

BUILDING INDIA'S FUTURE

October 2025

APL Apollo is more than a steel tubes manufacturer; it plays a key role in India's infrastructure growth. The company produces pre-engineered steel tubes and structures that are lighter and more cost-effective than traditional concrete and brick construction. This industrial efficiency translates directly into social impact: schools, hospitals, warehouses and metros are built around 40% faster while cheaper, expanding access to education, healthcare and economic activity across Tier 2 and Tier 3 cities. By reducing material waste and enabling modular construction, APL Apollo also addresses environmental sustainability (a key consideration in long-term urban development). Modular steel construction reduces raw material intensity and supports recycling, while economic development occurs naturally through job creation at plants and construction projects. According to a study from the University of Hong Kong, modular steel construction can result in an approximate 46% reduction in waste when compared to conventional methods¹.

The company's products form part of the backbone of New India's industrial and urban ecosystems, showing that long-term profitability can coexist with social and environmental benefits.



**Building India, one
tube at a time**



**Financial inclusion
as a growth engine**

Cholamandalam, a long-standing holding in our Indian portfolio, exemplifies how financial services can drive real social mobility. Unlike traditional banks, which historically often focus on large corporates, Chola targets the unbanked segments of India's economy, such as small vehicle fleet operators, rural entrepreneurs and informal business owners. Vehicle loans, small-business credit and structured financing enable these individuals to grow their businesses, increase income and provide employment in their communities. For example, a single truck loan can transform a family business into a multi-employee operation, connecting villages to markets and enabling rural economic growth. By extending formal credit to these segments, Chola helps reduce borrowers' reliance (and vulnerability) on informal money-lenders that often charge exorbitant interest rates (up to ten times higher), a common obstacle to small-business growth in rural India, as pointed out by the Reserve Bank of India².

Sustainability is embedded in Chola's approach through responsible lending: products are designed to enhance borrowers' livelihoods rather than create debt traps. Chola exemplifies how capital deployment can directly empower communities while maintaining a healthy and consistent growth track record.

Aptus, a fast growing name in our portfolios, illustrates how financial services can deliver social benefits in the housing sector. While other lenders tend to focus on higher salaried, urban borrowers, Aptus goes deeper into the Indian “underserved” economy, such as self employed individuals in rural and semi urban markets, and first time homeowners and households in Tier 2 and Tier 3 cities (which are considered by other lenders as high-risk segments. Despite the higher perceived risk, Aptus’s discipline and underwriting practices are reflected in very low non-performing assets that are well below industry averages, indicating the company’s resilience and risk management.

Aptus’ product offering (housing loans for self construction, home improvement and refurbishment, extensions, etc.) helps families move from informal cash credit (which can carry onerous interest rates of up to 60% annually)² or lack of financing into secure, asset backed borrowing. By doing this, Aptus supports wealth creation (as a home is often a family’s largest asset) and improves living standards, so that families are not stuck in inadequate dwellings which are widely common in rural India.



SOURCES

¹ Wei Pan and Zhiqian Zhang, as of 15th January 2023, ² Reserve Bank of India’s report on currency and Finance as of August 2024.

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