



VERITAS FINANCE PRIVATE LIMITED

CIN: U65923TN2015PTC100328, RBI Regn No: N-07.00810

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Statement of Financial Results for the quarter and nine months ended 31 December 2023

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

S.No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2023 Unaudited	30.09.2023 Unaudited	31.12.2022 Unaudited	31.12.2023 Unaudited	31.12.2022 Unaudited	31.03.2023 Audited
1	Total Income from Operations for the period / year	29,678.34	26,072.69	18,078.41	73,805.70	47,701.60	68,023.30
2	Net Profit for the period / year (before Tax, Exceptional and/or Extraordinary items)	8,354.65	7,244.44	5,506.21	21,819.63	16,020.22	23,285.00
3	Net Profit for the period / year before tax (after Exceptional and/or Extraordinary items)	8,354.65	7,244.44	5,506.21	21,819.63	16,020.22	23,285.00
4	Net Profit for the period / year after tax (after Exceptional and/or Extraordinary items)	8,336.66	5,553.37	4,180.34	13,526.43	12,121.99	17,040.38
5	Total Comprehensive Income for the period / year	6,209.02	6,062.90	4,065.53	13,582.45	11,973.01	17,439.52
6a	Fad up Equity Share Capital	12,751.92	12,751.92	4,919.42	12,751.92	4,919.42	4,920.49
6b	Fad up Compulsorily Convertible Preference Share Capital	-	-	6,501.91	-	6,501.91	6,501.91
7	Reserves (excluding Revaluation Reserve)	2,12,018.57	2,05,540.29	1,42,030.97	2,12,018.57	1,42,030.97	1,47,733.20
8	Securities Premium Account	1,58,123.16	1,58,123.16	1,10,349.56	1,53,123.16	1,10,349.56	1,10,359.44
9	Net worth (equity and preference share capital + reserve and surplus, excluding revaluation reserve)	2,24,770.40	2,18,292.21	1,63,462.31	2,24,770.40	1,63,462.31	1,60,126.90
10	Fad up Debt Capital / Outstanding Debt (debt securities + borrowings)	3,65,461.86	3,22,341.32	2,00,047.30	3,65,461.86	2,00,047.60	2,42,889.21
11	Outstanding Redeemable Preference Shares	-	-	-	-	-	-
12	Debt Equity Ratio (Refer note d)	1.63	1.48	1.30	1.63	1.30	1.53
13	Earnings per share (Refer note e)						
	- Basic	4.96	7.07	8.55	19.37	24.81	36.15
	- Diluted	4.77	6.58	3.45	17.71	10.02	14.57
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) Veritas Finance Private Limited ("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 is a NBFC-ND-SI registered with the RBI and classified under middle layer as per scale based framework applicable from 01 October 2022. The Company has complied with and continues to comply with all the applicable regulations and directions of the RBI pertaining to middle layer. The asset size of the Company had crossed INR 5,000 crore during the nine months ended 31 December 2023. Accordingly, the Company is in the process of complying with the new norms that are now applicable. The Company is engaged in extending credit to micro and small enterprises, typically self-employed businesses and salaried segment primarily through business loans and housing loans. The Company follows a cash flow based model for credit assessment, with suitable adaptations for each type of income sources. 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 nine months ended 31 December 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 nine months ended 31 December 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 nine months ended 31 December 2023 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 30 January 2024 in terms of Regulation 33 and 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015. The above results have been subjected to review 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 (Indian 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 December 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 share for the quarter and nine months ended 31 December 2023 and 31 December 2022 and for the quarter ended 30 September 2023 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 December 2023 and 31 December 2022, are the balancing figures in respect of the reviewed figures of the nine months ended 31 December 2023 and 31 December 2022 and figures for the half year ended 30 September 2023 and 30 September 2022 respectively.
- (j) The Company during the nine months ended 31 December 2023, had granted 2,10,000 Employees Stock Options of face value of INR 10 each at an exercise price of INR 475 per option, out of Employee Stock Options Scheme, on its own shares to specified employees of the Company on 26 October 2023. 18,73,000 options of face value of INR 10 were exercised by the employees during the nine months period from April 2023 to December 2023. The total outstanding employee stock options as at 31 December 2023 stands at 18,06,250.
- (k) **Securitisation:** During the nine months ended 31 December 2023, the Company had raised INR 330.41 crores by way of transfer of certain pool of loan receivable accounts for consideration received in cash at the inception of the transaction through multiple securitisation transactions. In this regard, for each transaction, the Company has provided for first loss credit enhancement in the form of deposit and investment in equity tranche as credit support in the event of shortfall in collections from underlying loan contracts.
- (l) **Commercial paper:** During the nine months ended 31 December 2023, the Company had raised INR 105 crores by way of issuance of commercial paper with CARE A1+ rating assigned by CARE Ratings Limited.
- (m) Pursuant to RBI circular dated 16 November 2023, certain loan assets of the Company which are not in the nature of business loans and housing loans have been assigned a risk weight of 126% for the purpose of calculating capital risk adequacy ratio.
- (n) During the quarter ended 31 December 2023, the Company established a trust for the purpose of covering the gratuity payable to employees as per Payment of Gratuity Act, 1972 in association with SBI Life Insurance Company Limited.
- (o) Being a Middle layer NBFC (NEFC-ML), the board of directors has approved the policy for Internal Capital Adequacy Assessment process (ICAAP). In this regard, the Company has completed assessment of its risks to ensure availability of adequate capital to cover all risks applicable to the Company for financial year ended 31 March 2022 and it is in the process of assessing the same for financial year ended 31 March 2023. Also, the Company has initiated necessary steps in terms of formulating an implementation plan and ensuring compliances with norms thereof.
- (p) Previous periods' year figures have been regrouped/reclassified wherever necessary, to conform with the current period/year presentation.

For and on behalf of the Board of Directors
Veritas Finance Private Limited
Sd/-
D. Arulmany
Managing Director and Chief Executive Officer