19 pandemic, the Group has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on early indicators of moratorium and delayed payments metrics observed along with an estimation of potential stress on probability of defaults and exposure at defaults. Accordingly, the Group has measured additional impairment loss allowance and recognised a total provision towards expected credit losses of Rs. 1,778.71 lakhs as at 31 March 2020. The extent to which the COVID-19 pandemic will impact the Group's impairment loss allowance on assets and future results will depend on future developments, which are highly uncertain and the Group will continue to closely monitor the same.

By order of the Board
Capital India Finance Limited

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Amit Sahni Kulshreshtha
Executive Director & CEO
DIN : 07869849

Place: Mumbai
Date: June 01, 2020

Rukshad Digitally signed
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Date: 2020.06.01
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**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE
FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

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

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2020 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2020" ("the Statement") of **CAPITAL INDIA FINANCE LIMITED** ("the Company"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2020:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

**(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended
March 31, 2020**

With respect to the Standalone Financial Results for the quarter ended March 31, 2020, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note 16 to the Statement, which describes that the Company has recognised impairment on financial assets to reflect the adverse business impact and uncertainties arising from COVID-19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the Covid-19 pandemic.

Our opinion and conclusion is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2020 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2020

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2020 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 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 SAs specified under section 143(10) of the Act 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.

Other Matters

- As stated in Note 11 of the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended December 31, 2018, duly adjusted to comply with Ind AS. We have not issued a separate limited review/audit report on the results and figures for the corresponding quarter ended March 31, 2019. Our report is not modified in respect of this matter.
- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

**Deloitte
Haskins & Sells LLP**

- The previously issued financial statements of the Company for the year ended March 31, 2019 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and were audited by us. These previously issued financial statements have been adjusted to comply with Ind AS and included in this Statement as comparative financial information. The adjustments made to the previously issued financial statements to comply with Ind AS have been audited by us. Our report is not modified in respect of this matter.

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

**Rukshad Nanu
Daruvalla** Digitally signed by
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Date: 2020.06.01
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Rukshad N. Daruvalla
(Partner)
Membership No. 111188
UDIN: 20111188AAAACP5755

Place: Mumbai
Date: June 1, 2020

(Rs. In lakhs)

Statement of Standalone Financial Results for the quarter and year ended March 31, 2020

S.No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2020 Refer Note 11	December 31, 2019 Unaudited	March 31, 2019 Refer Note 11	March 31, 2020 Audited	March 31, 2019 Audited
	Revenue from operation					
(i)	Interest income	2,593.32	2,465.12	2,044.63	10,277.24	4,662.38
(ii)	Fees and commission income	42.10	4.29	50.31	101.19	724.44
(iii)	Net gain on fair value changes	8.68	37.32	64.03	140.98	251.39
(I)	Total revenue from operations	2,644.10	2,506.73	2,158.97	10,519.41	5,638.21
(II)	Other income	3.02	-	46.40	4.63	50.94
(III)	Total Income (I+II)	2,647.12	2,506.73	2,205.37	10,524.04	5,689.15
	Expenses					
(i)	Finance costs	346.46	281.74	398.69	1,294.35	930.68
(ii)	Employee benefits expense	418.33	625.68	521.48	2,293.91	1,465.10
(iii)	Depreciation & amortisation	192.13	195.05	184.90	772.22	724.33
(iv)	Impairment of financial instruments (Refer Note 16)	961.50	149.50	188.81	1,338.98	266.22
(v)	Other expenses	230.89	110.69	207.71	700.19	711.61
(IV)	Total Expenses	2,149.31	1,362.66	1,501.59	6,399.65	4,097.94
(V)	Profit before tax (III-IV)	497.81	1,144.07	703.78	4,124.39	1,591.21
(VI)	Tax Expenses					
	(1) Current tax	382.81	328.56	387.15	1,440.49	700.98
	(2) Deferred tax	(243.64)	(33.97)	(196.27)	(354.36)	(229.85)
(VII)	Profit for the year (V-VI)	358.64	849.48	512.90	3,038.26	1,120.08
(VIII)	Other Comprehensive Income	7.08	-	(5.08)	7.08	(5.08)
(IX)	Total comprehensive income (VII+VIII)	365.72	849.48	507.82	3,045.34	1,115.00
(X)	Paid up Equity Share Capital (Face value of Rs 10/- each)	7,773.43	7,773.43	7,773.43	7,773.43	7,773.43
(XI)	Reserves excluding Revaluation Reserve as per Balance Sheet				46,184.35	43,446.10
(XII)	Earnings per share (not annualised):					
	(a) Basic (Rs.)	0.46	1.09	0.74	3.91	2.66
	(b) Diluted (Rs.)	0.46	1.08	0.74	3.86	2.64
	(c) Face value per equity share (Rs)	10.00	10.00	10.00	10.00	10.00

Notes :-

1) Statement of Assets and Liabilities as at March 31, 2020

(Rs. In lakhs)

S.No.	Particulars	As at March 31, 2020 Audited	As at March 31, 2019 Audited
	ASSETS		
1	Financial Assets		
(a)	Cash & cash equivalents	3,259.29	2,492.58
(b)	Bank balances other than Cash & cash equivalents	1.53	126.53
(c)	Receivables		
	- Other Receivables	19.23	-
(d)	Loans	48,584.47	55,201.73
(e)	Investments	11,150.51	4,536.00
(f)	Other financial assets	1,450.02	1,363.97
2	Non-financial Assets		
(a)	Current tax assets(net)	163.46	65.74
(b)	Deferred tax asset (net)	630.81	278.83
(c)	Property, plant and equipment	1,079.72	1,335.99
(d)	Other intangible assets	172.30	3.99
(e)	Capital work in progress	42.16	84.53
(f)	Right of use assets	769.80	1,197.74
(g)	Other non-financial assets	350.74	319.28
	TOTAL ASSETS	67,674.04	67,006.91
	LIABILITIES AND EQUITY		
	LIABILITIES		
1	Financial Liabilities		
(a)	Payables		
	- Trade Payables		
	total outstanding dues of micro enterprises and small enterprises	0.16	7.82
	total outstanding dues of creditors other than micro enterprises and small enterprises	74.86	90.45
(b)	Debt Securities	4,000.00	-
(c)	Borrowings	7,645.54	12,679.69
(d)	Deposits	-	550.00
(e)	Other financial liabilities	1,083.59	1,587.98
2	Non-Financial Liabilities		
(a)	Current tax liabilities (net)	383.34	43.56
(b)	Provisions	103.21	272.19
(c)	Other non-financial liabilities	425.56	555.69
	EQUITY		
(a)	Equity share capital	7,773.43	7,773.43
(b)	Other equity	46,184.35	43,446.10
	TOTAL - LIABILITIES AND EQUITY	67,674.04	67,006.91

2) Cash Flows Statement for the year ended March 31, 2020

S.No.	Particulars	(Rs. In lakhs)	
		March 31, 2020 Audited	March 31, 2019 Audited
1	Cash From Operating Activities:		
	Net profit before tax	4,124.39	1,591.21
	Non-cash/ separately considered income/expense	2,072.66	1,401.40
	Other Adjustments	3,684.16	(47,411.03)
	Net Cash generated from/ (used in) operating activities (A)	9,881.21	(44,418.42)
2	Net Cash (used in) investing activities (B)	(6,656.11)	(3,804.94)
3	Net cash (used in)/ generated from financing activities (C)	(2,458.39)	49,040.28
4	Net increase in cash and cash equivalents (A+B+C)	766.71	816.92
5	Cash and cash equivalents as at the beginning of the year	2,492.58	1,675.66
6	Cash and cash equivalents as at the end of the year	3,259.29	2,492.58

- 3) The Company has adopted Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2019 and the effective date of such transition is April 1, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India (RBI) (Collectively referred to as "the Previous GAAP"). 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.
- 4) The results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 01, 2020.
- 5) The results for the year ended 31 March 2020 were audited by the Statutory Auditors of the Company.
- 6) The main business of the Company is financing activity. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the Indian Accounting Standard 108 (Ind AS) on Operating Segment.
- 7) The Government of India vide Ordinance No. 15 of 2019 dated September 20, 2019 amended the income tax provisions by inserting section 115BAA. As per the amended provisions, the Company has opted to pay tax at rate of 22% plus applicable surcharge and cess subject to the conditions mentioned under the amended provisions.
- 8) The Board of Directors have recommended, subject to approval of shareholders, dividend of Re. 0.10 per share (1%) for FY 2020.
- 9) The Company had acquired a wholly owned subsidiary - Rapipay Fintech Holding Private Limited ('RFHPL') by making investment in equity shares of Rs 1 lakh on September 20, 2019 and converting the investment in Optionally Convertible Debentures along with interest of Rs 935.51 lakhs into Equity shares as per the terms of the agreement on September 21, 2019. The investment in equity shares of RFHPL as at March 31, 2020 was Rs 936.51 lakhs. Further the company has invested Rs. 1,200 lakhs in equity shares of Rapipay Fintech Private Limited ('RFPL') during the year ended March 31, 2020, which is a subsidiary of RFHPL.
- 10) During the year ended March 31, 2020, the Nomination and Remuneration Committee of the Board of Directors, granted 4,15,000 stock options representing equal number of equity shares of face value of Rs. 10 each in the Company to the eligible employees under the CIFL Employee Stock Option Plan 2018.
- 11) The figures of the quarters ended 31st March are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year duly adjusted to comply with Ind AS which were subject to limited review by the Statutory Auditors of the Company.
- 12) During the quarter ended 31st March 2020, the Company has issued unsecured Non Convertible Debentures amounting to Rs 4,000 Lakhs
- 13) The Net profit reconciliation between the figures reported under Previous GAAP and Ind AS is as under:

Sr. No.	Particulars	(Rs. In lakhs)	
		Quarter ended March 31, 2019 Refer Note 11	Year ended March 31, 2019 Audited
	Net profit after tax as per Previous GAAP	427.42	1,019.54
(a)	Expected credit losses on applicable financial instruments	(87.05)	(83.31)
(b)	ESOP measured at Fair Value	153.98	255.05
(c)	Accounting for Operating leases	8.28	(41.55)
(d)	Others (including taxes)	10.27	(29.65)
	Net profit after tax as per Ind AS	512.90	1,120.08
	Other Comprehensive Income (including taxes)	(5.08)	(5.08)
	Total Comprehensive Income as per Ind AS	507.82	1,115.00

- 14) The Equity reconciliation between the figures reported under Previous GAAP and Ind AS is as under:

Sr. No.	Particulars	(Rs. In lakhs)	
		As at March 31, 2019 Audited	As at April 01, 2018 Audited
	Equity as per Previous GAAP	51,490.32	13,190.19
(a)	Expected credit loss Adjustment on Financial instruments measured at Amortized cost	(170.24)	(86.94)
(b)	Accounting for Operating leases	(83.74)	(42.18)
(c)	Others (including taxes)	(16.81)	17.92
	Equity as per Ind AS	51,219.53	13,078.99

15) Statement of reconciliation of cash flow statement under Ind AS and cash flow statement reported under Previous GAAP for the year ended March 31, 2019

				(Rs. In lakhs)
Sr. No.	Particulars	Previous GAAP	Adjustment	Ind AS
1	Net cash used in operating activities (A)	(44,909.76)	(491.34)	(44,418.42)
2	Net cash used in investing activities (B)	(3,803.41)	1.53	(3,804.94)
3	Net cash generated from financing activities (C)	49,531.62	491.34	49,040.28
4	Net increase in cash and cash equivalents (A+B+C)	818.45	-	816.92
5	Cash and cash equivalents at beginning of the year	1,675.66	-	1,675.66
6	Cash and cash equivalents at the end of the year	2,494.11	-	2,492.58

- 16) The outbreak of COVID 19 pandemic and consequent lockdown has severely impacted business and operations of the Company since the last week of March 2020. In terms of the policy approved by the Board of directors pursuant to Reserve Bank of India (RBI) Circular dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Company has granted EMI moratorium to eligible borrowers for a period upto 3 months with regards to the payment falling due between March 1, 2020 and May 31, 2020. Further, in relation to the accounts overdue but standard as at February 29, 2020 where moratorium benefit has been extended in terms of aforesaid RBI guidelines, the staging of those accounts at March 31 2020 is based on the days past due status as on February 29, 2020. Based on an assessment by the Company, this relaxation has not been deemed to be automatically triggering significant increase in credit risk. On May 22, 2020, the RBI has announced extension of the Moratorium Period by further three months which is currently under evaluation by the Company.

In relation to COVID-19, judgments and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries. While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from those applied prior to the COVID-19 pandemic, the Company has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on early indicators of moratorium and delayed payments metrics observed along with an estimation of potential stress on probability of defaults and exposure at defaults. Accordingly, the Company has measured additional impairment loss allowance and recognised a total provision towards expected credit losses of Rs. 1,733.71 lakhs as at March 2020. The extent to which the COVID-19 pandemic will impact the Company's impairment loss allowance on assets and future results will depend on future developments, which are highly uncertain and the Company will continue to closely monitor the same.

By order of the Board
Capital India Finance Limited

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Amit Sahai Kulshreshtha
Executive Director & CEO
DIN: 07869849

Place: Mumbai
Date: June 01, 2020

Rukshad Digitally signed by
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Date: 2020.06.01
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