

Ref: CIFL/BSE/2021-22/26

Monday, July 19, 2021

To,
Manager – Listing,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalaal Street, Mumbai – 400001

Sub: Media Release

Dear Sir/Madam,

In compliance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed a copy of media release titled 'Capital India to Invest USD 25 million in Credenc for Education Finance' issued by Capital India Home Loans Limited, a subsidiary of Capital India Finance Limited ("Company").

The Company has been consistently complying *inter alia* with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and has been making requisite disclosures to stock exchange in a timely manner and will continue to do so in accordance with the extant regulations.

We request you to kindly take the aforesaid on record and oblige.

Yours sincerely,
For Capital India Finance Limited


Rachit Malhotra
Company Secretary & Compliance Officer
Membership No.: A39894

Encl: As above

Corporate office :
A-1402, One Bkc, 14th Floor,
G - Block, Bandra Kurla Complex,
Bandra (East) Mumbai,
Maharashtra- 400051

Registered Office :
2nd Floor, DLF Centre,
Sansad Marg,
New Delhi - 110001

P : +91 22 4503 6000
E : info@capitalindia.com
CIN No: L74899DL1994PLC128577
(Capital India Finance Limited)

P : +91 11 4954 6000
W : www.capitalindia.com

Capital India to Invest USD 25 million in Credenc For Education Finance

New Delhi, July 19, 2021: Capital India, a finance conglomerate has added another business to its portfolio through a strategic investment of USD 25 Million in mixed equity & debt in Credenc, an education lending fin-tech platform. This is in line with Capital India's vision to enable digital financial products and services to Indian customers. With this investment Credenc is looking to build a book of INR 3000 Cr by 2025.

Credenc is a Delhi based fintech founded by Avinash Kumar and Mayank Batheja in 2017 and is a technology led education loans platform, working as the digital finance desk of 1000+ colleges across 17 cities in India.

Shri SK Narvar, promoter of Capital India, opines that “The annual spend on college fees in India is around US \$50 billion or INR 3.5+ lakh crore, of which only 5% is financed by organised lenders. With Credenc, CIFL intends to change the segment perception and reduce underwriting risk basis Credenc’s future employability score, which will help this percentage go up to at least 15%, aiming to lend 3000 crores by 2025. Also, the founders will continue to run operations for Credenc as we would not want to disrupt the working of the organisation and believe they know the business best.”

What makes Credenc unique is that it undertakes a rigorous evaluation process using a proprietary artificial intelligence (AI) model, which tracks 15 million data points to predict the future income of students applying for loans. They provide financial assistance based on student potential and future income instead of the existing financial capability of the family which is typically the primary factor considered by traditional education lenders.

Avinash Kumar, Co-founder, Credenc said, “Our partnership with Capital India is very strategic, it will give us both balance sheet and cost of capital advantage which will help in disrupting the education lending segment by providing loans to students who were until now ignored, helping lakhs of Indian students achieve their potential ”

Credenc offers education loans covering K-12 school fee, online upskilling courses, higher education as well as study abroad courses at the click of a button and will soon launch India's first student focused neo bank. It is currently developing the entire student education ecosystem helping students & parents with, Credit, Accommodation, Employability, Savings, Forex, and Investments on a mobile app.

Mayank Batheja, Co-founder added, “We are keeping the students at the core of our business and building a digital ecosystem that will serve them like never before. We are making finance and banking simple for Indian students and enabling them to be financially literate and responsible”.

About Capital India Finance Limited

S.K. Narvar promoted Capital India Finance Limited (CIFL) is an India-focused SME Finance and Affordable housing finance entity. The Company focusses on providing customized financial

solutions to Mid Corporates and SMEs for their growth and working capital requirements. CIFL provides Home Loans in affordable segment through its HFC, Capital India Home Loans. CIFL also offers foreign exchange services through its subsidiary RemitX and financial inclusion services like Domestic Remittance, AEPS, Micro ATM etc via its Fintech subsidiary called RapiPay.