

January 30, 2023

BSE Limited  
Listing Department  
1st Floor, New Trade Ring, Rotunda Building,  
Phiroze Jeejeebhoy Towers, Dalal Street  
Mumbai - 400 001

Dear Sir / Madam,

**Subject: Submission of unaudited Financial Results along with Limited Review Report for the quarter and nine months ended December 31, 2022, under Regulations 51 & 52, and Statement under Regulation 52(7) and 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to the provisions of Regulations 51 & 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed the unaudited financial results for the quarter and nine months ended December 31, 2022, duly approved by the Board of Directors of the Company at its meeting held on January 30, 2023, based on the recommendation of the Audit Committee in its meeting held on January 30, 2023.

Further please note that the Statutory Auditors of the Company, M/s. Sundaram and Srinivasan, Chartered Accountants have submitted the Limited Review Report for the quarter and nine months ended December 31, 2022, with unmodified opinion, and the same is enclosed herewith.

The disclosures in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are disclosed along with the financial results.

Further, pursuant to Regulation 52(7) and 52(7A) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015, we hereby confirm that, the proceeds of the Non-Convertible Securities issued by Veritas Finance Private Limited were used for the purpose disclosed in the Offer Document of the issue.

We hereby submit herewith the statement indicating the utilization of issue proceeds of non-convertible debentures and NIL statement indicating no material deviation/variation in the use of proceeds of issue of listed non-convertible debentures from the objects as stated in the respective offer documents during the quarter ended December 31, 2022.

We request you to kindly take the same on record.

Thanking You,

For Veritas Finance Private Limited,

V.AO

V. Aruna  
Company Secretary & Compliance Officer  
M. No. : A60078



Veritas Finance Private Limited

SKCL Central Square 1, South Wing, 1st Floor,  
Unit # C28-C35, CIPET Road, Thiru-Vi-Ka Industrial Estate,  
Guindy, Chennai - 600 032. CIN : U65923TN2015PTC100328

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**SUNDARAM & SRINIVASAN**  
CHARTERED ACCOUNTANTS

Offices: Chennai - Mumbai - Bangalore - Madurai

23, C.P. Ramaswamy Road  
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2498 8463  
4210 6952

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Website: [www.sundaramandsrinivasan.com](http://www.sundaramandsrinivasan.com)

**Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**Review Report To  
The Board of Directors  
Veritas Finance Private Limited**

We have reviewed the accompanying Statement of unaudited financial results of Veritas Finance Private Limited (the 'Company') for the quarter ended 31 December 2022 and year to date results for the period 01<sup>st</sup> April 2022 to 31<sup>st</sup> December 2022 (the 'Statement') being submitted by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('the Listing Regulations').

This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.

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'). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



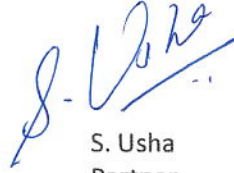
# SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

Offices: Chennai - Mumbai - Bangalore - Madurai

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For Sundaram & Srinivasan  
Chartered Accountants  
Firm Regn. No. 004207S



S. Usha  
Partner

Membership Number: 211785  
UDIN: 23211785BGWCSG3246

Place: Chennai  
Date: 30<sup>th</sup> January 2023





**Veritas Finance Private Limited**  
**CIN: U65923TN2015PTC100328**  
**Regd. Office: SKCL Central Square 1, South Wing, 1st Floor, Unit C28-C35, CIPET Road,**  
**Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600 032. www.veritasfin.in**  
**Statement of financial results for the quarter and nine months ended 31 December 2022**

(All amounts are in INR in lakhs, except share data and stated otherwise)

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
	Unaudited (Note 5)	Unaudited	Unaudited (Note 5)	Unaudited	Unaudited	Audited
<b>Revenue from operations</b>						
Interest income	17,252.34	15,020.17	11,117.52	45,648.22	30,375.54	42,611.54
Fee income	494.72	430.56	274.61	1,276.95	616.27	958.02
Net gain on fair value changes	331.35	307.81	151.43	776.43	564.84	638.86
<b>Total revenue from operations</b>	<b>18,078.41</b>	<b>15,758.54</b>	<b>11,543.56</b>	<b>47,701.60</b>	<b>31,556.65</b>	<b>44,208.42</b>
Other income	33.65	90.53	27.24	138.24	98.44	156.14
<b>Total income</b>	<b>18,112.06</b>	<b>15,849.07</b>	<b>11,570.80</b>	<b>47,839.84</b>	<b>31,655.09</b>	<b>44,364.56</b>
<b>Expenses</b>						
Finance costs	4,733.30	3,821.62	3,270.66	11,696.16	9,907.99	12,893.81
Impairment on financial instruments	1,688.33	752.35	1,668.60	3,529.19	6,036.37	5,935.56
Employee benefits expenses	4,364.74	3,991.47	2,993.75	11,854.84	8,038.60	10,984.31
Depreciation and amortization	376.14	358.00	364.72	1,071.42	1,084.03	1,425.40
Other expenses	1,443.34	1,204.01	820.56	3,668.01	2,011.63	2,989.14
<b>Total expenses</b>	<b>12,605.85</b>	<b>10,127.45</b>	<b>9,118.29</b>	<b>31,819.62</b>	<b>27,078.62</b>	<b>34,228.22</b>
<b>Profit before Tax, Exceptional and Extraordinary items</b>	<b>5,506.21</b>	<b>5,721.62</b>	<b>2,452.51</b>	<b>16,020.22</b>	<b>4,576.47</b>	<b>10,136.34</b>
Exceptional and Extraordinary items	-	-	-	-	-	-
<b>Profit before Tax</b>	<b>5,506.21</b>	<b>5,721.62</b>	<b>2,452.51</b>	<b>16,020.22</b>	<b>4,576.47</b>	<b>10,136.34</b>
<b>Tax expense</b>						
Current tax	1,484.00	1,464.58	857.00	4,540.58	2,290.00	3,153.00
Deferred tax	(158.43)	(97.74)	(206.66)	(642.35)	(1,028.67)	(557.05)
	<b>1,325.57</b>	<b>1,366.84</b>	<b>650.34</b>	<b>3,898.23</b>	<b>1,261.33</b>	<b>2,595.95</b>
<b>Profit after tax for the period / year</b>	<b>4,180.64</b>	<b>4,354.78</b>	<b>1,802.17</b>	<b>12,121.99</b>	<b>3,315.14</b>	<b>7,540.39</b>
<b>Other comprehensive income</b>						
<b>a) Items that will not be reclassified to profit or loss</b>						
Re-measurement of the defined benefit obligation	(153.83)	2.94	75.59	(199.10)	23.93	59.60
Income tax relating to items that will not be reclassified to profit or loss	38.72	(0.74)	(19.03)	50.12	(6.02)	(15.00)
<b>Other comprehensive income for the period / year</b>	<b>(115.11)</b>	<b>2.20</b>	<b>56.56</b>	<b>(148.98)</b>	<b>17.90</b>	<b>44.60</b>
<b>Other comprehensive income / (deficit) for the year, net of income tax</b>						
<b>b) Items that will be reclassified to profit or loss</b>						
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
<b>Other comprehensive income(after tax) for the period / year ( a+b)</b>	<b>(115.11)</b>	<b>2.20</b>	<b>56.56</b>	<b>(148.98)</b>	<b>17.90</b>	<b>44.60</b>
<b>Total comprehensive income for the period / year, net of income tax</b>	<b>4,065.53</b>	<b>4,356.98</b>	<b>1,858.73</b>	<b>11,973.01</b>	<b>3,333.04</b>	<b>7,584.99</b>
Paid up Equity Share Capital (Face Value INR 10)	4,919.42	4,857.34	4,855.29	4,919.42	4,855.29	4,856.09
Paid up Convertible Preference Share capital	6,501.91	6,501.91	6,501.91	6,501.91	6,501.91	6,501.91
Reserves excluding Revaluation reserves as at	1,42,030.97	1,37,489.15	1,25,093.38	1,42,030.97	1,25,093.38	1,29,446.82
<b>Net worth (equity and preference share capital + reserve and surplus excluding revaluation reserve)</b>	<b>1,53,452.31</b>	<b>1,48,848.41</b>	<b>1,36,450.58</b>	<b>1,53,452.31</b>	<b>1,36,450.58</b>	<b>1,40,804.02</b>
<b>Earnings per equity share of INR 10 each</b>						
- Basic	8.55	8.97	3.78	24.91	8.42	18.12
- Diluted	3.45	3.59	1.66	10.02	3.31	6.59
	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	Annualised

See accompanying notes to the financial results



Veritas Finance Private Limited

CIN: U65923TN2015PTC100328

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Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600 032. www.veritasfin.in

Notes:

- 1 Veritas Finance Private Limited ("the Company") is a Non-Deposit-taking Systemically Important Non-Banking Financial Company (NBFC-ND-SI), registered with the Reserve Bank of India ("the RBI") and classified under middle layer as per scale based framework applicable from 01 October 2022.
- 2 The financial results for the quarter and nine months ended 31 December 2022 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 30 January 2023.
- 3 These financial results have been prepared in accordance with recognition and measurement principles laid down in accordance with the Indian Accounting Standard ('Ind AS') 34 - "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.  
The financial results are prepared based on the notified Schedule III of the Act, as amended from time to time, for NBFCs that are required to comply with Ind AS.
- 4 Also, these unaudited financial results have been prepared in compliance with Regulation 33 and 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015. In compliance with the said Regulations, the figures for the quarter and nine months ended 31 December 2022 and 31 December 2021 and for the quarter ended 30 September 2022 have been subjected to "limited review" by the statutory auditors of the Company. The statutory auditors have issued an unmodified review report.  
Any application guidance/ clarifications/ directions issued by the RBI or other regulators are implemented as and when they are issued/ applicable.
- 5 The figures for the quarter ended 31 December 2022 and 31 December 2021 are the balancing figures in respect of the reviewed figures of the nine months ended 31 December 2022 and 31 December 2021 and figures of the half year ended 30 September 2022 and 30 September 2021 respectively.
- 6 There is no separate reportable segment in accordance with Ind AS 108 on "Operating Segments" in respect of the Company.
- 7 Earnings per equity share for the quarter and nine months ended 31 December 2022 and 31 December 2021 and for the quarter ended 30 September 2022 have not been annualised.
- 8 Other equity includes statutory reserve as per section 451C of the RBI Act, 1934, balance in securities premium, Employee Stock Option Plan reserve and retained earnings.
- 9 In terms of the requirement as per RBI notifications no. RBI/2019-20/170 DOR (NBFC).CC. PD No. 109/22.10.106/2019-20 dated 13 March 2020 on implementation of Indian accounting standards, NBFCs are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company amounting to INR 63.30 crores exceeds the total provision required under IRACP (including standard asset provisioning) INR 43.58 crores, by INR 19.72 crores as at 31 December 2022 and accordingly, no amount is required to be transferred to impairment reserve.
- 10 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in Annexure 1.





- 11 All the Non-Convertible Debentures (NCDs) issued by the company are secured by exclusive charge on specific receivables of the company by way of hypothecation with security cover to the extent of 1.00 times of both the principal and the interest accrued on the NCDs at any point in time. The average security cover provided for these listed NCDs is at 1.05 times of the principal and interest amount outstanding as at 31 December 2022.
- 12 Details of loans transferred / acquired during nine months ended 31 December 2022 under the RBI Master Direction on Transfer of Loan Exposures dated 24 September 2021 are given below:  
(i) The Company has not transferred any Non-Performing Assets (NPAs).  
(ii) The Company has not transferred any Special Mention Account (SMA) and loan not in default.  
(iii) The Company has not acquired any loans not in default through assignment.  
(iv) The Company has not acquired any stressed loan.
- 13 The Company, during the nine months ended 31 December 2022, had granted 3,00,000 Employees Stock Options of face value of INR 10 each at an exercise price of INR 350 per option out of Employee Stock Options Scheme 2021, on its own shares to specified employees of the Company on 19 September 2022.
- 6,33,350 options of face value of INR 10 were exercised by the employees and allotted during the nine months ended 31 December 2022 (6,20,750 options of face value of INR 10 for the quarter ended 31 December 2022). The total outstanding employee stock options as at 31 December 2022 is 29,29,750.
- 14 **Securitisation:** During the nine months ended 31 December 2022, the Company had raised INR 56.17 crores by way of transfer of certain pool of loan receivable accounts for consideration received in cash at the inception of the transaction through securitisation rated AAA (SO) by CRISIL Ratings Limited for senior tranche. In this relation, the Company has provided for first loss credit enhancement in the form of cash collateral for the amount of INR 2.81 crores and investment in equity tranche to the extent INR 3.38 crores, as credit support in the event of shortfall in collections from underlying loan contracts.
- 15 **Commercial paper:** During the quarter ended 31 December 2022, the Company had raised INR 50 crores by way of issuance of commercial paper with CARE A1+ rating assigned by CARE Ratings Limited.
- 16 **CSR Trust:** As per Rule 4(1) of the Companies (CSR Policy) Rules, 2014, the Company vide board resolution dated 10 August 2022 and shareholder's resolution dated 02 September 2022 formed a trust in the name of "Veritas Foundation" to implement CSR activities of the Company. The trust was duly registered with the registrar vide a trust deed dated 14 August 2022. It was authorised by the board of directors and the shareholders vide meetings held on 10 August 2022 and 02 September 2022 respectively, that the Company will donate INR 10,00,000/- to the trust. During the quarter ended 31 December 2022, the Company has granted a donation of INR 1,000/- and the balance amount will be donated upon receipt of request from the trust.
- 17 Applying the scale based regulations issued by RBI vide circular dated 22 October 2021 (applicable from 01 October 2022), the Company would be classified as a Middle layer NBFC (NBFC-ML). The board of directors has approved the policy for Internal Capital Adequacy Assessment process (ICAAP). In this regard, the Company has commenced a process to perform a realistic assessment of its risks to ensure availability of adequate capital to cover all risks applicable to the Company. Also, the Company has initiated necessary steps in terms of formulating an implementation plan and ensuring compliances with norms/changes suggested as and when they become applicable.
- 18 The unaudited financial results for the quarter and nine months ended 31 December 2022 are available on the websites of BSE (<https://www.bseindia.com>) and the Company website (<https://www.veritasfin.in/announcement-and-results.php>).
- 19 Previous period's/year figures have been regrouped/reclassified wherever necessary, to confirm with the current period presentation.

for and on behalf of the board of directors of  
**Veritas Finance Private Limited**

  
**D. Arulmany**  
Managing Director and Chief Executive Officer

Place : Chennai  
Date : 30 January 2023



**Veritas Finance Private Limited**  
CIN: U65923TN2015PTC100328

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**Annexure I**

**Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations,**

Particulars		As at 31 December 2022
(a)	Omitted	-
(b)	Omitted	-
(c)	Debt equity ratio Debt equity ratio is (Debt securities + Borrowings) / Net worth)	1.30 times
(d)	Omitted	-
(e)	Omitted	-
(f)	Debt service coverage ratio	Not Applicable Debt service coverage ratio is not applicable for Non-Banking Finance Company ("NBFC") registered with Reserve Bank of India and accordingly no disclosure has been made.
(g)	Interest service coverage ratio	Not Applicable Interest service coverage ratio is not applicable for NBFCs registered with Reserve Bank of India and accordingly no disclosure has been made.
(h)	Outstanding redeemable preference shares(quantity & value) :	NIL. The Company does not have any redeemable preference shares as at 31 December 2022 and hence this clause is Nil
(i)	Capital Redemption Reserve / Debenture redemption reserve :	Not Applicable Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.
(j)	Net worth	INR 1,53,452.31 Lakhs
(k)	Net profit after tax -For the period ended 31 December 2022 ( Total comprehensive income )	INR 11,973.01 Lakhs
(l)	Earnings per share - For the period ended 31 December 2022	Basic - INR 24.91 not annualised Diluted -INR 10.02 not annualised
(m)	Current Ratio	1.75 times
(n)	Long term debt to Working Capital	NA
(o)	Bad debts to Account Receivable Ratio	3.07%
(p)	Current Liability Ratio	20.93%
(q)	Total Debts to Total Assets Ratio	55.62%
(r)	Debtors Turnover Ratio	Not Applicable / not relevant to the Company and hence not disclosed
(s)	Inventory Turnover Ratio	Not Applicable / not relevant to the Company and hence not disclosed
(t)	Operating Margin (%)	57.94%
(u)	Net Profit Margin(%)	25.03%
(v)	Sector Specific Equivalent Ratio i) GNPA % ( Gross Stage 3) ii) NNPA % iii) Provision Coverage Ratio ("PCR") (%) Impairment loss allowance for Stage III / Gross Stage III Loans iv) Security Cover Ratio v) Liquidity Coverage Ratio vi) Capital Adequacy Ratio	i) 3.07% ii) 1.77% iii) 42.96%  iv) 1.05 times v) 1585.81% vi) 50.72%





**A. Statement of utilization of issue proceeds:** Veritas Finance Private Limited

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount raised	Funds utilized	Any deviation (Yes/ No)	If any deviation, then specify the purpose for which the funds were utilized	Remarks, if any
Veritas Finance Private Limited		Not applicable			Nil			Not applicable	

**B. Statement of deviation/ variation in use of issue proceeds:**

Particulars	Remarks
Name of listed entity	Veritas Finance Private Limited
Mode of fund raising	Private Placement
Type of instrument	Non-convertible Debt Securities (NCDs)
Date of raising funds	Not applicable
Amount raised	Nil
Report filed for quarter ended	31-12-2022
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	No
If yes, details of the approval so required?	
Date of approval	Not applicable
Explanation for the deviation/ variation	Not applicable
Comments of the audit committee after review	None
Comments of the auditors, if any	None

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the half year according to applicable object (Rs, Crores and in %)	Remarks, if any
Not applicable						

 Name of Signatory: Ms. V. Aruna  
 Designation: Company Secretary & Compliance Officer  
 Date: 30-01-2023

For Veritas Finance Private Limited

V. Aruna  
Company Secretary

**Veritas Finance Private Limited**

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