

Veritas Finance Private Limited
 CIN: U65923TN2015PTC100328, RBI Regn No: N-07.00810
 Regd. Office: SKCL Central Square 1, South and North Wing, 7th 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 year ended 31 March 2023

S. no.	Particulars	(All amounts are in INR lakhs, except share data and stated otherwise)				
		Quarter ended		Year ended		
		31 March 2023 Audited	31 December 2022 Unaudited	31 March 2022 Audited	31 March 2023 Audited	31 March 2022 Audited
1	Total Income from Operations for the period / year	20,321.71	18,078.41	12,651.77	68,023.30	44,208.42
2	Net Profit for the period / year (before Tax, Exceptional and/or Extraordinary items)	7,264.80	5,506.21	5,559.87	23,285.00	10,136.34
3	Net Profit for the period / year before tax (after Exceptional and/or Extraordinary items)	7,264.80	5,506.21	5,559.87	23,285.00	10,136.34
4	Net Profit for the period / year after tax (after Exceptional and/or Extraordinary items)	5,518.41	4,180.64	4,225.25	17,640.38	7,540.39
5	Total Comprehensive Income for the period / year	5,496.53	4,065.53	4,251.94	17,469.52	7,584.99
6 a	Paid up Equity Share Capital	4,920.49	4,919.42	4,856.09	4,920.49	4,856.09
6 b	Paid up Compulsorily Convertible Preference Share capital	6,501.91	6,501.91	6,501.91	6,501.91	6,501.91
7	Reserves (excluding Revaluation Reserve)	1,47,703.20	1,42,030.97	1,29,446.82	1,47,703.20	1,29,446.82
8	Securities Premium Account	1,10,359.44	1,10,349.56	1,09,707.24	1,10,359.44	1,09,707.24
9	Net worth (equity and preference share capital + reserve and surplus excluding revaluation reserve)	1,59,125.60	1,53,452.31	1,40,804.83	1,59,125.60	1,40,804.82
10	Paid up Debt Capital / Outstanding Debt (debt securities + borrowings)	2,42,889.21	2,00,047.60	1,19,565.22	2,42,889.21	1,19,565.22
11	Outstanding Redeemable Preference Shares	-	-	-	-	-
12	Debt Equity Ratio (Refer note d)	1.53	1.30	0.85	1.53	0.85
13	Earnings per share (of INR 10 each) (Refer note e)					
	- Basic	11.22	8.55	8.70	36.15	18.12
	- Diluted	4.54	3.45	3.48	14.57	6.59
14	Capital Redemption Reserve	-	-	-	-	-
15	Debenture Redemption Reserve (Refer note f)	-	-	-	-	-
16	Debt Service Coverage Ratio (Refer note g)	-	-	-	-	-
17	Interest Service Coverage Ratio (Refer note g)	-	-	-	-	-

Notes:

- a The Company had received the Certificate of Registration dated 15 October 2015 from Reserve Bank of India ("RBI") to carry on the business of Non-Banking Financial Company without accepting public deposits ("NBFC-ND"). During May 2018, the Company had crossed the total assets threshold of INR 500 crores and had become a Non-Deposit Taking Systemically Important Non-Banking Financial Company ("NBFC-ND-SI"). The Company has complied with and continues to comply with all the applicable regulations and directions of the RBI and classified under middle layer as per scale based framework applicable from 01 October 2022.
- The Company is engaged in extending credit to micro and small enterprises, typically self-employed businesses and salaried segment. The Company follows a cash flow based model for credit assessment with suitable adaptations for each type of business. The loans are given for business expansion, working capital, purchase of assets, construction of houses etc.
- b The Sl. No. 1 to 8 and 12 are extracts from the detailed format of financial results for the quarter and year ended 31 March 2023 filed with the stock exchange under Regulation 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the financial results for the quarter and year ended 31 March 2023 are available on the websites of BSE (<https://www.bseindia.com>) and the Company website (<https://www.veritasfin.in/announcement-and-results.php>).
- c The financial results for the quarter and year ended 31 March 2023 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 27 April 2023. The above results have been subjected to audit by the statutory auditors of the Company. The statutory auditors have issued an unmodified opinion. These financial results have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (India Accounting Standards) Rules, 2016. These financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at 31 March 2023 based on the press release issued by Ministry of Corporate Affairs ("MCA") on 18 January 2016. Any application guidance/ clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.
- d Debt equity ratio is calculated as ((Debt securities + Borrowings) / Net worth).
- e Earnings per equity share for the quarters ended 31 March 2023, 31 December 2022 and 31 March 2022 have not been annualised.
- f 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.
- g Debt service coverage ratio and Interest service coverage ratio is not applicable for Non-Banking Financial Company (NBFC) and accordingly no disclosure has been made.
- h There was no deviation/ variation in the use of the proceeds of the issue of Non-Convertible Debt Securities.
- i The figures for the quarter ended 31 March 2023 and 31 March 2022 are the balancing figures in respect of the audited figures in respect of the full financial year and year to date figures of upto 31 December 2022 and 31 December 2021 respectively. The figures for the quarter ended 31 December 2022 are the balancing figures in respect of the reviewed figures of the nine months ended 31 December 2022 and figures for the half year ended 30 September 2022.
- j The Company during the year ended 31 March 2023, had granted 3,00,000 and 6,15,000 Employees Stock Options of face value of INR 10 each at an exercise price of INR 350 and INR 375 per option respectively, out of Employee Stock Options Scheme 2021, on its own shares to specified employees of the Company on 19 September 2022 and 30 January 2023.
- 6,44,000 options of face value of INR 10 were exercised by the employees and allotted during the year ended 31 March 2023 (10,650 options of face value of INR 10 for the 3 months ended 31 March 2023). The total outstanding employee stock options as at 31 March 2023 is 35,30,000.
- k **Securitisation:** During the year ended 31 March 2023, 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 as credit support in the event of shortfall in collections from underlying loan contracts.
- l **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 (CSR00046476). The trust was duly registered with the registrar vide a trust deed dated 14 December 2022. This trust is identified as a related party of the Company.
- During the year ended 31 March 2023, the Company has granted INR 0.10 Crores as donation to the trust and the same was authorised by the board of directors and the shareholders vide meetings held on 10 August 2022 and 02 September 2022 respectively. In addition, the Company has contributed INR 1.85 Crores towards CSR obligation for the FY 2022-23 to the trust.
- m 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.
- n During the year, the Company has entered into new lease rental agreements to shift its head office to a different floor of the same building where the head office is currently located. The Company has commenced its operations from the new head office with effect from 15 April 2023.
- o Previous period's/year figures have been regrouped/reclassified wherever necessary, to confirm with the current period/year presentation.

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


D. Arulmani
 Managing Director and Chief Executive Officer

Place : Chennai
 Date : 27 April 2023

