

Walker Chandlok & Co LLP

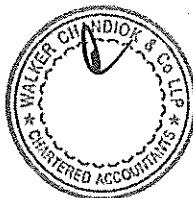
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Independent Auditor's Review Report on Unaudited Half-Yearly Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Chaitanya India Fin Credit Private Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Chaitanya India Fin Credit Private Limited ('the Company') for the half year ended 30 September 2019, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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 ('the Act'), and as per the presentation requirements of the SEBI Circular CIR/IMD/DF1/69/2016 dated 10 August 2016, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. The Company had prepared separate financial information for the half year ended 30 September 2018 in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and as per the presentation requirements of SEBI Circular CIR/IMD/DF1/69/2016 dated 10 August 2016, and other accounting principles generally accepted in India, which were reviewed by the predecessor auditor whose report dated 26 October 2018 expressed an unmodified conclusion. This financial information has been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been certified by the management and have not been subjected to review or audit. Our conclusion is not modified in respect of this matter.
4. 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune


Walker Chandlok & Co LLP is registered with limited liability with identification number AAC-2065 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Chaltanya India Fin Credit Private Limited

Independent Auditor's Review Report on Unaudited Half-Yearly Financial Results of the Company – 30 September 2019

5. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and as per the presentation requirements of the SEBI Circular CIR/IMD/DF1/69/2016 dated 10 August 2016, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013



Manish Gujral
Partner
Membership No. 105117

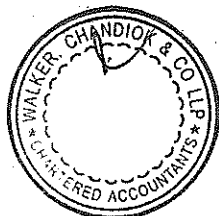
UDIN No:19105117AAAAPU7244

Place: Bengaluru
Date: 02 December 2019

Unaudited Balance Sheet as at 30 September 2019

(All amount in ₹ lakhs unless otherwise stated)

Sl. No.	Particulars	As at
		30 September 2019
		Unaudited
	ASSETS	
(1)	Financial assets	
a)	Cash and cash equivalents	4,282.07
b)	Bank balance other than (a) above	1,920.81
c)	Receivables	
	(I) Trade receivables	73.18
	(II) Other receivables	-
d)	Loans	56,680.23
e)	Other financial assets	481.04
		63,437.33
(2)	Non-financial Assets	
a)	Current tax assets (net)	49.83
b)	Deferred tax assets (net)	556.93
c)	Property, plant and equipment	262.27
d)	Right of use asset	11.82
e)	Intangible assets	10.15
f)	Other non-financial assets	263.74
		1,154.74
	Total assets	64,592.07
	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	180.84
b)	Debt securities	17,600.57
c)	Borrowings (Other than debt securities)	31,409.53
d)	Subordinated liabilities	5,488.62
e)	Other financial liabilities	1,950.12
		56,629.68
(2)	Non-Financial Liabilities	
a)	Provisions	966.50
b)	Other non-financial liabilities	234.71
		1,201.21
(3)	EQUITY	
a)	Equity share capital	2,453.45
b)	Other equity	4,307.73
		6,761.18
	Total liabilities and equity	64,592.07



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Unaudited statement of financial results for the half year ended 30 September 2019

(All amount in ₹ lakhs unless otherwise stated)

Sl. No.	Particulars	Half year ended	Half year ended
		30 September 2019	30 September 2018
		Unaudited	Unaudited
1	Revenue from operations		
	Interest income	6,794.72	4,821.80
	Fees and commission Income	496.00	215.30
	Net gain on fair value changes	-	0.87
	Net gain on derecognition of financial instruments under amortised cost category	273.08	43.33
	Others	4.53	2.88
(I)	Total revenue from operations	7,568.33	5,084.18
(II)	Other income	16.06	3.93
(III)	Total income (I+II)	7,584.39	5,088.11
2	Expenses		
	Finance costs	3,296.42	2,529.31
	Employee benefits expense	2,064.83	1,733.85
	Depreciation and amortization expense	59.77	52.82
	Impairment on financial instruments	376.26	(17.14)
	Others expenses	971.99	671.03
(IV)	Total expenses (IV)	6,769.27	4,969.86
(V)	Profit before exceptional items and tax (III-IV)	815.12	118.25
(VI)	Exceptional items	-	-
(VII)	Profit before tax (V -VI)	815.12	118.25
(VIII)	Tax expense:	149.00	5.60
	(1) Current tax	191.77	28.86
	(2) Deferred tax	(42.77)	(23.26)
(IX)	Profit for the period from continuing operations(VII-VIII)	666.12	112.65
(X)	Profit from discontinued operations	-	-
(XI)	Tax expense of discontinued operations	-	-
(XII)	Profit from discontinued operations (After tax) (X-XI)	-	-
(XIII)	Profit for the period (IX+XII)	666.12	112.65
(XIV)	Other comprehensive income		
	(i) Items that will not be reclassified to profit or loss	(44.77)	(9.89)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	11.27	2.75
	Total other comprehensive income (net of tax) (A + B)	(33.50)	(7.14)
(XV)	Total comprehensive income for the period (XIII+XIV)	632.62	105.51
	Paid up equity share capital (face value of INR 10 each)	2,453.45	2,173.14
(XVI)	Earnings per equity share (not annualised)		
	Basic (Rs.)	2.58	0.49
	Diluted (Rs.)	2.58	0.49
See accompanying notes to the financial results			

Notes

1 The above un-audited financial results ('the Statement') of Chaitanya India Fin Credit Private Limited ('the Company') for the half year ended 30 September 2019 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on 02 December 2019. These results have been subjected to limited review by the statutory auditors of the Company.

2 The un-audited 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.

These financials results for the current and previous periods may require adjustments due to any change in financial reporting requirements arising from new standards, modifications to the existing standards, guidelines issued by the Ministry of Corporate Affairs and Reserve Bank of India or changes in the use of one or more optional exemptions from the full retrospective application of certain Ind AS permitted under IND AS 101 'First time adoption of Indian Accounting Standard'.



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Unaudited statement of financial results for the half year ended 30 September 2019

3 The above financial results have been subjected to limited review by the statutory auditors of the Company as required under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Ind AS compliant financial results, pertaining to the corresponding six months ended 30 September 2018 has not been subject to limited review or audit.

4 The Company has prepared a reconciliation of the net profit, as required by Para 32 of Ind AS 101, of the corresponding period under the previous IGAAP with the respective figures as reported in these financial results under Ind AS. The net profit reconciliation for the six months ended 30 September 2018 is presented as below:

Sl No	Particulars	Half year ended 30-Sep-18 (Unaudited)
	Net profit after tax as per Previous GAAP	236.77
a)	Adoption of Effective Interest Rate ("EIR") for amortisation of income and expenses - financial assets at amortised cost	(73.97)
b)	Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	61.97
c)	Impact of on balance sheet recognition of securitised loan portfolio	17.37
d)	Impact on application of expected credit loss method for loan loss provisioning	68.91
e)	Net gain on derecognition of loans sold under assignment transactions	2.00
f)	Adoption of fair value method for employee stock option plans	(14.85)
g)	Others	(232.69)
h)	Deferred tax impact on Ind AS adjustments	47.14
	Net profit after tax as per Ind AS	112.65
	Other comprehensive income (net of tax)	(7.14)
	Total comprehensive income as per Ind AS	105.51

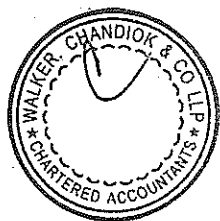
5 In terms of optional exemption provided by SEBI circular no. CIR/IMD/DF/69/2-16 dated August 10, 2016 the Company has opted to avail exemption for disclosing Ind AS compliant financial results for financial year ended 31 March 2019.

6 The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for income tax for the period ended 30 September 2019 with the revised effective tax rate calculated basis the new tax rate of 25.168% applicable for the India based entities including re-measurement of deferred tax asset.

7 The Company has adopted Ind AS 116, Leases effective 01 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 material impact on the profit of the current half year.

8 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



S. S. Shetty

Samit S Shetty
 Managing Director
 DIN : 02573018

Place: Bangalore
 Date: 02 December 2019