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Independent Auditor's Report on Annual 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

Opinion

1. We have audited the accompanying annual financial results ('the Statement') of **Chaitanya India Fin Credit Private Limited** ('the Company') for the year ended **31 March 2021**, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('the Listing Regulations'), including other relevant circulars issued by SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - a. presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
 - b. gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2021.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Impact on account of COVID-19

4. We draw attention to Note 6 of the accompanying results, which describes the uncertainty relating to the effects of Covid-19 pandemic on the Company's operations and the impact on the impairment provision recognized towards the loan assets outstanding as at 31 March 2021. Our opinion is not modified in respect of this matter.

Chaitanya India Fin Credit Private Limited
Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement has been prepared on the basis of the annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Chaitanya India Fin Credit Private Limited
Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

12. The Statement includes the financial results for the half year ended 31 March 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited figures for the half year ended 30 September 2020, which were subject to limited review by us. Our opinion is not modified in respect of this matter.

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

Manish Gujral
Partner
Membership No:105117

UDIN:21105117AAAADQ7018

Place: Mumbai
Date: 18 June 2021

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 2021
(All amounts in ₹ lakhs unless otherwise stated)

Sl No	Particulars	As at	As at
		31 March 2021	31 March 2020
		Audited	Audited
ASSETS			
1	Financial assets		
(a)	Cash and cash equivalents	6,379.88	584.42
(b)	Bank balance other than cash and cash equivalents	1,712.01	1,405.92
(c)	Other receivables	4.85	-
(d)	Loans	113,194.07	82,890.77
(e)	Investments	18,089.96	4,912.82
(f)	Other financial assets	1,781.72	317.98
		141,162.49	90,111.91
2	Non-financial assets		
(a)	Current tax assets (net)	-	-
(b)	Deferred tax assets (net)	1,563.26	895.53
(c)	Property, plant and equipment	288.51	283.33
(d)	Right of use asset	13.33	22.31
(e)	Other intangible assets	85.82	7.72
(f)	Other non-financial assets	178.95	119.42
		2,129.87	1,328.31
	Total assets	143,292.36	91,440.22
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	237.31	118.65
(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	53.83	451.15
(b)	Debt securities	29,658.62	13,538.20
(c)	Borrowings (other than debt securities)	67,532.09	38,437.81
(d)	Subordinated liabilities	3,983.58	3,977.13
(e)	Other financial liabilities	4,910.21	2,002.06
		106,375.64	58,525.00
2	Non-financial liabilities		
(a)	Current tax liabilities (net)	367.49	50.01
(b)	Provisions	1,282.65	946.60
(c)	Other non-financial liabilities	443.17	228.87
		2,093.31	1,225.48
3	Equity		
(a)	Equity share capital	10,350.00	7,500.00
(b)	Other equity	24,473.41	24,189.74
	Total equity	34,823.41	31,689.74
	Total liabilities and equity	143,292.36	91,440.22

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Chaitanya India Fin Credit Private Limited

CIN: U67190KA2009PTC049494

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Audited statement of financial results for the half year ended 31 March 2021

(All amounts in ₹ lakhs unless otherwise stated)

Sl No	Particulars	Half year ended	Half year ended	Year ended	Year ended
		31 March 2021 (Refer Note 4)	31 March 2020 (Refer Note 4)	31 March 2021 Audited	31 March 2020 Audited
1	Revenue from operations				
	Interest income	10,891.60	9,247.82	20,993.13	15,950.93
	Fees and commission income	77.63	356.91	336.72	1,052.90
	Net gain on fair value changes	105.15	97.28	226.55	188.87
	Net gain on derecognition of financial instruments	1,809.25	51.39	1,809.25	324.47
	Total revenue from operations	12,883.63	9,953.40	23,365.65	17,517.17
2	Other income	0.25	15.79	8.37	0.26
3	Total income (1+2)	12,883.88	9,937.61	23,374.12	17,517.43
4	Expenses				
	Finance costs	4,014.37	3,756.19	7,668.54	7,052.62
	Impairment of financial instruments	3,381.81	1,645.77	5,238.60	2,017.50
	Employee benefits expense	3,323.94	3,295.65	5,821.76	5,360.48
	Depreciation, amortization and impairment	81.00	94.04	147.25	153.82
	Other expenses	1,297.34	1,247.67	1,991.93	2,219.66
	Total expenses	12,098.46	10,039.32	20,858.08	16,804.08
5	Profit/ (loss) before tax for the period/ year (3-4)	785.42	(101.71)	2,516.04	713.35
6	Tax expense				
	Current tax	588.31	366.46	1,196.46	558.23
	Deferred tax	515.99	(308.98)	(42.95)	(351.75)
	Total tax expense	72.32	57.48	453.51	206.48
7	Profit/ (loss) after tax for the period/ year (5-6)	713.10	(159.19)	2,062.53	506.87
8	Other comprehensive income/ (loss)				
	(i) Items that will not be reclassified to profit or loss	14.12	(25.06)	17.64	(69.83)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(3.55)	6.31	(4.44)	17.57
	(iii) Items that will be reclassified to profit or loss	281.20	-	281.20	-
	(iv) Income tax relating to items that will be reclassified to profit or loss	(70.77)	-	(70.77)	-
	Total other comprehensive income/ (loss), net of tax	221.00	(18.75)	223.63	(52.25)
9	Total comprehensive income/ (loss) for the period/ year (7+8)	934.10	(177.94)	2,286.16	454.62
10	Paid-up equity share capital (face of value of ₹ 10 each)	10,350.00	7,500.00	10,350.00	7,500.00
11	Earnings/ (loss) per share (not annualised)				
	Basic (₹)	0.69	(0.21)	2.06	1.11
	Diluted (₹)	0.62	(0.21)	2.06	1.05
	Face value per share (₹)	10.00	10.00	10.00	10.00

See accompanying notes to the financial results



Notes:

- 1 The above audited financial 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 meetings held on 17 June 2021 and 18 June 2021 respectively.
- 2 The audited financial results of the Company have been prepared in accordance with Indian Accounting Standards ("IndAS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies Indian Accounting standards (Amendment) Rules, 2016.
- 3 The above financial results have been audited by the statutory auditors of the Company as required under Regulation 52 of the SEBI Listing Obligations and Disclosure Requirements Regulations 2015 and ("Listing Regulations") and have issued an unmodified opinion.
- 4 The figures for the half-year ended 31 March 2021 and 31 March 2020 are the balancing figures between the audited figures in respect of full financial year ended 31 March 2021 and 31 March 2020 respectively and the published half-year ended 30 September 2020 and 30 September 2019 respectively, which were subject to limited review by the statutory auditors.
- 5 On 11 May 2020, 11,400 Compulsorily Convertible Debentures of ₹ 100,000 each have been converted to 28,500,000 equity shares of ₹ 40 per share (face value of ₹10 per share) at a ratio of 1:2,500.
- 6 Consequent to the outbreak of the COVID-19 pandemic, its impact, including changes in customer behaviour and pandemic fears, as well as restriction of business and individual activities, had led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance and will depend on ongoing as well as future developments which are highly uncertain. The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

The Company has put in place specific measures to handle COVID-19 pandemic in line with regulatory requirements such as, social distancing (including work from home options), providing PPE (personal protective gear) to its employees in the organization. The COVID specific SOP (standard operating procedure) prepared was communicated to all the employees and, the requirement of strict adherence has been enforced with the employees. Further, a QRT (quick response team) has been formed, to handle any exigencies reported in the organization.

The Company has recognized provisions as on 31 March 2021, towards its loan assets to the extent of ₹ 6,669.39 lakhs which includes an additional provision of ₹ 1,522.80 lakhs for impact of COVID-19 second wave, based on the information available at this point of time including economic forecasts, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial results.
- 7 The Hon'ble Supreme Court of India through an interim order dated 3 September 2020 (Public Interest Litigation (PIL)), had directed that accounts which were not declared non-performing assets (NPA) till 31 August 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Company had not classified any account as non-performing assets (NPA), as per the Reserve Bank of India (RBI) or other regulatory prescribed norms, after 31 August 2020 which was not NPA as of 31 August 2020. The interim order granted to not declare accounts as NPA stood vacated on 23 March 2021. In accordance with the instructions in paragraph 5 of the RBI circular dated 07 April 2021 issued in this regards, the Company has complied with the asset classification of borrower accounts as per extant RBI instructions/ IRAC norms.
- 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.
- 9 Figures of the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.

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



Sachin Bansal
Managing Director and CEO
DIN: 02356346

Bengaluru
18 June 2021



Anand Rao
Joint Managing Director
DIN: 01713987

Bengaluru
18 June 2021



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 Details of credit ratings assigned by various credit rating agencies:

Deposit instrument	Name of rating agency	Rating assigned
Non-Convertible Debentures	ICRA	ICRA A-
	CRISIL	CRISIL A-
Term loans	ICRA	ICRA A-
	CRISIL	CRISIL A-
Sub-Ordinated debt	ICRA	ICRA A-
MPI Grading	SMEERA	SMEERA MIC1
Market Linked Debenture	ICRA	PP MLD[ICRA]A-
Commercial papers*	ICRA	ICRA A1

*There is no outstanding balance of commercial paper as on 31 March 2021.

2 Debt-Equity Ratio:

Debt-Equity ratio of the Company as on March 31, 2021 is 2.9 times as per Audited Financial Results of the Company.

3 Details of Secured and Unsecured Non Convertible Debentures (NCD) are as follows

a) Details of previous due date for payment of principal/interest on Non Convertible Debentures ("NCDs")

NCD	ISIN number	Previous Repayment Date	Due date (from 01 October 2020 to 31 March 2021)	
			Principal	Interest
			MICROFINANCE ENHANCEMENT FACILITY SA, SICAV-SIF	INE140R07058
JAPAN ASEAN WOMEN EMPOWERMENT FUND	INE140R07074	06-11-2020	2,200.00	153.18
MICROFINANCE INITIATIVE FOR ASIA (MIFA) DEBT FUND	INE140R07074	06-11-2020	2,200.00	153.18
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08015	30-12-2020	-	18.45
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08015	30-05-2021	-	18.09
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08023	30-12-2020	-	21.67
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08023	30-03-2021	-	21.25
NORTHERN ARC CAPITAL LIMITED	INE140R08031	31-12-2020	-	54.67
NORTHERN ARC CAPITAL LIMITED	INE140R08031	31-03-2021	-	53.63
CSB Bank Ltd	INE140R07090	08-10-2020	-	14.55
CSB Bank Ltd	INE140R07090	08-11-2020	-	15.03
CSB Bank Ltd	INE140R07090	08-12-2020	-	14.55
CSB Bank Ltd	INE140R07090	08-01-2021	-	15.03
CSB Bank Ltd	INE140R07090	08-02-2021	-	15.03
CSB Bank Ltd	INE140R07090	08-03-2021	-	13.58
State Bank of India	INE140R07108	21-10-2020	-	169.38
State Bank of India	INE140R07108	21-01-2021	-	139.13
AK Capital Finance Ltd	INE140R07124	29-10-2020	-	24.41
AK Capital Finance Ltd	INE140R07124	30-11-2020	-	25.22
AK Capital Finance Ltd	INE140R07124	30-12-2020	-	24.41
AK Capital Finance Ltd	INE140R07124	30-01-2021	-	25.22
AK Capital Finance Ltd	INE140R07124	26-02-2021	-	23.60
AK Capital Finance Ltd	INE140R07124	30-03-2021	231.00	24.41
AK Capital Finance Ltd	INE140R07140	31-12-2020	-	10.25
AK Capital Finance Ltd	INE140R07140	30-01-2021	-	19.85
AK Capital Finance Ltd	INE140R07140	26-02-2021	-	17.93
AK Capital Finance Ltd	INE140R07140	31-03-2021	-	19.85

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

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b) Details of next due date for payment of principal/interest on Non Convertible Debentures ("NCDs")

NCD	ISIN number	Next Repayment Date	Due date (from 01 April 2021 to 30 September 2021)	
			Principal	Interest
MICROFINANCE FINANCING FACILITY SA, SICAV-SIF	INE140R07058	29-06-2021		152.29
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08015	29-06-2021		18.29
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08015	29-09-2021		16.50
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08023	29-06-2021		21.49
IFMR FIMPACT LONG TERM MULTI ASSET CLASS FUND	INE140R08023	29-09-2021		21.73
NORTHERN ARC CAPITAL LIMITED	INE140R08031	30-06-2021		54.23
NORTHERN ARC CAPITAL LIMITED	INE140R08031	30-09-2021		54.82
CSB Bank Ltd	INE140R07090	08-04-2021		15.03
CSB Bank Ltd	INE140R07090	08-05-2021		14.55
CSB Bank Ltd	INE140R07090	08-06-2021		15.03
CSB Bank Ltd	INE140R07090	08-07-2021	-	14.55
CSB Bank Ltd	INE140R07090	08-08-2021	-	15.03
CSB Bank Ltd	INE140R07090	08-09-2021	-	15.03
State Bank of India	INE140R07108	21-04-2021	-	156.11
State Bank of India	INE140R07108	21-07-2021	-	137.62
AK Capital Finance Ltd	INE140R07124	30-04-2021	231.00	23.28
AK Capital Finance Ltd	INE140R07124	30-05-2021	231.00	20.65
AK Capital Finance Ltd	INE140R07124	30-06-2021	231.00	19.40
AK Capital Finance Ltd	INE140R07124	30-07-2021	231.00	16.89
AK Capital Finance Ltd	INE140R07124	30-08-2021	231.00	15.51
AK Capital Finance Ltd	INE140R07124	30-09-2021	231.00	13.57
AK Capital Finance Ltd	INE140R07140	30-04-2021	-	19.21
AK Capital Finance Ltd	INE140R07140	31-05-2021	-	19.85
AK Capital Finance Ltd	INE140R07140	30-06-2021	192.30	19.21
AK Capital Finance Ltd	INE140R07140	31-07-2021	192.30	18.33
AK Capital Finance Ltd	INE140R07140	31-08-2021	192.30	16.80
AK Capital Finance Ltd	INE140R07140	30-09-2021	192.30	14.78
CDC GROUP PLC	INE140R07173	29-04-2021	-	40.51
CDC GROUP PLC	INE140R07173	30-05-2021	-	41.86
CDC GROUP PLC	INE140R07173	29-06-2021	-	40.51
CDC GROUP PLC	INE140R07173	30-07-2021	-	41.86
CDC GROUP PLC	INE140R07173	30-08-2021	-	41.86
CDC GROUP PLC	INE140R07173	29-09-2021	150.00	40.51

- The Company has maintained requisite full asset cover by way of floating charge on book debts of the Company on its Secured Listed Non Convertible Debentures as at 31 March 2021 and 31 March 2020.
- Debenture Redemption Reserve (DRR)** - The Company has created DRR of ₹ 100 lakhs during the year ended March 31, 2021. The Company subsequent to the year end has deposited a sum of ₹ 100 lakhs in the form of fixed deposits with scheduled banks, representing 2% of the debenture issued to State Bank of India under TLTRO Scheme. This reserve will be transferred to retained earnings on redemption of the above mentioned non convertible debentures.
- Net Worth as on March 31, 2021 - ₹ 34,823.41 lakhs
- Total comprehensive income for the year ended 31 March 2021 - ₹ 2,286.14 lakhs
- Earning per share - ₹ 2.06
- Figures of the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.

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


Sachin Bansal
Managing Director & CEO
DIN: 02356346

Place: Bengaluru
18 June 2021


Anand Rao
Joint Managing Director
DIN: 01715987

Bengaluru
18 June 2021

