

AUDITED FINANCIAL RESULTS FOR SIX MONTHS AND YEAR ENDED 31 MARCH, 2018

(₹ in Crores, except per share data)

FINANCIAL RESULTS	Six months ended March 31		Year ended March 31	
	2018 (Unaudited)	2017 (Unaudited)	2018 (Audited)	2017 (Audited)
(1) Interest Earned (a)+(b)+(c)+(d)	2,346.22	1,775.91	4,480.00	3,424.70
(a) Interest/Disc on advances/bills	2,133.88	1,624.80	4,074.41	3,127.40
(b) Income on Investments (Securities Trading Income)	18.89	39.63	54.30	67.97
(c) Interest on balances with Reserve Bank of India and other interbank funds	-	-	-	-
(d) Others (Syndication and Other Fee Income)	193.45	111.48	351.29	229.33
(2) Other Income	0.22	1.06	1.13	1.96
(3) Total Income:(1+2)	2,346.44	1,776.97	4,481.13	3,426.66
(4) Interest Expended	1,365.67	1,055.54	2,595.89	2,077.06
(5) Operating Expenses: (i)+(ii)+(iii)+(iv)	357.60	246.23	631.47	418.75
(i) Employees Cost	186.10	143.74	341.66	249.85
(ii) Rent	14.61	9.75	27.23	18.60
(iii) Legal & Professional charges	24.53	15.77	39.17	23.23
(iv) Other operating expenses	132.37	76.97	223.41	127.07
(6) Total Expenditure:(4)+(5) excluding provisions and contingencies	1,723.27	1,301.77	3,227.36	2,495.81
(7) Operating Profit before Provisions and Contingencies (3-6)	623.17	475.20	1,253.77	930.85
(8) Provisions (other than tax) and Contingencies	49.12	52.92	144.50	98.92
(9) Exceptional items	-	-	-	-
(10) Profit from Ordinary Activities before Tax (7-8-9)	574.05	422.28	1,109.27	831.93
(11) Tax Expenses (including Deferred Tax)	195.44	102.23	378.44	246.68
(12) Net Profit from Ordinary Activities after Tax (10-11)	378.61	320.05	730.83	585.25
(13) Extraordinary Items	-	-	-	-
(14) Net Profit for the period/year (12-13)	378.61	320.05	730.83	585.25
(15) Paid Up Equity Share Capital of ₹10/- each.	645.68	627.41	645.68	627.41
(16) Reserve excluding Revaluation Reserve			5,665.56	4,353.92
(17) Analytical Ratio				
(i) Capital Adequacy Ratio (%)	17.90	17.33	17.90	17.33
(ii) Earnings Per Share (Face Value of ₹10/- each) - Basic & Diluted (₹) not annualised	5.94	5.51	11.54	10.13
(18) Non -Performing Assets (NPA) Ratios				
(a) Amount of Gross Non-Performing Assets	385.73	157.18	385.73	157.18
(b) Amount of Net Non-Performing Assets	272.75	70.69	272.75	70.69
(c) Gross NPA (%)	0.92	0.47	0.92	0.47
(d) Net NPA (%)	0.65	0.21	0.65	0.21
(19) Return on Assets (not annualised) (%)	0.90	0.95	1.82	1.90

Notes :

- The above financial results have been reviewed by the Audit Committee on 02 May, 2018 and approved by the Board of Directors at its meeting held on 05 May, 2018.
- Pursuant to the approval of the Honourable High Court of Gujarat vide order dated November 24, 2016 to the Scheme of Arrangement, the wealth management undertaking of Aditya Birla Money Mart Limited (a fellow subsidiary), was vested in Aditya Birla Finance Limited ("the Company") with effect from the appointed date viz., April 1, 2016 in accordance with the Scheme so sanctioned. The Scheme was filed with the Registrar of Companies ("ROC") on December 31, 2016 and was made effective and accordingly effect of the same was given to in the financial results. The above arrangement was accounted for under the Accounting Standard - 10 "Property, Plant and Equipments" notified under Companies (Accounting Standards) amendment Rules 2016. Accordingly, the assets and liabilities of the wealth management undertaking as at April 1, 2016 was taken over at their book values. In terms of the Scheme, 10,277,778 equity shares of Rs 10 each, fully paid up was issued as a consideration for the merger of the wealth management undertaking. As a result of this, goodwill of ₹ 25.46 Crores was recognised in the financial results and the said goodwill will be amortised over a period of 5 years from the appointed date. The brought forward losses pertaining to the wealth management undertaking was set off against the taxable income of the Company during the year ended 31 March, 2017 in accordance with the provisions of Income Tax Act, 1961.



- 3 Pursuant to Reserve Bank of India (RBI) notification no. DNBR CC. No.011/CGM (CDS) dated 27 March, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from four months to three months and increased provisions on standard assets from 0.35% to 0.40%. Had the Company continued to use the earlier policy of classification of NPA and provision for standard assets, provisions and write offs would have been lower by ₹ 150.88 lakhs and ₹ 2,236.27 lakhs for the six months and year ended 31 March, 2018 respectively and profit before tax would have been higher by ₹ 150.88 lakhs and ₹ 2,236.27 lakhs (net of tax ₹ 100.95 lakhs and ₹ 1,473.34 lakhs) for the six months and year ended 31 March, 2018 respectively.
- 4 Management has amended the Company's provisioning policy to include an accelerated provisioning on unsecured NPA's and general contingency provision on unsecured standard assets. These additional provisions would be over and above the provisioning on standard assets and NPA as required by RBI. Based on the amended policy, an additional provision of ₹ 10.60 Crores and ₹ 2.10 Crores has been created on unsecured NPA loans and on unsecured standard asset as at 31 March, 2018 respectively. Had the Company followed its earlier provisioning policy, the provision charge for the six months and year ended 31 March, 2018 would have been lower by ₹ 7.28 Crores and ₹ 12.70 Crores respectively and the profit before tax for the six months and year ended 31 March, 2018 would have been higher by ₹ 7.28 Crores and ₹ 12.70 Crores lakhs respectively (net of tax ₹ 4.80 Crores and ₹ 8.37 Crores respectively).
- 5 The Company is primarily engaged in financing activities. It operates in 3 segments namely financing activities, trading, other activities and wealth business and single geographical segment. The segmental reporting is as under :

SEGMENT REPORTING	Six months ended March 31		Year ended March 31	
	2018 (Unaudited)	2017 (Unaudited)	2018 (Audited)	2017 (Audited)
Segment Revenue				
Financing Activities	2,273.50	1,704.20	4,334.75	3,299.79
Trading and other activities	18.89	39.63	54.30	67.97
Wealth Business	54.05	33.14	92.08	58.90
Total Income	2,346.44	1,776.97	4,481.13	3,426.66
Segment Results (Profit before tax and after interest on finance activities)				
Financing Activities	544.00	410.89	1,060.06	815.97
Trading and other activities	12.90	16.52	28.44	26.91
Wealth Business	17.15	(5.13)	20.77	(10.95)
Total profit before Tax	574.05	422.28	1,109.27	831.93
Capital Employed				
Financing Activities	6,300.57	4,820.34	6,300.57	4,820.34
Trading and other activities	-	171.66	-	171.66
Wealth Business	20.67	(0.67)	20.67	(0.67)
Total Capital Employed	6,321.24	4,991.33	6,321.24	4,991.33

6 Credit Rating

Instrument	Credit Rating Agency	Rating
Commercial Paper	ICRA Limited India Ratings & Research Private Limited	[ICRA] A1+ IND A1+
Non Convertible Debenture	ICRA Limited India Ratings & Research Private Limited	[ICRA] AA+ Stable IND AAA Stable
Subordinate Debt	CARE Limited ICRA Limited India Ratings & Research Private Limited	CARE AA+ Positive [ICRA] AA+ Stable IND AAA Stable
Unsecured NCD	ICRA Limited	[ICRA] AA+ Stable
Perpetual Debt	ICRA Limited India Ratings & Research Private Limited	[ICRA] AA+ (hyb) Stable IND AA+ Stable
Long Term Bank Loans	ICRA Limited	[ICRA] AA+ Stable
Short Term Bank Loans	ICRA Limited	[ICRA] A1+



7 **Outstanding Redeemable Preference Shares**

Particulars	Number of shares	₹ in Crores
8% Redeemable Cumulative Preference Shares of Rs 10 each, fully paid up	100,00,000	10.00

Key Ratio	31 March, 2018	31 March, 2017
Debt Equity Ratio	5.73	5.79
Net worth (₹ In Crores)	6,321.24	4,991.33

- 9 During the year, the Company spent ₹ 5.34 Crores towards Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and the rules thereon.
- 10 As on 31st March, 2018, Gross Non Performing Assets (GNPA) equivalent to 0.20% of the loan book is on account of exposure getting categorized as Non-Performing Asset (NPA's) due to withdrawal of the erstwhile framework of Revitalising Stressed Assets vide Reserve Bank of India Circular dated February 12, 2018. The resolution for this is underway.
- 11 No complaint was received from debenture holders during the half year ended 31 March, 2018 and no complaint was pending at the beginning and end of the half year.
- 12 Previous due date for redemption of NCD's and payment of interest on NCD's was 30 March, 2018 and 31 March, 2018 respectively. Both the payments were made on their respective due dates.
- 13 Interest on Non Convertible Debentures has been paid on the respective due dates and there has been no delay thereof.
- 14 Previous period / year figures have been regrouped / rearranged wherever necessary to conform to the current period / year figures.

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited



Ajay Srinivasan
Director
(DIN - 00121181)



B. N. Puranmalka
(Director)
(DIN - 00007432)

Place: Mumbai
Date: 05 May, 2018



May 05, 2018

To,
Mr. Ankur Shah
Company Secretary,
Aditya Birla Finance Limited,
Indian Rayon Compound,
Veraval, Gujarat 362266

Dear Sir,

Sub: Certificate of Debenture Trustee under Regulation 52(5) of SEBI (LODR) Regulations, 2015 for March 31, 2018.

In compliance of the requirements of Chapter V, Regulation 52, Sub – Regulation (4) and (5) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for Non – Convertible Debt Securities we would like to state as under:

We, Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited), are acting as a Debenture Trustee for the Secured & Unsecured, Listed, Redeemable, Non-Convertible Debenture issue aggregating to Rs. 12662.9 crores (Rs.10963.90 crores + Rs.1499 crores + Rs.200 crores) of Aditya Birla Finance Limited (Company).

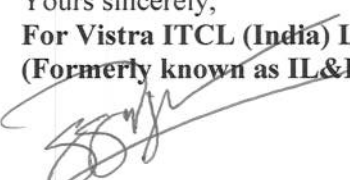
With reference to above, we have received the following documents and have noted its contents without verification:

1. Audited Financial Results for the year ended March 31, 2018 along with information in accordance with clause 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. ICRA and India Ratings Research Credit Rating Letters dated March 21, 2018 and March 23, 2018 respectively.

This certificate has been signed and issued by us based on documents (mentioned above) submitted by you.

Thanking You.

Yours sincerely,
For Vistra ITCL (India) Limited
(Formerly known as IL&FS Trust Company Limited)


Authorized Signatory

Place: Mumbai

Registered office:

The IL&FS Financial Centre,
Plot C- 22, G Block, 7th Floor
Bandra Kuria Complex, Bandra (East),
Mumbai 400051

Tel +91 22 2659 3535
Fax: +912226533297
Email: mumbai@vistra.com
www.vistraitcl.com

Vistra ITCL (India)Limited
(Formerly know as IL & FS Trust Company Limited
Corporate Identity Number (CIN):U66020MH1995PLC095507