

VOLKSWAGEN FINANCE PRIVATE LIMITED

30th May, 2019

The General Manager - Debt Listing
Wholesale Debt Segment,
BSE Limited,
1st Floor, P. J. Towers,
Dalal Street,
Mumbai – 400001

REGISTERED OFFICE

VOLKSWAGEN FINANCE PRIVATE LTD.
CIN - U65999MH2009FTC189640
3rd Floor, A wing, Silver Utopia
Cardinal Gracious Road, Chakala,
Andheri (East), Mumbai 400 099
Email ID: vwfpcompliance.india@vwfs.com
Website: www.volkswagen-finance-india.co.in
TEL: +91 22 39521000
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Dear Sir,

Sub: Submission of Audited Financial Results for the Financial Year ended March 31, 2019

We wish to inform you that the Board of Directors of the Company at its Meeting held on May 29, 2019, has approved the Audited Financial Results for the Financial Year ended March 31, 2019. In terms of the regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), we enclose the following –

1. A copy of Audited Financial Results for the Financial Year ended March 31, 2019 along with applicable disclosures as required under regulation 52(4) of the regulations;
2. A copy of Audit Report issued by M/s Price Waterhouse, Statutory Auditors for the Financial Year ended March 31, 2019;

The Certificate as required under regulation 52(5) of the regulations from M/s Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited), Debenture Trustees would be sent separately.

Further, as required under proviso to regulation 52 (3) (a), we hereby declare that the Audit Report submitted along with Audited Financial Results for the Financial Year ended March 31, 2019 is an unmodified opinion, hence statement on Impact of Audit qualification is not required to be submitted.

You are requested to take the same on your records.

Thanking you,

For Volkswagen Finance Private Limited

Harshada Pathak
Company Secretary & Compliance Officer
Encl : as above



Price Waterhouse

Chartered Accountants

The Board of Directors
M/s. Volkswagen Finance Private Limited
3rd Floor, Wing – A, Silver Utopia,
Cardinal Gracious Road, Chakala,
Andheri, Mumbai - 400 099

Independent Auditors' Report on the Statement of financial results

1. We have audited the accompanying Statement containing the annual audited financial results of Volkswagen Finance Private Limited (the "Company") for the year ended March 31, 2019 together with the notes thereon (hereinafter referred to as the "Statement"), which we have initialed under reference to this report.

Management's Responsibility for the financial results

2. Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us:
(i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
(ii) the Annual audited financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of loss and other comprehensive income), and other financial information of the Company for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.



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Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Volkswagen Finance Private Limited
Report on the statement of financial results

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Emphasis of Matter

7. We draw your attention to Note 5 of the Statement regarding the figures for the half year ended March 31, 2019 and March 31, 2018, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the half year ended September 30, 2018 and September 30, 2017 respectively. Our opinion is not modified in respect of this matter.

Other Matter

8. The Statement dealt with by this report has been prepared for the express purpose of filing with BSE Limited. This Statement is based on and should be read with the audited financial statements of the company for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated May 30, 2019.
9. The financial information of the Company for the year ended March 31, 2018 referred to in paragraph 7 above are based on the previously issued statutory financial statements for the year ended March 31, 2018 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion vide our report dated May 29, 2018. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us. Our opinion is not modified in respect of this matter.

Restriction on Use

10. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 8 above. This report should not be otherwise used by any other party for any other purpose.

For Price Waterhouse

Firm Registration Number: 301112E



Sharad Agarwal

Partner

Membership Number: 118522

Mumbai

May 30, 2019

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Volkswagen Finance Private Limited

Address: Silver Utopia, 3rd Floor, Cardinal Gracious Road, Chakala, Andheri East, Mumbai 400099

CIN - U65999MH2009FTC189640

Statement of audited financial results for the half year and year ended March 31, 2019

Statement of Profit and Loss

(Rs. in Lakhs except per share data)

Sr No	Particulars	Half year ended		Year ended	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
	Revenue From Operations				
(i)	Interest income using effective interest rate	28,583.87	31,076.48	53,112.28	57,161.10
(ii)	Fees and commission income	817.93	203.39	5,501.66	3,627.97
(iii)	Other operating income	173.53	137.47	393.76	409.73
I	Total Revenue from operations	29,575.33	31,417.34	59,007.70	61,198.80
II	Other Income	73.81	92.30	256.24	260.77
III	Total Income (I + II)	29,649.14	31,509.64	59,263.94	61,459.57
IV	Expenses				
(i)	Finance Costs	14,516.22	16,027.61	29,346.67	32,322.08
(ii)	Impairment on financial instruments	7,359.40	184.10	16,454.36	2,799.97
(iii)	Employee Benefits Expenses	2,253.52	2,634.84	5,184.48	5,392.40
(iv)	Depreciation and amortization expenses	139.88	263.07	364.36	471.91
(v)	Other Expenses	8,048.36	7,454.06	13,758.51	11,244.82
	Total Expenses	32,317.38	26,563.68	65,108.38	52,231.18
V	(Loss) / Profit before Tax (III-IV)	(2,668.24)	4,945.96	(5,844.44)	9,228.39
VI	Tax Expense	(908.27)	1,933.23	(2,030.55)	3,566.10
	(1) Current Tax	2,076.21	1,445.83	4,138.41	3,903.83
	(2) Deferred Tax	(2,984.48)	487.40	(6,168.96)	(337.73)
VII	(Loss) / Profit after Tax (V-VI)	(1,759.97)	3,012.73	(3,813.89)	5,662.29
VIII	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss	29.93	1.48	31.16	2.95
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(10.36)	(0.51)	(10.78)	(1.02)
	Subtotal (A)	19.57	0.97	20.38	1.93
	B (i) Items that will be reclassified to profit or (loss)	-	-	-	-
	Total remeasurements for gratuity included in OCI	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Income tax on total remeasurements for gratuity included in OCI	-	-	-	-
	Subtotal (B)	-	-	-	-
	Other Comprehensive Income (A + B)	19.57	0.97	20.38	1.93
IX	Total Comprehensive Income for the period (Comprising (Loss) / Profit and other Comprehensive Income for the year) (VII+VIII)	(1,740.40)	3,013.70	(3,793.51)	5,664.22
X	Earnings per Equity Share of Rs. 10 each Basic and Diluted				
	Category 'A' Equity Shares of Rs. 10 each	(0.15)	0.26	(0.32)	0.48
	Category 'B' Equity Shares of Rs. 10 each	(0.15)	0.26	(0.32)	0.48



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Statement of audited financial results for the half year and year ended March 31, 2019 Balance sheet

(Rs. In Lakhs)

Sr No	Particulars	Year ended	
		March 31, 2019	March 31, 2018
		(Audited)	(Audited)
	ASSETS		
	Financial assets		
(a)	Cash and cash equivalents	670.08	313.89
(b)	Bank balances other than cash and cash equivalents	1.00	1.00
(c)	Receivables		
	(I) Trade receivables	2,586.45	2,220.42
	(II) Other receivables	-	-
(d)	Loans	491,311.88	557,873.94
(e)	Other Financial assets	617.02	580.65
	Total financial assets	495,186.43	560,989.90
	Non-financial assets		
(a)	Deferred Tax Asset (net)	13,017.87	6,848.91
(b)	Property, Plant and Equipments	706.18	923.16
(c)	Other Intangible Assets	300.06	317.79
(d)	Capital work-in-progress	28.46	6.52
(e)	Intangible Assets under Development	1,921.96	1,070.25
(f)	Other non financial assets	3,361.45	3,891.87
(g)	Assets Held for Sale	493.23	586.76
	Total non financial assets	19,829.21	13,645.26
	TOTAL ASSETS	515,015.64	574,635.16
	LIABILITIES AND EQUITY		
	Liabilities		
	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	16,647.85	22,057.95
	(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	-	-
(b)	Debt securities	146,730.78	230,133.63
(c)	Borrowings (Other than debt securities)	207,319.94	178,388.90
(d)	Other financial liabilities	3,365.98	2,760.70
	Total financial liabilities	374,064.55	433,341.18
	Non-financial liabilities		
(a)	Other non financial liabilities	6,827.07	3,376.44
	Total non financial liabilities	6,827.07	3,376.44
	Equity		
(a)	Equity Share Capital	116,880.21	116,880.21
(b)	Other Equity	17,243.81	21,037.33
	Total equity	134,124.02	137,917.54
	TOTAL LIABILITIES AND EQUITY	515,015.64	574,635.16



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Notes:

1 Volkswagen Finance Private Limited (the 'Company') has prepared audited financial results (the 'Statement') for the financial year ended March 31, 2019 in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Company has adopted Ind-AS from 1 April 2018 with effective transition date of 1 April 2017 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind-AS, prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

This transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by the Reserve Bank of India ('The RBI') and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP').

Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2017. Comparative previous period as presented in these financial results has been restated/reclassified in order to conform to current period presentation.

These financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at 31 March 2019 based on the Press Release issued by the Ministry of Corporate Affairs ("MCA") on 18 January 2016. The figures have been presented in accordance with the format prescribed in Division III of the Schedule III of the Companies Act 2013.

2. Reconciliation of net Profit after tax between Previous GAAP and Ind AS for the year ended March 31, 2018

S.No.	Year ended March 31, 2018
	5,232.50
Net Profit after tax as reported under previous GAAP	
Adjustments Increasing/decreasing net profit after tax reported under previous GAAP:	
A Adoption of effective interest rate (EIR) for amortisation of income - financial assets at amortised cost	1,070.15
B Adoption of EIR for amortisation of expense- financial assets at amortised cost	(51.88)
C Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	(41.62)
D Expected credit loss	(304.66)
E Actuarial loss on employee defined benefit plan recognised in 'Other Comprehensive Income' as per Ind AS 19	(2.95)
F Fair valuation of financial assets at fair value through profit and loss	-
G Deferred tax	(239.25)
Net profit after tax as per Ind AS	5,662.29
Other comprehensive income, net of tax	1.93
Total comprehensive Income under Ind AS	5,664.22



3. In accordance with find AS 101, reconciliation of equity as previously reported under IGAAP and as per Ind AS as at 1st Apr 2017 and 31st Mar 2018 is presented below:

S.No.	As At April 01, 2017	As At March 31, 2018
Other equity (reserves and surplus) as per previous GAAP	14,505.94	19,738.44
Adjustments:	-	-
A Impact of effective interest rate (EIR)	1,442.52	932.31
B Provision for ECL on financial assets	(1,773.03)	(1,686.46)
C Recognition of interest receivable for NPA assets	1,569.32	2,714.77
D Changes in prepaid expenses	3.32	-
E Unamortized discount of NCDs and commercials papers	99.49	57.89
F Adjustment of security deposit and prepaid expenses for premises	(15.45)	(20.34)
G Tax Impact of Ind AS adjustments	(458.99)	(699.28)
Total adjustments	867.18	1,298.89
Total equity as per Ind AS	15,373.11	21,037.33

- The financial results of the Company for the year ended March 31, 2019 have been reviewed by the Audit Committee and have been taken on record and approved by the Board of Directors at its meeting held on May 29, 2019.
- The figures for the current half year ended March 31, 2019 and for the previous half year ended March 31, 2018 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures for first six months ended of the respective financial year.
- The previously issued comparative financial information of the Company for the half year ended March 31, 2018 and for the year ended March 31, 2018 included in the above results have been prepared after impact disclosed in the note 2 and 3 above.
- These financial results have been prepared in accordance with the requirement of regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as modified by circular number CIR/CFD/FAC/52/2016 dated July 05, 2016 read with EIR/IMD/DF1/69/2016 dated August 10, 2016

For Volkswagen Finance Private Limited

Date: May 29, 2019

Place: Mumbai




Ashish Deshpande
 Chief Executive Officer &
 Managing Director
 DIN No - 08314277


Gokhan Cinar
 Chief Finance Officer
 &
 Managing Director
 DIN No - 07649354



Volkswagen Finance Private Limited

Address: Silver Utopia, 3rd Floor, Cardinal Gracious Road, Chakala, Andheri East, Mumbai 400099

Additional information required to be submitted in terms of Regulation 52(4) of SEBI Listing Obligations And Disclosure Requirements Regulations, 2015

a) Ratings assigned by credit rating agencies and changes in credit rating

Products	Rating*
Commercial Paper	IND A1+
Debentures	IND AAA (Long Term) & IND A1+ (Short Term)
Others (Bank Borrowing)	IND AAA (Long Term) & IND A1+ (Short Term)

* There has been no change in credit rating during April 2018 to March 2019

b) Debt Equity ratio: 2.64 times

c) Previous due date for the payment of interest / repayment of principal of non convertible debentures and whether the same has been paid or not are given in **Annexure A**

d) The Company do not have any non-convertible redeemable preference shares / non-convertible preference shares / redeemable preference shares.

e) Asset cover, Debt service coverage ratio & Interest service coverage ratio is not applicable as the Company is registered with Reserve Bank of India as Non Banking Finance Company.

f) Capital redemption reserve: Nil

g) Debenture redemption reserve: Not Applicable

h) Net Worth (Issued Share Capital plus Reserves and Surplus): Rs. 134,124 lakhs

i) Net loss after tax: Rs. 3,814 lakhs

j) Earnings per share (Not annualised for Half Year period):

Category A equity shares: Rs (0.32) per share

Category B equity shares: Rs (0.32) per share

k) There was not material deviation in the use of proceeds of issue of Non Convertible debt securities.

Annexure A: Non Convertible Debentures

Sr No	Series under which the NCDs are held	ISIN No	Previous due date for payment of interest	Whether previous interest payment has been paid or not	Next due date for payment of interest	Next due date for payment of Principal	Next redemption amount (Rs. in lakhs)
1	VWFPL NCD A 02 FY 2015-16	INE851M07093	29-May-18	Paid	29-May-19	29-May-20	20,000.00
2	VWFPL NCD A 02 FY 2016-17	INE851M07135	21-Sep-18	Paid	20-Sep-19	20-Sep-19	20,000.00
3	VWFPL NCD A FY 2017-18	INE851M07150	12-Jun-18	Paid	12-Jun-19	12-Jun-19	5,000.00
4	VWFPL NCD B FY 2017-18	INE851M07168	12-Jun-18	Paid	12-Jun-19	19-Jun-20	10,000.00
5	VWFPL NCD C FY 2017-18	INE851M07176	11-Jul-18	Paid	11-Jul-19	13-Jul-20	30,000.00
6	VWFPL NCD D FY 2017-18	INE851M07184	11-Sep-18	Paid	11-Sep-19	11-Sep-20	25,000.00
7	VWFPL NCD E FY 2017-18	INE851M07192	05-Dec-18	Paid	05-Dec-19	31-Aug-20	15,000.00
8	VWFPL NCD F FY 2017-18	INE851M07200	05-Dec-18	Paid	05-Dec-19	04-Dec-20	15,000.00

For Volkswagen Finance Private Limited



Ashish Deshpande
Chief Executive Officer & Managing Director
DIN No - 08314277



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