

PKF SRIDHAR & SANTHANAM LLP

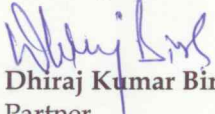
Chartered Accountants

Report on Review of Interim Financial Results

The Board of Directors
Svasti Microfinance Private Limited
New No 187 (Old No 107)
Peters Road, Chennai, TN, 600086

1. We have reviewed the accompanying statement of unaudited financial results (the "Statement") of Svasti Microfinance Private Limited for the half-year ended 30th September 2017. The Statement has been prepared by the management of the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations 2015"), which has been initialed by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatement.
3. 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 Statement has not been prepared in all material respects in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters."

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Regn. No. 003990S/S200018


Dhiraj Kumar Birla
Partner
Mem. No. 131178



Place of signature: Mumbai
Date: 15. Nov. 2017

Svasti Microfinance Private Limited
CIN: U65922TN1995TTC030293
Un audited Financials Result for half year ended 30 Sep 2017
Balance Sheet as at Sep 30, 2017

	Particulars	As at	As at
		Sep 30, 2017	March 31, 2017
		Unaudited	Audited
I	EQUITY AND LIABILITIES		
(1)	Shareholders' Funds		
	(a) Share Capital	232,69,680	192,37,430
	(b) Reserves and Surplus	2872,49,172	1730,30,375
(2)	Non-current Liabilities		
	(a) Long Term Borrowings	6296,78,693	4936,20,180
	(b) Long Term Provisions	11,76,882	24,93,538
	(b) Deferred Tax liability	-	10,16,363
(3)	Current Liabilities		
	(a) Trade Payables		
	-Total Outstanding dues of micro and small enterprises	-	-
	-Others	63,66,402	44,29,498
	(b) Other Current Liabilities	6621,59,125	5024,88,533
	(c) Short Term Provisions	7,90,231	7,90,231
	Total	16106,90,185	11971,06,148
II	ASSETS		
(1)	Non-current Assets		
	(a) Fixed Assets		
	(i) Tangible Assets	112,41,893	111,08,489
	(ii) Intangible Assets	275,34,142	242,64,667
	(iii) Intangible Assets under development	94,81,929	87,03,729
	(b) Long Term Investments	25,00,000	25,00,000
	(c) Long Term Loans & Advances	357,78,981	243,50,565
	(d) Receivables under Financing Activities	4573,99,387	2711,41,640
	(e) Deferred Tax assets	53,794	-
	(f) Other Non Current Assets	99,66,275	83,40,952
(2)	Current Assets		
	(a) Current Investments	-	-
	(b) Cash and Bank Balances	1132,39,598	2384,63,095
	(c) Short Term Loans & Advances	489,67,292	292,41,855
	(c) Receivable under Financing Activities	8546,22,633	5123,47,235
	(e) Other Current Assets	399,04,260	666,43,921
	Total	16106,90,185	11971,06,148



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NOTES

1 for the half year ended September 30, 2017 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (the 'Listing Regulations 2015) and the Accounting Standards specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 as updated by the Companies (Accounting Standards) Amendment Rule 2016 and the relevant provision of the Companies Act 2013 as applicable


2 The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 15th November, 2017 in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have been subjected to 'Limited Review' by Statutory Auditors.

3 as compared to financial year ended March 31, 2017 expect for the provision of gratuity which, for interim financial reporting, has been recognised based on management's estimate instead of actuarial estimate done at the end of each financial year

4 Figures for the six months ended 31st Mar, 2017 is the balancing figures in respect of the full financial year and unaudited published half year financials of the relevant financial year.

5 Figures for the previous period / year have been regrouped wherever necessary, in order to make them comparable.

For Svasti Microfinance Pvt Ltd.


P Arunkumar
Executive Director



Svasti Microfinance Private Limited
CIN: U65922TN1995TTC030293
Un audited Financials Result for half year ended 30 Sep 2017
Statement of Profit & Loss for the year ended Sep 30, 2017

Particulars	For the year/Period ended Sep 30, 2017	For the year/Period ended Sep 30, 2016	For the year ended Mar 31, 2017
	Unaudited	Unaudited	Audited
I. Revenue from Operations			
II. Other Income	1494,33,247	848,30,883	1945,65,417
III. Total Revenue (I+II)	50,09,336	74,09,934	125,44,029
	1544,42,583	922,40,817	2071,09,446
IV. EXPENSES			
Employee Benefits Expenses			
Finance Cost	540,34,823	364,34,057	832,49,587
Depreciation/ Amortisation	772,43,000	415,59,269	930,86,124
Other Expenses	37,60,381	24,68,159	55,15,784
Provision on Receivables under Financing Activities	127,13,377	94,27,658	200,00,446
Total Expenses	53,35,399	3,38,159	30,78,610
	1530,86,980	902,27,302	2049,30,551
V. Profit / (Loss) before Tax (III-IV)	13,55,603	20,13,515	21,78,895
VI. Tax expense:			
(1) Current tax			
Normal Tax			
Minimum Alternate Tax	11,09,963	-	6,51,761
Less: Minimum Alternate Tax Credit	1,65,007	3,83,675	-
	1,65,007	3,83,675	-
	11,09,963	-	6,51,761
(2) Deferred tax	(10,70,157)	5,12,190	-1,92,218
	(10,70,157)	5,12,190	-1,92,218
(3) Tax for previous year			1,76,864
VII. Profit for the period	13,15,797	15,01,325	15,42,488
VIII. Transfer to Statutory Reserve	2,63,159		3,08,498
IX. Profit carried to the balance sheet	10,52,638	15,01,325	12,33,990
Earnings per equity share (Face value Rs. 10)			
(1) Basic (annualised)	1.27	1.74	0.89
(2) Diluted (annualised)	1.16	1.56	0.80

For Svasti Microfinance Pvt Ltd.

P Arunkumar
Executive Director



Svasti Microfinance Private Limited

CIN No. U65922TN1995PTC030293

Corporate: Off. No. 307, 3rd floor 'Flying Colours, Pandit Dindayal Upadhiyay Marg, L.B.S. Cross road, Mulund (West), Mumbai 400080.

Reg Address: Old 107, New No 187, Peters Road, Chennai - 600 086

(Rs. in Lakhs)

STATEMENT OF FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30/09/2017

Sr. No.	Particulars (Refer Notes Below)	6 months ended 30/09/2017	Preceding 6 months ended 31/03/2017	Corresponding 6 months ended 30/09/2016	Previous Year ended 31/03/2017
		Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations				
1a.	Interest Income	1,285.61	778.17	631.81	1,409.98
1b.	Other Operating Income	208.72	319.18	216.50	535.68
	Total Income from Operations (1a and 1b)	1,494.33	1,097.35	848.31	1,945.66
2	Other Income	50.09	51.34	74.10	125.41
3	Total Income (1+2)	1,544.42	1,148.69	922.41	2,071.10
4	Interest Expense including Finance charges	772.43	515.27	415.59	930.86
5	Operating Expenses				
5a.	Employee benefits expense	540.36	468.16	364.34	832.50
5b.	Depreciation and amortisation expense	37.60	30.48	24.68	55.16
5c.	Rent	37.43	38.00	36.62	74.62
5d.	Provision on Receivables under Financing Activities	53.36	27.41	3.38	30.79
5e.	Other Operating Expenses	89.69	67.72	57.67	125.38
6	Total expenses (4+5) excluding provisions and contingencies	1,530.87	1,147.04	902.28	2,049.31
7	Operating Profit before Provisions and Contingencies (3-6)	13.55	1.65	20.13	21.79
8	Provisions (other than tax) and Contingencies				
9	Exceptional Items				
10	Profit (+)/ Loss (-) from Ordinary Activities before tax (7-8-9)	13.55	1.65	20.13	21.79
11	Tax Expense (Net of MAT Credit)	(0.40)	(1.25)	(5.12)	(6.37)
12	Net Profit from ordinary activities after tax (10-11)	13.15	0.40	15.01	15.42
13	Extraordinary Items				
14	Net Profit for the period (12-13)	13.15	0.40	15.01	15.42
15	Paid-up Equity Share Capital (Face value : 10/- per share)	233.20	192.87	192.87	192.87
16	Reserves excluding Revaluation Reserves				1,730.30
17	Networth				1,922.68
18	Analytical Ratios				
	i) Capital Adequacy Ratio	23.65%	24.95%	28.84%	24.95%
	ii) Earning Per Share				
	Basic (annualised)	1.27	0.05	1.74	0.89
	Diluted (annualised)	1.16	0.04	1.56	0.80
19	NPA Ratios				
	i) Gross NPA	192.44	11.94	8.55	11.94
	ii) % of Gross NPA	1.45%	0.15%	0.17%	0.15%
	iii) Return on Assets (annualised)	0.19%	0.01%	0.40%	0.16%

NOTES

- SVASTI Microfinance Private Limited (the 'Company') has prepared unaudited financial results (the 'Statement') for the half year ended September 30, 2017 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (the 'Listing Regulations 2015') and the Accounting Standards specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 as updated by the Companies (Accounting Standards) Amendment Rule 2016 and the relevant provision of the Companies Act 2013 as applicable.
- The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 15th November, 2017 in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have been subjected to 'Limited Review' by Statutory Auditors.
- The Company has issued 100 Rated, Taxable, Senior, Secured, Non-Convertible Debentures of ₹.10,00,000/- each, raised on private placement basis, with a yield of 12.78% allotted on 29-Feb-2016 with interest payable on monthly rests and principal repayable in monthly installments with a tenor of 24 months. Subsequent to raising of funds, the debentures have been listed in BSE limited.
- The Credit Rating in respect of the above mentioned Debenture was "ICRA BBB (SO)" and credit rating as of date has been upgraded to ICRA BBB+(SO).
- The above mentioned Debentures are 100% secured by charge against the identified receivables of the company.
- Company's Debt Equity Ratio as at 30th September, 2017 is 4.19 (5.11 as at 31st March, 2017)
- Since the Company is NBFC and has not issued any Preference shares, disclosures required as per Regulation 52(4)(d)/(e)/(f)/(g)/(h)/(i) and Regulation 52(6) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), are not applicable.
- There has been no material deviations in the use of proceeds of issue of non convertible debentures from the objects stated in the offer document.
- The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on Segment Reporting specified under section 133 of the Companies Act 2013. The Company operates in a single geographical segment i.e. domestic.
- There has been no change in the significant accounting policies during the half year ended September 30, 2017 as compared to financial year ended March 31, 2017 except for the provision of gratuity which, for interim financial reporting, has been recognised based on management's estimate instead of actuarial estimate done at the end of each financial year
- Figures for the six months ended 31st Mar, 2017 is the balancing figures in respect of the full financial year and unaudited published half year financials of the relevant financial year.
- Figures for the previous period / year have been regrouped wherever necessary, in order to make them comparable.

Date: 15 November, 2017
Place: Mumbai

For Svasti Microfinance Pvt Ltd.

P Arunkumar
Executive Director