

No. CTL/DEB/20-21/Noting Certificate/2875

November 05, 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 **Dvara Kshetriya Gramin Financial Services 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**

Authorised Signatory

Encl: Results submitted by Company





5 November 2020

BSE Limited,
P.J Towers,
Dalal Street,
Mumbai - 400 001

Dear Sirs,

Sub: Information under Regulation 52 SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015

In terms of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, please find enclosed the Unaudited financial results of the Company along with the Limited Review Report of auditors for the half year ended 30 September 2020.

Kindly take this information on record

Thanking you,

For Dvara Kshetriya Gramin Financial Services Private Limited

S.Balaji
Company Secretary

Dvara Kshetriya Gramin Financial Services Private Limited
(Formerly Pudhuaaru Financial Services Private Limited)

CIN.: U65991TN1993PTC024547

Regd. Office: 10th Floor, Phase I, IIT-Madras Research Park,
Kanagam Village, Taramani, Chennai 600113, India.

T: +91 44 66687000 | **E:** contactus@dvarakgfs.com | **W:** dvarakgfs.com

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 Dvara Kshetriya Gramin Financial Services Private Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Dvara Kshetriya Gramin Financial Services 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 Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“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

Dvara Kshetriya Gramin Financial Services Private Limited

Page 2 of 2

5. As described in Note 6 to the Statement, in respect of accounts 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 announced by the Reserve Bank of India.

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 Honourable Supreme Court of India's 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 / financial instruments, 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

Harsh Lakhotia

Harsh Vardhan Lakhotia

Partner

Membership No: 222432

UDIN: 20222432AAAACF8001

Place : Chennai

Date : 4 November 2020

Dvara Kshetriya Gramin Financial Services Private Limited
CIN: U65991TN1993PTC024547
Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113
Statement of unaudited financial results for the half year ended 30 September 2020

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

Particulars	Half year ended		Year ended
	30 September 2020	30 September 2019	31 March 2020
	Unaudited	Unaudited	Audited
1 Revenue from operations			
Interest income	10,796.09	9,070.46	19,369.47
Fees and commission income	9.82	36.91	121.48
Net gain on fair value changes	16.92	59.22	195.12
Income from other services	241.08	563.98	1,168.00
Total revenue from operations	11,063.91	9,730.57	20,854.07
2 Other income	17.61		51.14
Total income	11,081.52	9,730.57	20,905.21
3 Expenses			
Finance costs	4,886.42	4,623.49	9,801.72
Impairment on financial instruments (refer note 6)	1,241.86	1,087.26	2,249.23
Employee benefits expenses	2,825.17	2,383.62	5,125.52
Depreciation and amortisation	317.86	270.49	632.20
Other expenses	993.31	1,111.56	2,558.02
Total expenses	10,264.62	9,476.42	20,366.69
4 Profit before tax (1+2-3)	816.90	254.15	538.52
5 Tax expenses			
Current tax, net	476.49	54.77	569.94
Deferred tax charge / (credit) (Including minimum alternative tax credit entitlement)	(244.72)	(8.85)	(412.12)
	231.77	45.92	157.82
6 Net profit for the period / year (4-5)	585.13	208.23	380.70
7 Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the defined benefit obligations	82.86	28.09	(28.09)
Income tax relating to items that will not be reclassified to profit or loss	(24.13)	(8.18)	8.18
Other comprehensive income (net of tax) for the period / year	58.73	19.91	(19.91)
8 Total comprehensive Income (net of tax) for the period / year (6+7)	643.86	228.14	360.79
9 Earnings per equity share (face value Rs.100 each)			
- Basic (in Rs.)	5.39	2.78	3.92
- Diluted (in Rs.)	5.38	2.68	3.91
	Not annualised	Not annualised	Annualised

See accompanying notes to the unaudited financial results for the half year ended 30 September 2020

Page 1 of 4



[Handwritten Signature]



Dvara Kshetriya Gramin Financial Services Private Limited
CIN: U65991TN1993PTC024547
Regd. Office: IFM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113
Balance Sheet (unaudited) as at 30 September 2020

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

Particulars	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
ASSETS		
1 Financial Assets		
Cash and cash equivalents	15,012.19	11,862.47
Bank balance other than cash and cash equivalents	6,700.37	7,165.48
Receivables - Trade receivables	19.24	381.84
Loans	79,269.37	83,189.71
Investments	1,511.85	-
Other financial assets	629.39	514.06
	103,142.41	103,413.56
2 Non-Financial Assets		
Current tax assets (net)	119.66	587.13
Deferred tax assets (net)	2,341.86	2,123.38
Property, plant and equipment	504.00	544.37
Right of use asset	774.93	745.10
Other intangible assets	1,090.78	1,213.87
Other non-financial assets	1,206.66	970.89
	6,037.89	6,184.74
Total Assets (1+2)	109,180.30	109,598.30
LIABILITIES AND EQUITY		
3 Financial Liabilities		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises	414.68	379.82
Debt securities	10,326.34	6,479.96
Borrowings (other than debt securities)	65,430.00	70,314.08
Other financial liabilities	1,892.43	2,178.17
	78,063.45	79,352.03
4 Non-Financial Liabilities		
Provisions	660.45	438.16
Other non-financial liabilities	426.92	440.34
	1,087.37	878.50
5 Equity		
Equity share capital	10,865.71	10,865.71
Other equity	19,163.77	18,502.06
	30,029.48	29,367.77
TOTAL LIABILITIES AND EQUITY (3+4+5)	109,180.30	109,598.30

See accompanying notes to the unaudited financial results for the half year ended 30 September 2020.

Page 2 of 4



Sam



Notes to the unaudited financial results for the half year ended 30 September 2020 :

- 1 Dvara Kshetriya Gramin Financial Services 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 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 meetings held on 3 November 2020 and 4 November 2020 respectively. 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 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 / financial instruments of INR 1,241.86 lakhs (including write off) 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



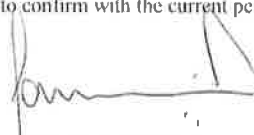
A handwritten signature in black ink, appearing to be "Pam".



Notes to the unaudited financial results for the half year ended 30 September 2020 (continued) :

- 7 The Indian Parliament has approved the Code on Social Security, 2020 which may impact the employee benefit expenses of the Company. The effective date 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 complete their evaluation and will give appropriate impact in the financial results in the year in which the code becomes effective and related rules to determine the financial impact are notified.
- 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 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.
- 10 Previous period's / year's figures have been regrouped/ reclassified wherever necessary, to confirm with the current period presentation.

Place : Chennai
Date : 4 November 2020



Samir Amrit Shah
Director
DIN : 00912693



Dvara Kshetriya Gramin Financial Services Private Limited
CIN: U65991TN1993PTC024547
Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

Annexure A

Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

(a) Credit rating

Products	CARE Rating	ICRA Rating
(a) Non convertible debentures	BBB	-
(b) Subordinated debt	-	BBB
(c) Bank facilities	BBB	BBB

- (b) Assets Cover available for non convertible debt securities : Not applicable
- (c) Debt equity ratio : 2.52 times
Debt equity ratio is (Borrowings+Debt Securities) / 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. 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 Non Banking Finance Company (NBFC) registered with Reserve Bank of India and accordingly no disclosure has been made.
- (h) Outstanding redeemable preference shares (Quantity and value) : The Company does not have Outstanding redeemable preference shares as at 30 September 2020 and hence this clause is not applicable.
- (i) Capital / 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. 30,029.48 lakhs (Net Worth represents share capital, Reserves and Surplus)
- (k) Net profit after tax : Rs. 585.13 lakhs
- (l) Earnings per share for the half year ended 30 September 2020
Basic - Rs.5.39, Not Annualised
Diluted - Rs.5.38, Not Annualised



Dvara Kshetriya Gramin Financial Services Private Limited
CIN: U65991TN1993PTC024547

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

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	INE179P08017	29-Sep-20	Yes	29-Dec-20
Non-Convertible Debentures	INE179P08025	28-Jul-20	Yes	28-Oct-20
Non-Convertible Debentures	INE179P07100	22-Sep-20	Yes	21-Oct-20
Non-Convertible Debentures	INE179P08033	20-Sep-20	Yes	31-Dec-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	04-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	NA	NA	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	INE179P07126	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	NA	NA	30-Nov-22
Non-Convertible Debentures	INE179P07118	NA	NA	30-Nov-22
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	NA	NA	30-Nov-22
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	INE179P07118	NA	NA	30-Nov-22
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	NA	NA	30-Nov-22
Non-Convertible Debentures	INE179P07126	NA	NA	31-Dec-22
Non-Convertible Debentures	NA	30-Sep-20	Yes	29-Oct-20
Non-Convertible Debentures	INE179P07142	NA	NA	18-Aug-21
Non-Convertible Debentures	INE179P07134	NA	NA	18-Aug-21

