

No. CTL/DEB/20-21/Noting Certificate/2754

October 27, 2020

To Whomsoever It May Concern,

CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Veritas Finance Private Limited** (“**the Company**”) for the Half year ended September 30, 2020.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For Catalyst Trusteeship Limited

UMESH
MANOHAR
SALVI

Digitally signed by
UMESH MANOHAR
SALVI
Date: 2020.10.27
16:39:30 +05'30'

Authorised Signatory

Encl: Results submitted by Company



27th October 2020

The Secretary
 BSE Ltd.
 Phiroze Jeejeebhoy Towers,
 Dalal Street,
 Mumbai - 400 001

Sub: Half Yearly Communication pursuant to regulation 52 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the half-year ending 30th September 2020.

Ref: ISIN: INE448U07059, Scrip Code: 958682 & INE448U07083, Scrip Code: 958946 & INE448U07091, Scrip Code: 959740 & INE448U07109, Scrip Code: 959842 & INE448U07117, Scrip Code : 959871 & INE448U07125, Scrip Code: 959966 & INE448U07133, Scrip Code : 960061.

Dear Sir/Madam,

With reference to the above, we submit herewith the information and documents as per the regulation 52(1) & 52 (4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as mentioned below for the Half Year ended 30th September 2020.

1. Unaudited Financial Results for the half year ending 30th September 2020

In this connection, we are enclosing herewith the following documents:

- Limited Review Report for the half year ended 30th September 2020.
- Unaudited Financial Statements for the half year ended 30th September 2020 provided by M/S B.S.R & Co.LLP, Chartered Accountants, Statutory Auditors of the company.
- Certificate signed by the Debenture Trustee under Regulation 52(5) of the listing Regulations.

2. Credit Rating and change in Credit Rating (if any):

Products	Rating
(a) Debentures	CARE A- ; (Stable)
(b) Bank loan facilities	CARE A- ; (Stable)

Note : During the half year ended 30th September 2020, the credit rating of the Company were upgraded from BBB+ (Stable) to A- (Stable).

3. Asset Cover available, in case of non-convertible debt securities : Not Applicable
4. Debt Equity Ratio : 1.30 times
5. Previous due date for the payment of interest / dividend for non-convertible redeemable preference shares/ repayment of principal of non-convertible preference shares/ non-convertible debt securities and whether the same has been paid or not;

For Veritas Finance Private Limited


 Company Secretary

The Company does not have any non-convertible redeemable preference shares as at 30th September 2020. The details of previous due date for payment of interest/repayment of principal of non-convertible debentures as follows:

ISIN	Scrip Code	Listed/Unlisted	Issue Size (Rs. In Crores)	Type (Principal/Interest)	Due Date of Payment	Payment Status
INE448U07018	NA	Unlisted	19.00	Interest	13-09-2020	Paid
INE448U07034	NA	Unlisted	35.00	Interest	29-09-2020	Paid
INE448U07026	NA	Unlisted	23.00	Interest	29-09-2020	Paid
INE448U07042	NA	Unlisted	32.00	Interest	28-09-2020	Paid
INE448U07059	958682	Listed	80.00	Interest	28-09-2020	Paid
INE448U07075	NA	Unlisted	41.60	Interest	13-07-2020	Paid
INE448U07083	958946	Listed	86.00	Interest	30-06-2020	Paid
INE448U07091	959740	Listed	25.00	Interest	Not Applicable	Not Applicable
INE448U07109	959842	Listed	20.00	Interest	Not Applicable	Not Applicable
INE448U07117	959871	Listed	50.00	Interest	Not Applicable	Not Applicable
INE448U07125	959966	Listed	50.00	Interest	Not Applicable	Not Applicable
INE448U07133	960061	Listed	50.00	Interest	Not Applicable	Not Applicable

6. Next due date for the payment of interest / dividend of non-convertible preference shares / principal along with the amount of interest / dividend of non-convertible preference shares payable and the redemption amount

The Company does not have any non-convertible redeemable preference shares as at 30th September 2020. Details of next due date for payment of interest/principal for non-convertible debentures are as follows:

ISIN	Scrip Code	Listed/Unlisted	Issue Size (Rs. In Crores)	Type	Due Date *	Due Category
INE448U07018	NA	Unlisted	19.00	Interest	15-03-2021	Interest
INE448U07034	NA	Unlisted	35.00	Interest	30-03-2021	Interest
INE448U07026	NA	Unlisted	23.00	Interest	26-03-2021	Interest
INE448U07042	NA	Unlisted	32.00	Interest	30-03-2021	Interest
INE448U07059	958682	Listed	80.00	Interest	28-03-2021	Interest
INE448U07075	NA	Unlisted	41.60	Interest	13-01-2021	Interest
INE448U07083	958946	Listed	86.00	Interest	28-08-2021	Interest
INE448U07091	959740	Listed	25.00	Interest	16-07-2021	Interest
INE448U07109	959842	Listed	20.00	Interest	05-08-2021	Interest
INE448U07117	959871	Listed	50.00	Interest	12-08-2021	Interest
INE448U07125	959966	Listed	50.00	Interest	03-09-2021	Interest
INE448U07133	960061	Listed	50.00	Interest	28-03-2021	Interest

For Veritas Finance Private Limited

Madhav

Company Secretary

* Due dates may vary based on business day convention

7. Debt service coverage ratio :

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.

8. Interest service coverage ratio:

Interest 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.

9. Outstanding redeemable preference shares (Quantity & value) :

The Company does not have outstanding redeemable preference shares as at 30th September 2020 and hence this clause is not applicable.

10. Debenture Redemption Reserve :

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.

11. Net Worth: Rs.84,801.70 lakhs (Networth is equal to share capital plus reserves & surplus less deferred revenue expenditure) as on 30th September 2020

12. Net profit after tax: Rs. 2,914.74 lakhs for the half year ended 30th September 2020.

13. Earnings Per Share for the half year ended 30th September 2020:

Basic - Rs. 8.70 (not annualised) and

Diluted - Rs. 3.19 (not annualised)

Kindly take the same on your record

Thanking you,

Yours sincerely,

For Veritas Finance Private Limited

Madhav

Company Secretary

B S R & Co. LLP

Chartered Accountants

KRM Tower, 1st & 2nd Floor,
No 1, Harrington Road, Chetpet,
Chennai - 600 031, India.

Telephone : +91 44 4608 3100
Fax : +91 44 4608 3199

Limited review report

To Board of Directors of Veritas Finance Private Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Veritas Finance Private Limited (“the Company”) for the half year ended results for the period from 1 April 2020 to 30 September 2020 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (“Ind AS”) 34 “Interim Financial Reporting”, prescribed under Section 133 of the Companies Act, 2013 (“Act”), and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. 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. 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.
4. 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 Indian accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

Limited review report

Veritas Finance Private Limited

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5. As described in Note 6 to the Statement, in respect of accounts overdue but standard as at 29 February 2020 where moratorium benefit have been granted, the staging of those accounts as at 30 September 2020 is based on the days past due status considering the benefit of moratorium period in accordance with the Reserve Bank of India Covid-19 Regulatory Package.

Further no additional borrower accounts have been classified as impaired (non-performing assets) which were not declared as non-performing till 31 August 2020, in view of the Supreme Court interim order dated 3 September 2020. However, the Company has made the provision on such borrower accounts as per the requirement of Ind AS.

The extent of impact of the COVID - 19 pandemic will impact the Company's financial performance including the Company's estimates of impairment of loans, are dependent on future developments which cannot be predicted with any degree of certainty.

Our conclusion is not modified in respect of this matter.

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



S Sethuraman

Partner

Membership No: 203491

UDIN: 20203491AAAAEK2591

Place : Chennai

Date : 27 October 2020

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

Statement of unaudited financial results for the half year ended 30 September 2020

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

Particulars	Half year ended		Year ended
	30 September 2020	30 September 2019	31 March 2020
	Unaudited	Unaudited	Audited
Revenue from operations			
Interest income	16,996.56	11,147.95	25,952.87
Fee income	138.07	253.82	541.20
Net gain on fair value changes	295.09	647.89	1,064.03
Total revenue from operations	17,429.72	12,049.66	27,558.10
Other income	40.43	0.03	9.57
Total income	17,470.15	12,049.69	27,567.67
Expenses			
Finance costs	5,926.80	4,500.66	10,627.39
Impairment on financial instruments (refer note 6)	2,437.74	654.33	1,510.27
Employee benefits expenses	3,612.09	3,878.59	7,864.84
Depreciation and amortization	668.58	571.16	1,246.20
Other expenses	731.78	918.52	1,937.56
Total expenses	13,376.99	10,523.26	23,186.26
Profit before tax	4,093.16	1,526.43	4,381.41
Tax expense			
Current tax	1,651.00	643.00	1,544.42
Deferred tax	(604.69)	(205.11)	(497.25)
	1,046.31	437.89	1,047.17
Profit after tax for the period / year	3,046.85	1,088.54	3,334.24
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of the defined benefit obligation	176.55	18.41	41.61
Income tax relating to items that will not be reclassified to profit or loss	(44.44)	(4.63)	(10.47)
Other comprehensive income for the period / year	132.11	13.78	31.14
Total comprehensive income for the period / year, net of income tax	2,914.74	1,074.76	3,303.10
Earnings per equity share of Rs. 10 each			
- Basic	8.70	2.60	10.58
- Diluted	3.19	1.22	3.63
	Not annualised	Not annualised	Annualised

See accompanying notes to the unaudited financial results



Veritas Finance Private Limited
CIN: U65923TN2015PTC100328
Regd. Office: SKCL Central Square 1, South Wing, 1st Floor, Unit C28-C35, CIPET Road,
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Statement of unaudited assets and liabilities as at 30 September 2020

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

Particulars	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
ASSETS		
Financial assets		
Cash and cash equivalents	8,032.08	42,244.86
Bank balances other than cash and cash equivalents	31,944.46	4,697.98
Loans	130,828.41	127,932.22
Investments	23,316.55	6,318.13
Other financial assets	402.57	402.65
	194,524.07	181,595.84
Non-financial assets		
Current tax assets (net)	-	121.59
Deferred tax assets (net)	1,752.83	1,103.70
Property, plant and equipment	685.83	910.35
Right of use assets	1,137.57	1,291.21
Intangibles assets	509.56	614.02
Intangibles assets under development	40.25	34.43
Other non-financial assets	215.07	186.60
	4,341.11	4,261.90
Total Assets	198,865.18	185,857.74
LIABILITIES AND EQUITY		
Financial liabilities		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises	234.84	204.21
Debt securities	51,505.72	38,704.88
Borrowings (other than debt securities)	59,301.78	62,277.22
Other financial liabilities	1,319.67	1,405.39
	112,362.01	102,591.70
Non-financial liabilities		
Current tax liabilities	278.89	-
Provisions	460.63	167.91
Other non-financial liabilities	450.81	919.27
	1,190.33	1,087.18
Equity		
Equity share capital	10,003.80	10,003.80
Other equity	75,309.04	72,175.06
	85,312.84	82,178.86
Total Liabilities and Equity	198,865.18	185,857.74

See accompanying notes to the unaudited financial results



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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").
- 2 The unaudited financial results for the half year ended 30 September 2020 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 27 October 2020. The above results have been subjected to limited review by the statutory auditors of the Company. The auditors have issued an unmodified review report.
- 3 These unaudited financial results has 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"), and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015.
- 4 There is no separate reportable segment in accordance with Ind AS 108 on "Operating Segments" in respect of the Company.
- 5 Other equity includes statutory reserve as per section 451C of the Reserve Bank of India Act, 1934, balance in securities premium, Employee Stock Option Plan reserve and retained earnings.
- 6 The impact of COVID-19 on the economy continues to be uncertain and would be dependent upon future developments including various measures taken by the Government, Regulator, responses of businesses, consumers etc. Hence, the extent to which COVID-19 pandemic will impact the company's business, cash flows and financial results, is dependent on such future developments, which cannot be predicted with any degree of certainty.

In accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 – Regulatory Package' and guidelines issued thereto, the Company has granted moratorium upto six months on the payment of installments falling due between 1 March 2020 and 31 August 2020 to all eligible borrowers on a suo-moto basis. Having regard to the guidance provided by the RBI and the Institute of Chartered Accountants of India, in the assessment of the Company, extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory Package of the RBI by itself is not considered to result in significant increase in credit risk as per Ind AS 109. The Company continues to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria. Accordingly, in respect of accounts overdue but standard as at 29 February 2020 where moratorium benefit have been granted, the staging of those accounts as at 30 September 2020 is based on the days past due status considering the benefit of moratorium period in accordance with the Reserve Bank of India Covid-19 Regulatory Package.

Further no additional borrower accounts have been classified as impaired (non-performing assets) which were not declared as non-performing till 31 August 2020, in view of the Supreme Court interim order dated 3 September 2020. However, the Company has made the provision on such borrower accounts, as per the requirement of Ind AS.

In addition to the indicators available during the moratorium period, the Company has also used potential stress on probability of default and exposure at default on the expected credit losses on loans and accordingly recognized an expected credit loss on loans of INR 2,437.74 lakhs during the period. The impact assessment of COVID-19 is a continuing process given its uncertainty in nature and duration, this may have corresponding impact in the financial position. The Company will continue to monitor any material changes to the future economic conditions

- 7 The Indian Parliament has approved the Code on Social Security, 2020 which may impact the employee benefit expenses of the Company. The effective data from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Company will give appropriate impact in the financial results once the code becomes effective and related rules to determine the financial impact are notified.



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Notes:

- 8 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, Non-Banking Financial Companies (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 exceeds the total provision required under IRACP (including standard asset provisioning) as at 30 September 2020 and accordingly, no amount is required to be transferred to impairment reserve.
- 9 The Company has elected to exercise the option permitted under section 115BAA of the Income tax Act, 1961, as introduced by the Taxation laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax and remeasured its net deferred tax asset at concessional rate for the half year ended 30 September 2019 and continued to apply the concessional tax rate thereafter.
- 10 The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced COVID-19 Relief Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether RBI moratorium was availed or not. The Company has commenced working on the operational aspects of the Scheme. On the basis of the initial assessment made by the Company, the implementation of the Scheme is not expected to have a material impact on the financial results of the Company.
- 11 Previous period's / year's figures have been regrouped/ reclassified wherever necessary, to confirm with the current period presentation.

Place : Chennai
Date : 27 October 2020


D. Arulmany
Managing Director and Chief Executive Officer



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

Annexure A

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

(a) Credit rating

Products	Rating
(a) Debentures	A- Stable (CARE)
(b) Bank loan facilities	A- Stable (CARE)

Note : During the half year ended 30 September 2020, the credit rating of the Company were upgraded from BBB + (stable) to A - (stable).

- (b) Assets cover available for non-convertible debt securities : Not applicable
- (c) Debt equity ratio : 1.30 times
Debt equity ratio is (Debt securities + Borrowings) / Net worth
- (d) Previous due date for the payment of interest / dividend for non-convertible redeemable preference shares / repayment of principal of non-convertible preference shares / non-convertible debt securities and whether the same has been paid or not; (refer Annexure "A1"). The Company does not have any non-convertible redeemable preference shares as at 30 September 2020.
- (e) Next due date for the payment of interest / dividend of non-convertible preference shares / principal along with the amount of interest / dividend of non-convertible preference shares payable and the redemption amount (refer Annexure "A1"). The Company does not have any non-convertible redeemable preference shares as at 30 September 2020.
- (f) Debt service coverage ratio : 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 : 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) : The Company does not have any redeemable preference shares as at 30 September 2020 and hence this clause is not applicable.
- (i) Debenture redemption reserve :
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 : Rs. 84,801.70 lakhs (Net worth is equal to share capital plus reserves & surplus less deferred revenue expenditure) as on 30 September 2020.
- (k) Net profit after tax : Rs. 2,914.74 lakhs for the year ended 30 September 2020.
- (l) Earnings per share for the half year ended 30 September 2020 : Basic - Rs. 8.70, not annualised
Diluted - Rs. 3.19, not annualised
- (m) There was no deviation in the use of the proceeds of the issue of non-convertible debt securities.



Veritas Finance Private Limited
CIN: U65923TN2015PTC100328

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Annexure A1

Description	ISIN	Previous Due Date for Payment of Interest / Part Principal	Whether Previous Interest Paid or not	Next Due Date for Payment of Interest / Part Principal
Non-Convertible Debentures	INE448U07026	29-Sep-20	Interest Paid	26-Mar-21
Non-Convertible Debentures	INE448U07018	14-Sep-20	Interest Paid	15-Mar-21
Non-Convertible Debentures	INE448U07034	29-Sep-20	Interest Paid	30-Mar-21
Non-Convertible Debentures	INE448U07042	28-Sep-20	Interest Paid	30-Mar-21
Non-Convertible Debentures	INE448U07059	28-Sep-20	Interest Paid	28-Mar-21
Non-Convertible Debentures	INE448U07075	13-Jul-20	Interest Paid	13-Jan-21
Non-Convertible Debentures	INE448U07083	30-Jun-20	Interest Paid	20-Aug-21
Non-Convertible Debentures	INE448U07091	-	Not applicable	16-Jul-21
Non-Convertible Debentures	INE448U07109	-	Not applicable	05-Aug-21
Non-Convertible Debentures	INE448U07117	-	Not applicable	12-Aug-21
Non-Convertible Debentures	INE448U07125	-	Not applicable	03-Sep-21
Non-Convertible Debentures	INE448U07133	-	Not applicable	28-Mar-21

Note:

The Secured listed Non-Convertible Debentures of the Company are secured by first and exclusive charge on receivables of the Company by way of hypothecation to the extent ranging from 1 to 1.25 times of the amount outstanding.

