

INDIAN SCHOOL FINANCE COMPANY PRIVATE LIMITED
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Sr. No.	Particulars	(Rupees in Millions)				
		Quarter Ended		Nine Months Ended		Year Ended
		31.12.21 Unaudited	30.09.21 Unaudited	31.12.21 Unaudited	31.12.20 (Refer Note 6)	31.03.21 Audited
1	Revenue from operations					
	Interest Income	76.78	139.53	332.53	506.59	630.02
	Other operating Income	5.15	1.83	8.12	8.56	18.82
	Net Gain on derecognition of financial instruments under amortised cost category	-	-	-	26.28	52.19
	Total Revenue from operations	81.93	141.36	340.65	541.42	701.03
2	Other Income	0.11	0.20	0.31	0.25	3.42
3	Total Income (1+2)	82.04	141.56	340.96	541.67	704.45
4	Expenses					
	Finance Cost	48.03	53.37	156.51	260.98	328.95
	Impairment on financial instruments	(40.89)	51.90	123.66	182.91	342.37
	Employee benefits expenses	34.35	33.71	102.21	129.97	167.54
	Depreciation and amortization expense	2.64	2.36	7.47	10.67	13.82
	Other expenses	14.60	10.29	33.54	26.39	38.59
	Total Expenses	58.73	151.63	423.39	610.92	891.27
5	Profit / (Loss) before Tax (3-4)	23.31	(10.08)	(82.43)	(69.25)	(186.82)
6	Tax Expenses					
	Current Tax	-	-	-	-	-
	Deferred Tax charge / (Credit)	10.20	(1.79)	8.41	-	(16.34)
		10.20	(1.79)	8.41	-	(16.34)
7	Profit / (Loss) for the Period / Year (5-6)	13.11	(8.29)	(90.84)	(69.25)	(170.48)
8	Other Comprehensive Income					
	(i) Items that will not be reclassified subsequently to profit or loss					
	- Remeasurement gain / loss on defined benefit plans	0.99	-	0.99	-	1.79
	- Income tax related to above item	-	-	-	-	-
	Total Other Comprehensive Income for the period / year	0.99	-	0.99	-	1.79
9	Total comprehensive income for the period/year (7+8)	14.10	(8.29)	(89.84)	(69.25)	(168.69)
11	Earning per Share (equity share, par value Rs.10) Computed on the basis of total profits for the period / year					
	Basic earning per share(BEPS)*	9.99	(6.31)	(69.17)	(52.75)	(129.83)
	Diluted earning per share(DEPS)*	1.00	(6.31)	(69.17)	(52.75)	(129.83)

* BEPS and DEPS for the quarter and nine months ended December 31, 2021 and nine months ended December 31, 2020 are not annualised.
 See accompanying notes to the unaudited financial results for the quarter and year to date ended December 31, 2021



For and on behalf of the Board of Directors
 Indian School Finance Company Private Limited

Sandeep Warkhane
 Managing Director and CEO

- Notes to the unaudited financial results for the quarter and nine months ended December 31, 2021**
- The financial results have been prepared in accordance with the requirements of Regulation 53 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended and the Indian Accounting Standards ("IND AS") notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules thereunder and the other accounting principles generally accepted in India. Any application judiciously/wholly/conditionally/conditionally issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/applicable.
 - The above financial results of the company are reviewed and recommended by Audit Committee and have been approved by the Board of Directors of the company at their respective meeting held on February 12, 2022.
 - The Company operates in lending to institutions and retail members, who have similar risks and returns, which is considered to be the only reportable segment for the purpose of Ind AS 108 on Operating Segments. Further, the Company operates in single geographic segment i.e. domestic.
 - The Reserve Bank of India (RBI) vide its circular no. RBI/2021-2022/125 DOR,STR.REC.68/21/04/04/2021-22, dated November 13, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", had clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has since taken necessary steps to implement the provisions of this circular under IRACP norms effective from November 12, 2021.

The aforementioned circular has no impact on the financial results for the quarter and nine months ended December 31, 2021 as the Company continues to prepare financial statements in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and the RBI circular dated March 13, 2020 on "Implementation of Indian Accounting Standards".

As at December 31, 2021, the Gross Stage - 3 assets under Ind AS stood at Rs. 696.62 mn, while the Gross NFA as per revised IRACP norms stood at Rs. 798.88 mn. As at December 31, 2021, the Company carries adequate ICL provisions under Ind AS which covers the provisioning requirements under revised IRACP norms.

- In terms of requirement as per RBI notification no. RBI/2019-20/10 DOR (NBFC) CC.FD.No.109/22.10.19/2019-20 dated March 13, 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 - Financial Instruments and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 - Financial Instruments made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at December 31, 2021 and accordingly, no amount is required to be transferred to impairment reserve.
- The comparative financial information of the Company for nine months period ended December 31, 2020 were not revised by us. This unaudited financial information has been approved and furnished to us by the management. Pursuant to exemption granted under SEBI circular "SEBIHO/DHS/CIR/2016/000/00637" dated October 05, 2021, the quarterly financial results of the corresponding quarter ended December 31, 2020 has not been presented by the Company.

(a) Disclosure pursuant to RBI circular RBI/2020-21/116 DOR.No.BP.BC/A/21/01/04/2020-21 dated August 06, 2020

Format A - as at December 31, 2021

Type of Borrower	(A)	(B)	(C)	(D)	(E)
	Number of accounts where resolution plan has been implemented under this window	Exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was covered into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan**
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	336.00	920.43	NA	164.79	11.67
Others	-	-	-	-	-
Total	-	-	-	-	-

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Format B - as at December 31, 2021

Type of Borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the Previous nine month	Of (A), aggregate debt that slipped into NPA during the nine month	Of (A), amount written off during the nine month	Of (A) amount paid by the borrowers during the nine month	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the nine month
Personal Loans	-	-	-	-	-
Corporate Persons*	-	-	-	-	-
Of which, MSMEs	668.40	280.10	3.00	39.30	673.80
Others	-	-	-	-	-
Total	-	-	-	-	-

*As defined in section 3(7) of the Insolvency and Bankruptcy Code, 2016.

(b) Micro, Small and Medium Enterprises (MSME) sector - Restructuring of Advances: Disclosure as per RBI Notification RBI/2018-19/100 DOR.No.BP.BC.13/21/04/04/2018-19 dated January 1, 2019 extended via RBI notification RBI/2019-20/160 DOR.No.BP.BC.34/21/04/04/2019-20 dated February 11, 2020 extended further via RBI Notification RBI/2020-21/17 DOR.No.BP.BC/A/21/04/04/2020-21 dated August 6, 2020

Details of MSME accounts restructured as at December 31, 2021: (Rupee in million)

No. of accounts restructured	Amount
17	71.20

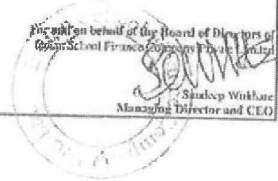
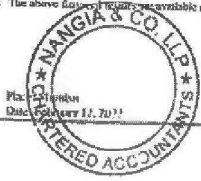
(c) Disclosure related to Resolution Framework - 2.0: Resolution of COVID-19 pandemic related stress on Individual and Small Businesses in terms of RBI circular number RBI/2021-22/03 DOR,STR.REC.11/21/04/04/2021-22 dated May 03, 2021

Format - X - as at December 31, 2021

Description	Individual Borrowers*			Small Businesses
	Personal Loans**	Business Loans		
A) Number of requests received for invoking resolution process under Resolution Framework - 2.0	-	-	-	-
B) Number of accounts where resolution plan has been implemented under this window	-	-	-	-
C) Exposure to accounts mentioned at (B) before implementation of the plan	-	-	-	-
D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-	-
E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-	-
F) Increase in provisions on account of the implementation of the resolution plan**	-	-	-	-



- 8 Figures for the quarter ended December 31, 2021 represent balancing figures between the reviewed figures in respect of nine months ended December 31, 2021 and half year ended September 30, 2021.
- 9 The Reserve Bank of India on June 9, 2021 issued an inspection report for the year ended March 31, 2020 under Section 45N of the RBI Act 1934 in respect of such they have raised matters on compliance with regulations and guidelines issued by RBI and advised the Company to respond within a specified period of time. The Board of the Company has taken cognizance of the report and responded in due course. Further, the Company has submitted their responses as per the directions received from regulator (RBI) during the quarter. The Company does not foresee any material adjustment in these financial results and operations of the Company.
- 10 The COVID-19 pandemic has continued to cause a significant disruption of the economic activities across the globe including India throughout the year. The Government of India announced a nationwide lockdown to contain the spread of the virus which continued till May 31, 2020. Subsequently, the national lockdown was lifted by the Government but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. Further, pursuant to the Reserve Bank of India ("RBI") COVID-19 Regulatory package issued vide circulars dated March 27, 2020 and May 23, 2020 which allowed lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Company has offered moratorium on the payment to all eligible borrowers that have opted to avail the same of all instalments and/or interest, as applicable, falling due between March 1, 2020 to August 31, 2020. The Company has recorded an expected credit loss provision of INR 278.25 Million as at December 31, 2021 in respect of its loans and advances. In assessing the impairment allowance for loan portfolio, the Company has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Further, the management has estimated the impact of the ongoing second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date. Given the unique nature and scale of this pandemic, its full extent of impact on the Company's operations and financial metrics, are specifically on the Borrower's ability to service their obligations on a timely basis, will depend on the severity and duration of the pandemic as well as on highly uncertain future developments. Accordingly, the management's estimate of impairment losses based on various variables and assumptions could result in actual credit loss being different than that being estimated.
- 11 The figures for the previous periods have been re-presented/rearranged wherever necessary to conform to current period presentation.
- 12 The above financial results are available on the stock exchange website (www.bseindia.com) and the website of the Company (www.isfc.com)



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Annexure 1:

Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the nine months ended December 31, 2021:

Sr. No	Particulars	Quarter ended		Year To Date	
		December 31, 2021	September 30, 2021	December 31, 2021	March 31, 2021
1	Debt-Equity Ratio	1.24	1.47	1.24	1.72
2	Debt service coverage ratio	NA	NA	NA	NA
3	Interest service coverage ratio	NA	NA	NA	NA
4	Outstanding redeemable preference shares (Quantity)	NA	NA	NA	NA
	Outstanding redeemable preference shares (Value)	NA	NA	NA	NA
5	Capital redemption reserve	NA	NA	NA	NA
	Debenture redemption reserve	NA	NA	NA	NA
6	Net worth	1,049.73	1,038.98	1,049.73	1146.40
7	Net loss after tax	13.11	(8.29)	(90.84)	(170.48)
8	Earnings per equity share (not annualised):				
	(a) Basic (Rs)	9.98	(6.31)	(69.17)	(128.24)
	(b) Diluted (Rs)	1.00	(6.31)	(69.17)	(128.24)
9	Current ratio	NA	NA	NA	NA
10	Long term debt to working capital	NA	NA	NA	NA
11	Bad debts to Account receivable ratio	NA	NA	NA	NA
12	Current liability ratio	NA	NA	NA	NA
13	Total debts to total assets*	0.56	0.60	0.56	0.61
14	Debtor's turnover	NA	NA	NA	NA
15	Inventory turnover	NA	NA	NA	NA
16	Operating margin	NA	NA	NA	NA
17	Net profit/loss margin"	0.16	(0.06)	(0.27)	(0.24)
18	Sector specific equivalent ratios:				
	(a) Gross NPA - Stage 3	33.35%	17.95%	33.35%	15.67%
	(b) Net NPA - Stage 3	23.45%	8.86%	23.45%	7.78%
	(c) Capital to risk weighted assets ratio**	58.77%	50.84%	58.77%	43.89%

Note:

* Total debt to total assets = (Debt Securities + Borrowings (other than debt securities) + Subordinate liabilities)/total assets.

" Net Profit/loss margin = Net Profit after tax/total income.

**Capital to risk weighted assets ratio and Liquidity coverage ratio, are calculated as per the RBI guidelines.

Stage III does not include loans classified as NPA having DPD less than 91 days.

¹ Debt-equity ratio = (Debt Securities + Borrowings (other than debt securities) + Subordinate liabilities)/Net worth.

¹ Net worth is calculated as defined in section 2(57) of Companies Act 2013.

¹ The Company is a Non-Banking Financial Company registered under the Reserve Bank of India Act, 1934, hence these ratios are generally not applicable.