



CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

Reg. off: # 145, 2nd Floor, NR Square, 1st Main Road, Sirsi Circle, Chamrajpet, Bangalore - 560018
Tel: 080-26750010, 080-26756767
CIN NO: U67190KA2009PTC049494

Date: 29th June 2020

To,
Bombay Stock Exchange
1st Floor, Rotunda Building, P J Towers,
Dalal Street, Fort Mumbai-400001

Subject: Submission of Annual Financial Results along with Audit Report for the Financial Year ended on March 31, 2020 pursuant to Sub-regulation '1' of Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

In terms of Sub-regulation '1' of Regulation 52 of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR"), as amended, read with circular issued thereunder from time to time, we wish to submit the following documents for the financial year ended on March 31, 2020:

1. Financial Results in the format prescribed by SEBI, along with the information as prescribed under Sub-regulation 4 of Regulation 52 of LODR, duly approved by the Board of Directors of the Company at its meeting held on June 29, 2020;
2. Audit Report as provided by the Statutory Auditors of the Company and
3. Declaration pursuant to the proviso to clause "a" of Sub-regulation '3' of Regulation 52 of LODR;

Request you to please take above documents on record and do the needful.

Thanking you,
Yours faithfully,

For Chaitanya India Fin Credit Private Limited

Dimple J Shah
Company Secretary
ACS No: A36349
eCSIN: EA036349A000113206
Bindu Amulya Apartment Flat No.408,
4th Floor, Anjananagar
Bangalore 560091

Chaitanya India Fin Credit Private Limited
CIN: U67190KA2009PTC049494
#145, 2nd Floor, NR Square, 1st Main Road, Sirsi Circle, Chamrajpet, Bangalore - 560018
Audited statement of financial results for the half year ended 31 March 2020
(All amounts in ₹ lakhs unless otherwise stated)

Sl No	Particulars	Half year ended	Half year ended	Year ended	Year ended
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
		Unaudited (Refer Note 3)	Unaudited (Refer Note 3)	Audited	Audited
1	Revenue from operations				
	Interest income	9,156.21	5,933.66	15,950.93	10,755.46
	Fees and commission income	556.90	289.33	1,052.90	504.63
	Net gain on fair value changes	188.87	128.87	188.87	129.74
	Net gain on derecognition of financial instruments	51.39	257.12	324.47	300.45
	Others	16.32	19.39	20.85	22.27
	Total revenue from operations	9,969.69	6,628.37	17,538.02	11,712.55
2	Other income	(15.80)	(2.80)	0.26	1.13
3	Total income (1+2)	9,953.89	6,625.57	17,538.28	11,713.68
4	Expenses				
	Finance costs	3,856.21	3,405.42	7,152.64	5,934.73
	Impairment of financial instruments	1,662.08	150.30	2,038.35	133.16
	Employee benefits expense	3,295.66	1,732.63	5,360.48	3,466.48
	Depreciation and amortisation expense	94.05	86.99	153.82	139.82
	Other expenses	1,147.67	836.90	2,119.66	1,507.93
	Total expenses	10,055.67	6,212.24	16,824.95	11,182.12
5	Profit before tax for the period / year (3-4)	(101.78)	413.33	713.33	531.56
6	Tax expense				
	Prior year taxes				
	Current tax	366.46	140.51	558.23	169.37
	Deferred tax expense / (credit)	(308.98)	(36.34)	(351.75)	(59.61)
	Total tax expense	57.48	104.17	206.48	109.76
7	Profit after tax for the period / year (5-6)	(159.26)	309.16	506.85	421.80
8	Other comprehensive income				
	(i) Items that will not be reclassified to profit or loss	(25.06)	38.55	(69.83)	28.66
	(ii) Income tax relating to items that will not be reclassified to profit or loss	6.31	(10.72)	17.57	(7.97)
	Total other comprehensive income, net of tax	(18.75)	27.83	(52.26)	20.69
9	Total comprehensive income for the period / year (7+8)	(178.01)	336.99	454.59	442.49
10	Paid-up equity share capital (face of value of ₹ 10 each)	7,500.00	2,453.45	7,500.00	2,453.45
11	Earnings per share (not annualised)				
	Basic (₹)	(0.24)	1.37	1.11	1.85
	Diluted (₹)	(0.24)	1.37	1.05	1.85
	Face value per share (₹)	10.00	10.00	10.00	10.00
See accompanying notes to the financial results					

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors of Chaitanya Fin Credit Private Limited ('the Company') at their respective meetings held on 27 June 2020 and 29 June 2020 respectively, and are audited by the statutory auditors in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- The financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company has adopted Ind AS from 01 April 2019 and the effective date of such transition is 01 April 2018.
- The amounts of half year ended 31 March 2020 and 31 March 2019 are the balancing amounts between the audited amounts in respect of the full financial year ended 31 March 2020 and 31 March 2019 respectively and the published half year ended 30 September 2019 and 30 September 2018 respectively. Results published for half year ended 30 September 2019 and 30 September 2018 was subjected to limited review by the statutory auditors.
- The comparative financial information for the corresponding half year and year ended 31 March 2019 are based on the previously issued financial results, prepared in accordance with the accounting standards specified under Section 133 of the Act, read with the relevant rules issued thereunder and other accounting principles generally accepted in India ('the previous GAAP') and are adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS.
- Reconciliation/re-statement of net profit after reported in accordance with previous GAAP to total comprehensive income in accordance with Ind AS is given below for the year ended and half year ended 31 March 2019:

Particulars	Year ended 31 March 2019	Half year ended 31 March 2019
a) Net profit after tax as per Previous GAAP	724.89	488.12
b) Adoption of Effective Interest Rate ("EIR") for amortisation of income and expenses - financial assets at amortised cost	(127.75)	(53.78)
c) Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	(69.19)	(131.16)
d) Impact of on balance sheet recognition of securitised loan portfolio	(287.08)	(304.45)
e) Net gain/ (loss) on derecognition of loans sold under assignment transactions	200.78	198.78
f) Impact on application of expected credit loss method for loan loss provisioning	(34.58)	(103.49)
g) Adoption of fair valuation method for employee stock options	(27.37)	(12.52)
h) Provision for employee benefits	(78.61)	53.29
i) Others	(73.98)	26.81
j) Deferred tax impact on Ind AS adjustments	163.13	115.99
Net profit after tax as per Ind AS	390.24	277.59
k) Other comprehensive income (net of tax)	52.25	59.39
Total comprehensive income as per Ind AS	442.49	336.98

- Reconciliation/re-statement of total equity as at 31 March 2019 reported in accordance with previous GAAP to total equity in accordance with Ind AS is given below:

Particulars	As at 31 March 2019
a) Total equity (shareholder's funds) as per previous GAAP	7,922.09
b) Adjustments:	
c) Adoption of Effective Interest Rate ("EIR") for amortisation of income and expenses - financial assets at amortised cost	(353.53)
d) Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	167.45
e) Impact of on balance sheet recognition of securitised loan portfolio	(281.74)
f) Impact on application of expected credit loss method for loan loss provisioning	49.19
g) Interest on non performing loans	82.02
h) Impact of application of lease accounting under IND AS 116	(2.37)
i) Net gain/ (loss) on derecognition of loans sold under assignment transactions	245.37
j) Preference shares classified as liability under IND AS	(1,500.00)
k) Provision for employee benefits	(142.64)
l) Others	(196.14)
m) Deferred Tax Impact on above adjustments	157.96
Total adjustments	(1,774.43)
Total equity as per Ind AS	6,147.66

- EPS disclosed for the half year ended 31 March 2020 and 31 March 2019 are not annualised.
- During the half year ended 31 March 2020, the Company has allotted 50,465,482 equity shares through rights issue at an issue price of ₹ 29.10 per share. Also, the Company has issued 11,400 compulsorily convertible debentures of ₹ 100,000 per debenture.
- During the half year ended 31 March 2020, the Company has redeemed 15,000,000 preference shares along with a dividend of ₹ 242.51 lakhs (inclusive of dividend distribution tax).

10 The Company has adopted Ind AS 116, Leases effective 1 April 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules 2019, using modified retrospective approach. The adoption of this standard did not have a material impact on the profit of the current year.

11 The Novel Corona Virus (COVID-19) pandemic (declared as such by the World Health Organisation on 11 March 2020), has impacted global and Indian business in terms of growth and volatility, leading to a significant decline in economic activity. On 24 March 2020, the Government of India announced a nation-wide lockdown till 14 April 2020, which was further extended till 31 May 2020. This has led to a near standstill situation of business other than essential services.

The pandemic induced lockdown has impacted Company's regular operations due to shutting down of our offices across all locations including Head office. While the Business Continuity Plan ("BCP") was triggered immediately on announcement of lock down and all employees have worked from home, lending and collection activities were suspended during the lock down period. However, the BCP of the Company enabled its employees to perform key obligations of the Company such as repayments to lenders, payment of salaries to employees, payment of administrative expenses, etc.

Pursuant to the Reserve Bank of India circular dated 27 March 2020 the Company had extended moratorium to its eligible customers (for their instalments falling due between 1st March to 31 May 2020) as per its COVID policy approved by the Board and published in its website, wherein the customers have the option to avail moratorium on their instalments. The Company further amended its COVID policy when the second announcement on moratorium was made by the RBI on 23 May 2020 allowing lending institutions to extend moratorium to borrowers for a further period up to 31 August 2020, wherein the Company has extended such moratorium on a case to case basis based on its assessment of the customer.

The Company's mission is to provide micro finance to low income rural population and accordingly has a portfolio with major composition of its borrowers from rural geographies, where the impact of COVID-19 has been relatively lower. In addition, the Government has announced a series of economic relief measures for rural India, which is expected to support rural borrower's repayment capacity.

Pursuant to the order issued by the Ministry of Home Affairs on 15 April 2020 allowing microfinance companies to start operations, the Company resumed operations by complying with the regulatory guidelines on businesses, social distancing and other prescribed norms. Our employees have started to meet and collect instalments from those borrowers willing to repay, since the resumption of operations. Based on the recent trends in collection, the management is confident that collections will continue to improve from July 2020, and the improvement of this trend will continue in the coming months. Further the Company has started loan disbursement from mid of June demonstrating ability to bounce back to normal operation.

In management's view, providing moratorium to borrowers by itself is not considered to result in a significant increase in credit risk ("SICR") for such borrowers. However, the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new development concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact. Given these uncertainties over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results.

Considering the above and the uncertainties over the potential macro-economic impact, available data and estimations both internal and external including credit reports up to the date of finalisation of these financial results., determination of the provision for impairment of financial assets has been made to on a best of assessment basis. Accordingly, the provision for expected credit loss on financial assets as at 31 March 2020 aggregates to ₹ 2,069.57 lakhs (as at 31 March 2019, ₹ 1,074.64 lakhs) which includes potential loan loss estimations on account of the pandemic of ₹ 1,119.81 lakhs. While the Company continues to closely monitor and assess the risk from time to time, it considers this provision to be adequate.

The Company has assessed the impact of the pandemic on its liquidity and ability to fulfil its obligations as and when they are due and has evaluated the asset-liability maturity (ALM) pattern in various time buckets as prescribed under the guidelines issued by the RBI. The Company's liquidity position over the next 12 months from the end of reporting period based on current liquidity position and considering various scenarios, the management is confident that the Company will be able to fulfil its obligations as and when these become due as per the maturity periods. The management has considered various matters such as stimulus packages announced by the Government of India expected to benefit directly or indirectly NBFC-MFI's as well. Based on its assessment, the Company is of the opinion that, there will not be a situation warranting an availment of moratorium from its lenders and accordingly has decided not to avail the same as stated in the Board approved COVID policy. It is important to note that the company is able to raise debt funds even during the pandemic and at best possible terms. CRISIL had assigned A- rating during the lock down and ICRA has upgraded the rating to BBB+ and the Company is holding adequate liquidity (including undrawn sanctioned facilities). The Company has also converted its compulsorily convertible debentures of ₹ 11,400 lakhs to equity share capital during May 2020.

12 In accordance with the provisions of Section 115 BAA of the Income Tax Act 1961, the Company has opted to pay income tax at a reduced rate of 25.17% with effect from the current financial year as against earlier rate of 27.82%. Consequently, tax expense for the year comprising current and deferred tax as per Indian Accounting standards (Ind AS -12) (Income Taxes) have been recognized using the reduced tax rates applicable.

13 The Company is primarily engaged in the business of financing and as such no separate information is required to be furnished in terms of Ind AS 108 "Operating segments" specified under section 133 of the Companies Act, 2013.

For and on behalf of the Board of Directors
Chaitanya India Fin Credit Private Limited

Sachin Bansal
Managing Director & CEO
DIN: 02356346

Place: Bengaluru
Date: 29 June 2020

Chaitanya India Fin Credit Private Limited
CIN: U67190KA2009PTC049494
#145, 2nd Floor, NR Square, 1st Main Road, Sirsi Circle, Chamrajpet, Bangalore - 560018
Audited Balance Sheet as at 31 March 2020
(All amounts in ₹ lakhs unless otherwise stated)

Sl No	Particulars	As at	As at
		31 March 2020	31 March 2019
		Audited	Audited
ASSETS			
1	Financial assets		
(a)	Cash and cash equivalents	584.42	6,395.37
(b)	Bank balance other than cash and cash equivalents	1,405.92	2,196.26
(c)	Trade receivables	-	276.11
(d)	Loans	82,890.77	47,555.94
(e)	Investments	4,912.82	-
(f)	Other financial assets	317.98	547.43
		90,111.91	56,971.11
2	Non-financial assets		
(a)	Current tax assets (net)	-	37.87
(b)	Deferred tax assets (net)	895.53	526.21
(c)	Property, plant and equipment	283.33	246.36
(d)	Right of use asset	22.31	26.59
(e)	Other intangible assets	7.72	13.97
(f)	Other non-financial assets	119.42	100.99
		1,328.31	951.99
Total assets		91,440.22	57,923.10
LIABILITIES AND EQUITY			
LIABILITIES			
1	Financial liabilities		
(a)	Payables		
	(I) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	451.15	-
	(II) Other payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	43.29	41.67
(b)	Debt securities	13,538.20	14,743.00
(c)	Borrowings (other than debt securities)	38,437.81	28,535.98
(d)	Subordinated liabilities	3,977.13	5,474.84
(e)	Other financial liabilities	2,002.06	2,211.57
		58,449.64	51,007.06
2	Non-financial liabilities		
(a)	Current tax liabilities (net)	50.01	-
(b)	Provisions	946.60	494.15
(c)	Other non-financial liabilities	304.23	274.23
		1,300.84	768.38
3	Equity		
(a)	Equity share capital	7,500.00	2,453.45
(b)	Other equity	24,189.74	3,694.21
Total equity		31,689.74	6,147.66
Total liabilities and equity		91,440.22	57,923.10

Chaitanya India Fin Credit Private Limited

CIN: U67190KA2009PTC049494

#145, 2nd Floor, NR Square, 1st Main Road, Sirsi Circle, Chamrajpet, Bangalore - 560018

Disclosures under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(All amounts in ₹ lakhs unless otherwise stated)

1 Credit rating:

Deposit instrument	Name of rating agency	Rating assigned
Non-Convertible Debentures	ICRA	BBB
Term loans	SMERA	ACUTE BBB
	Brickwork Ratings	BRICKWORKS BBB+
	ICRA Ltd	ICRA BBB
	CRISIL	CRISIL A-

There has been upgradation in Rating for ICRA from "BBB" to "BBB+" in the month of April 2020

2 Debt-Equity Ratio:

Debt-Equity ratio of the Company as on March 31, 2020 is as per Audited Financial Results of the Company.

3 Previous due date for payment of principal/interest on Non Convertible Debentures ("NCDs")

NCD	ISIN number	Due date (from 01 October 2019 to 31 March 2020)	
		Principal	Interest
SACHIN BANSAL	INE140R07082	2,500.00	108.16
MICROFINANCE ENHANCEMENT FACILITY SA, SICAV-SIF	INE140R07058	-	164.40
JAPAN ASEAN WOMEN EMPOWERMENT FUND	INE140R07074	-	154.45
MICROFINANCE INITIATIVE FOR ASIA (MIFA) DEBT FUND	INE140R07074	-	153.60
CHAITANYA RURAL INTERMEDIATION DEVELOPMENT SERVICE	INE140R08031	-	108.90
IFMR FINANCE FOR FREEDOM FUND V (IFMR FIMPACT INCO	INE140R08049	-	145.40
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08015	-	43.16
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08023	-	36.74
AAV S.A.R.L	INE140R07066	-	214.01
MICROBUILD I, B.V.	INE140R07041	2,043.00	70.28

The Company has paid the interest and principal on NCDs on the respective due dates mentioned above.

4 Previous due date for payment of principal/interest on Non Convertible Preference Shares.

Particulars	Due date	Principal	Interest
Redemption and Interest paid on Non Convertible Preference Shares	18-12-2019	1,500.00	36.62

5 Outstanding redeemable preference shares - Not applicable.

6 Debenture Redemption Reserve (DRR) - No DRR is required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of the Companies (Share Capital and Debenture) Rules, 2014.

7 Net Worth as on March 31, 2020 - ₹ 31689.74 lakhs

8 Total comprehensive income for the year ended 31 March 2020 - ₹ 454.59 lakhs

9 Earning per share - ₹ 1.11

For and on behalf of the Board of Directors
Chaitanya India Fin Credit Private Limited

Sachin Bansal
Managing Director & CEO
DIN: 02356346

Place: Bengaluru
Date: 29 June 2020



CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

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CIN NO: U67190KA2009PTC049494

To,
Bombay Stock Exchange
1st Floor, Rotunda Building, P J Towers,
Dalal Street, Fort Mumbai-400001

Date: 29th June 2020

Subject: Declaration pursuant to the proviso to clause “a” of Sub-regulation ‘3’ of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to proviso to clause “a” of Sub-regulation ‘3’ of Regulation 52 of Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“LODR”), read with circular issued thereunder from time to time, we hereby declare that the Statutory Auditors of the Company i.e., Walker Chandiok & Co LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/N500013) have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the financial year ended March 31, 2020.

This is for your information and record please.

Thanking you,
Yours faithfully,

For Chaitanya India Fin Credit Private Limited

Sachin Bansal
Managing Director & CEO
DIN: 02356346

Copy to-

CATALYST TRUSTEESHIP LIMITED (Formerly GDA TRUSTEESHIP LIMITED)

(Formerly known as GDA Trusteeship Ltd)

Windsor, 6th Floor, Office No – 604 C.S.T. Road, Kalina Santacruz (East), Mumbai – 400 098

IDBI TRUSTEESHIP SERVICES LIMITED

Asian Building, Ground Floor 17. R. Kamani Marg Ballard Estate Mumbai, Maharashtra - 400 001