

ADITYA BIRLA FINANCE LIMITED
 Regd. Office: Indian Rayon Compound, Veraval, Gujarat - 362 266
 CIN : U65990GJ1991PLC064603

AUDITED FINANCIAL RESULTS FOR SIX MONTHS AND YEAR ENDED 31 MARCH, 2017

(₹. in Lakhs)

Sr. No.	Particulars	Six months ended March 31		Year ended March 31	
		2017	2016	2017	2016
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
(1)	Interest Earned (a)+(b)+(c)+(d)	1,77,587.21	1,33,421.47	3,42,469.60	2,46,328.02
	(a) Interest/Disc on advances/bills	1,63,328.68	1,25,922.84	3,14,317.93	2,31,336.94
	(b) Income on Investments (Securities Trading Income)	3,962.76	1,941.76	6,796.76	4,599.99
	(c) Interest on balances with Reserve Bank of India and other interbank funds	-	-	-	-
	(d) Others (Syndication and Other Fee Income)	10,295.77	5,556.87	21,354.91	10,391.09
(2)	Other Income (Refer note (3))	109.64	2,323.46	196.14	2,332.41
(3)	Total Income: (1+2)	1,77,696.85	1,35,744.93	3,42,665.74	2,48,660.43
(4)	Interest Expended	1,05,924.93	84,210.69	2,07,706.13	1,54,358.11
(5)	Operating Expenses: (i)+(ii)+(iii)+(iv)	24,507.64	12,903.69	41,874.99	23,046.83
	(i) Employees Cost	14,373.87	7,480.75	24,985.00	14,185.91
	(ii) Rent	1,191.90	555.90	1,860.28	1,028.97
	(iii) Legal & Professional charges	1,576.46	898.88	2,323.12	1,430.27
	(iv) Other operating expenses	7,365.41	3,968.16	12,706.59	6,401.68
(6)	Total Expenditure:(4)+(5) excluding provisions and contingencies	1,30,432.57	97,114.38	2,49,581.12	1,77,404.94
(7)	Operating Profit before Provisions and Contingencies (3-6)	47,264.28	38,630.55	93,084.62	71,255.49
(8)	Provisions (other than tax) and Contingencies	5,291.30	4,644.57	9,891.36	8,619.88
(9)	Exceptional items	-	-	-	-
(10)	Profit from Ordinary Activities before Tax (7-8-9)	41,972.98	33,985.98	83,193.26	62,635.61
(11)	Tax Expenses (including Deferred Tax)	10,222.50	11,953.71	24,667.86	21,775.49
(12)	Net Profit from Ordinary Activities after Tax (10-11)	31,750.48	22,032.27	58,525.40	40,860.12
(13)	Extraordinary Items	-	-	-	-
(14)	Net Profit for the period/year (12-13)	31,750.48	22,032.27	58,525.40	40,860.12
(15)	Paid Up Equity Share Capital (Face Value of Rs.10 each)	62,740.86	55,956.56	62,740.86	55,956.56
(16)	Reserve excluding Revaluation Reserve			4,35,391.84	2,95,123.83
(17)	Analytical Ratio				
	(i) Capital Adequacy Ratio (%)	17.33	16.15	17.33	16.15
	(ii) Earnings Per Share -				
	Basic (Rs.) not annualised	5.40	4.56	10.13	8.74
	Diluted (Rs.) not annualised	5.40	4.56	10.13	8.74
(18)	Non -Performing Assets (NPA) Ratios				
	(a) Amount of Gross Non-Performing Assets	15,718.33	15,717.31	15,718.33	15,717.31
	(b) Amount of Net Non-Performing Assets	7,069.14	5,573.76	7,069.14	5,573.76
	(c) Gross NPA (%)	0.47	0.63	0.47	0.63
	(d) Net NPA (%)	0.21	0.22	0.21	0.22
(9)	Return on Assets (not annualised) (%)	0.95	0.95	1.90	1.85

Notes: 1. The above financial results have been reviewed by the Audit Committee and approved by the Board at its Meeting held on 8th May, 2017. 2. "(i) 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), has been 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 has been filed with the Registrar of Companies ("ROC") on December 31, 2016 and has been made effective and accordingly effect of the same has been given to in the financial results. The above arrangement has been accounted for under the Accounting Standard - 10 "Fixed Assets" notified under Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the assets and liabilities of the wealth management undertaking as at April 1, 2016 has been taken over at their book values. In terms of the Scheme, 10,277,778 equity shares of Rs 10 each, fully paid up have been issued as a consideration for the merger of the wealth management undertaking. As a result of this, goodwill of Rs. 2,545.52 lakhs has been 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 has been set off against the taxable income of the Company during the current year in accordance with the provisions of Income Tax Act, 1961. (ii) During previous year ended 31 March, 2016, Madura Garments Lifestyle Retail Company Limited ("MGLRCL") merged with effect from 1 July, 2015 with the Company with effective date of merger being January 25, 2016. As a result of the said merger, 425,000,000, 0.01% Compulsory Convertible Cumulative Preference Shares of the Company held by MGLRCL got cancelled. The Company had issued equity shares to the equity shareholders of MGLRCL aggregating to 53,455,883 equity shares of Rs. 10 each fully paid, in the ratio of 9 (nine) equity shares of the Company for every 32 (thirty two) equity shares held in MGLRCL and 10,000,000 8% Redeemable Cumulative Preference Shares of Rs. 10 each fully paid, in the ratio of one preference share of the Company for every one preference share held in MGLRCL. 3. The management based on its judgement provided general contingency provision on standard assets in addition to regulatory provision, however the Company has discontinued this contingency provision in the previous year, accordingly the Company has reversed general contingency provision of Rs 1,980.93 lakhs lying in the books of accounts as on 31 March, 2015 in the previous year. Accordingly the Profit is higher by Rs. 1,980.93 lakhs in the previous year. 4. (i) During the current year, pursuant to RBI Notification no. DNBR CC. No.011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from five months to four months and increased provisions on standard assets from 0.30% to 0.35%. Had the Company continued to use the earlier policy of classification of NPA and provision for standard assets, provisions and write offs for the year ended March 31, 2017 would have been lower by Rs.1,691.02 lakhs and profit before tax would have been higher by Rs.1,691.02 lakhs (net of tax Rs. 1,105.79 lakhs). (ii) In terms of the revised Accounting Standard (AS) 4 'Contingencies and Events occurring after Balance Sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, dated March 30, 2016, the Company has not accounted for proposed dividend as liability as at March 31, 2017. However, the proposed dividend was accounted for as liability as at March 31, 2016 in accordance with the then existing Accounting Standard. If approved by the members of the Company, the dividend payout will absorb a sum of Rs. 96.97 lakhs (including dividend distribution tax of Rs. 16.40 lakhs). 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 :

Particulars	Six months ended March 31		Year ended March 31	
	2017	2016	2017	2016
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Segment Revenue				
Financing Activities	1,70,420.24	1,33,803.16	3,29,979.17	2,44,060.44
Trading and other activities	3,962.76	1,941.77	6,796.76	4,599.99
Wealth Business	3,313.85	-	5,889.81	-
Total Income	1,77,696.85	1,35,744.93	3,42,665.74	2,48,660.43
Segment Results (Profit before tax and after interest on finance activities)				
Financing Activities	41,081.34	33,354.91	82,106.76	61,239.19
Trading and other activities	1,651.81	631.07	2,690.85	1396.42
Wealth Business	(760.17)	-	(1,604.35)	-
Total profit before Tax	41,972.98	33,985.98	83,193.26	62,635.61
Capital Employed				
Financing Activities	4,82,543.26	3,56,205.63	4,82,543.26	3,56,205.63
Trading and other activities	17,166.01	13,374.76	17,166.01	13,374.76
Wealth Business	(576.57)	-	(576.57)	-
Total Capital Employed	4,99,132.70	3,69,580.39	4,99,132.70	3,69,580.39

6. Credit Rating

Instrument	Credit Rating Agency	Rating
Commercial Paper	ICRA Limited	A1+
Non Convertible Debenture (NCDs)	CARE Limited	CARE AA+
	ICRA Limited	[ICRA] AA+ Stable
	India Ratings & Research Private Limited	IND AA+ Stable
Subordinate Debt	CARE Limited	CARE AA+
	ICRA Limited	[ICRA] AA+ Stable
	India Ratings & Research Private Limited	IND AA+ Stable

7. Outstanding Redeemable Preference Shares

Particulars	Number of shares	Rs in Lakhs
8% Redeemable Cumulative Preference Shares of Rs 10 each, fully paid up	1,00,00,000	1,000.00

8. Key Ratio

	31 March, 2017	31 March, 2016
Debt Equity Ratio	5.79	5.79
Net worth (Rs. In Lakhs)	4,99,132.70	3,69,580.39

9. During the year, the Company spent Rs. 859.38 Lakhs towards Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and the rules thereon. 10. No complaint was received from debenture holders during the half year ended 31 March, 2017 and no complaint was pending at the beginning and end of the half year. 11. Previous due date for payment of interest was 31 March, 2017 and for redemption of NCDs was 24 March, 2017. Both the payments were made on their respective due dates. 12. Interest on Non Convertible Debentures has been paid on the respective due dates and there has been no delay thereof. 13. Previous period / year figures have been regrouped / rearranged wherever necessary to conform to the current period / year figures. 14. Pursuant to merger of wealth management undertaking of Aditya Birla Money Mart Limited, the figures of current year are not comparable to those of the previous year.

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

Place: Mumbai
 Date: 08 May, 2017

Ajay Srinivasan
 Director
 DIN-00121181

B N Puranmalka
 Director
 DIN-00007432