



Indian School Finance Company Private Limited

Corporate Office : DSM 346 - 347, 3rd Floor, DLF Towers, Shivaji Marg, Moti Nagar, New Delhi - 110015

Registered Office : Unit No. 8-2-269/2/52, Plot No. 52, Sagar Society, Road No. 2, Banjarahills, Hyderabad-500034(Telangana)

Phone: 040-66505000, Website: www.isfc.in

CIN : U65921AP1994PTCO65392

Standalone financial results for the half year ended September 30, 2020

Amount in millions

Particulars	Half Year Ended	
	Sep. 30, 2020 Unaudited	Sep. 30, 2019 Unaudited
1. Total Income from Operations	380.14	550.32
2. Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(30.94)	59.83
3. Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(30.94)	59.83
4. Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(30.94)	42.08
5. Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	NA	NA
6. Paid-Up Equity Share Capital (face value of Rs 10 each)	13.14	12.94
7. Reserves excluding Revaluation Reserves	1,279.81	909.20
8. Net Worth	1,279.66	902.07
9. Outstanding Debt	2,528.39	3,868.67
10. Outstanding Convertible Preference Shares	69.53	37.68
11. Debt Equity Ratio	1.98	4.29
12. Earnings Per Share (EPS)		
Basic	(23.63)	32.51
Diluted	(2.59)	4.20
13. Capital Redemption Reserve (refer Note 7)	N.A.	N.A.
14. Debenture Redemption Reserve (refer Note 7)	N.A.	N.A.
15. Debt Service Coverage Ratio (refer Note 7)	N.A.	N.A.
16. Interest Service Coverage Ratio (refer Note 7)	N.A.	N.A.

Note:-For computation of debt equity, net borrowings against cash collateral are considered.

- The above results for half year ended September 30, 2020 have been reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meetings held on November 10, 2020, in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and disclosure requirements) Regulations, 2015. The Statutory Auditors of the Company have reviewed the financial results for the half year ended September 30, 2020.
- The company operates in two business segments i.e. lending to institutional and retail members for the purpose of Ind AS 108 on 'Operating Segments'. The company operates in single geographic segment i.e. domestic.
- In accordance with Reserve Bank of India guidelines relating to CoVID-19 Regulatory package dated March 27, 2020 April 17, 2020 and May 23, 2020, the Company has offered moratorium on the payment of all instalments and/or interest, as applicable, falling due between March 1, 2020 to August 31, 2020 to all eligible borrowers. For all such accounts opting for moratorium, the prudential asset classification shall remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purpose of asset classification under Income Recognition, Asset Classification and Provisioning Norms).¹ The management has performed a detailed assessment of its cash inflows and outflows for next 12 months and concluded that it will be able to meet its obligations as and when these fall due and is in the process of taking various actions including but not limited to negotiation new securitization transactions, assessing the need for incremental borrowings, seeking further extension from its lenders in respect of repayment of loans, waiver of financial covenant breaches etc. The Company also expects the collections from various customers to improve as the moratorium period of loans is completed and normal economic activity has resumed. While the Company expects to be able sustain its ability to repay liabilities in the normal course of its activities, The principal shareholder has also committed to providing financial support as and when necessary to the Company to support it in being able to discharge its repayment of liabilities as and when these fall due. Disclosure as required by RBI Circular - RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 'CoVID-19 Regulatory Package – Asset classification and provisioning are given below:

Amount in millions

Particulars	As at September 30 2020	As at March 31 2020
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 as of February 29 2020*	671.84	633.62
Respective amounts where asset classification benefit is extended	147.09	137.95
Provision outstanding in terms of paragraph 5 of circular (As per paragraph 4, applicable to NBFC's covered under IND AS)**	16.93	20.69
Provision adjusted against slippages in terms of paragraph 6 of the circular	-	-
Residual Provision as per paragraph 6 of circular	16.93	20.69

*SMA/Overdue category includes cases - 1 to 90 days past due (DPD) **This includes overall additional provision on account of Covid-19

- Consequent to the outbreak of CoVID-19 pandemic, the Indian Government had announced a lockdown in March 2020. Subsequently, the lockdown has been lifted by the government for certain activities in a phased manner outside specified containment zones. While there have been some improvements in economic activity during the current half year, the continued slowdown has led to a decrease in loan origination and efficiency in collection efforts. The resumption and normalization will be affected by several factors including, but not limited to severity of pandemic. Further, the Hon'ble Supreme Court, in a public interest litigation, vide an interim order dated September 3, 2020 ('interim order') has directed that accounts classified which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Company has not classified any account as NPA, as per RBI norms, after August 31, 2020 which was not NPA as of August 31, 2020. The Company has created expected credit loss of Rs 213.56 millions as at September 30, 2020 in respect of its loan portfolio including Rs.101.03 millions as a macro-economic overlay to reflect among other things an increased risk of deterioration in macro-economic factors caused by CoVID-19 pandemic. Given the dynamic and evolving nature of this pandemic, these estimates are subject to uncertainties and may be affected by the severity, duration of the pandemic and other variables.
- In terms of applicability of Ind AS 116, Operating Lease Liability (OLL) and Rights of Use (ROU) asset has been recorded on the balance sheet. The balance as of September 30, 2020 for ROU and OLL is INR 27.07 million and INR 30.67 million respectively.
- The figures for the previous periods have been regrouped/rearranged wherever necessary to conform to current period presentation.
- The above financial results are available on the stock exchange website (www.bseindia.com) and the website of the Company (www.isfc.com).

For and on behalf of the Board of Directors
Indian School Finance Company Private Limited
-sd-
Sandeep Wirkhare
Managing Director & CEO

Place: New Delhi
Date: November 10, 2020