

Independent Auditor's Report On Standalone Financial Results Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors Aditya Birla Finance Limited

1. We have audited the accompanying statement of financial results of Aditya Birla Finance Limited ('the Company') for the year ended March 31, 2019 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016 ('the Circular'). This Statement has been prepared on the basis of the audited financial statements for year ended March 31, 2019, which is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of the financial statements as at and for the year ended March 31, 2019, prepared in accordance with Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India. Those standards requires that we plan and perform the audit to obtain reasonable assurance as to whether the Statement is free of material misstatement(s).
3. An audit involves performing procedures to obtain sufficient audit evidences about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgement including the assessment of material misstatement of the Statement, whether due to fraud or error. In making those risk assessment, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - i. is presented in accordance with the requirements of the Regulation, read with the Circular; and
 - ii. gives a true and fair view of the net profit including other comprehensive income and other financial information of the Company for the year ended March 31, 2019
5. Further, we report that the figures for the half year ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published figures for the half year ended September 30, 2018, which were subjected to a limited review, as required under the Regulation and the Circular.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005



per Viren H. Mehta
Partner
Membership No.: 048749
Mumbai
May 02, 2019

ADITYA BIRLA FINANCE LIMITED

Website : www.abfl.adityabirlacapital.com

Regd office: Indian Rayon Compound, Veraval Gujarat, 362266

Corporate office: One Indiabulls Centre, Tower 1, 18th Floor, Elphinstone Road,
Mumbai 400 013

CIN : U65990GJ1991PLC064603

An Extract of Financial Results for the Year ended 31 March, 2019

(₹ in Crores)

Sr No.	Particulars	Year Ended	
		31 March, 2019 (Audited)	31 March, 2018 (Audited)
1	Total Income from Operations	5,607.27	4,436.39
2	Net Profit before tax	1,328.01	1,050.89
3	Net Profit after tax	868.72	695.98
4	Total Comprehensive Income	868.82	698.57
5	Paid up Equity Share Capital (Face Value of ₹ 10/- each)	656.25	645.68
6	Reserve excluding Revaluation Reserve	6,760.30	5,583.30
7	Net worth	7,416.54	6,228.98
8	Paid up Debt capital / outstanding Debt	43,201.30	36,236.12
9	Outstanding Redeemable Preference Shares	10.80	10.80
Analytical Ratios			
10	Debt Equity Ratio	5.83	5.82
11	Earnings Per Share of ₹ 10/- each Basic and Diluted (₹)	13.37	11.01
12	Capital Adequacy Ratio (%)	17.45	17.90
13	Non -Performing Assets (NPA) Ratios		
	(a) Amount of Gross Non-Performing Assets	604.28	385.73
	(b) Amount of Net Non-Performing Assets	328.92	178.40
	(c) Gross NPA (%)	1.19%	0.91%
	(d) Net NPA (%)	0.65%	0.42%
14	Return on Assets (%)	1.81	1.76

Notes :

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 02 May, 2019.
- The above is an extract of the detailed format of the Audited Financial Results filed with the Stock Exchanges under Regulation 52 of the SEBI (LODR) Regulations, 2015. The full format of the Financials Results is available on the Company's website www.abfl.adityabirlacapital.com.
- Results for the year ended 31 March, 2019 are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. The results for the year ended 31 March, 2018 have been restated to comply with Ind AS and are comparable on like to like basis.
- As of 31 March, 2019, the Company has aggregate exposure of ₹ 220.64 crores to four SPVs of IL&FS group categorized as amber or red [as submitted by IL&FS to NCLAT]. The said exposures have been classified by the company under Stage III carrying ECL provision of ₹ 58.91 crore, under IND AS.
The exposure mentioned above excludes exposure of ₹ 169.75 Crores to one SPV of IL&FS group categorized as green. The account is regular in debt servicing.
- The Disclosures referred in Regulation 52 (4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015, are available on the Company's website www.abfl.adityabirlacapital.com.



Place: Mumbai
Date: 02 May, 2019

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

Ajay Srinivasan

Ajay Srinivasan
Director
(DIN - 00121181)



ADITYA BIRLA FINANCE LIMITED

Website : www.abfl.adityabirlacapital.com

Regd office: Indian Rayon Compound, Veraval, Gujarat, 362266

Corporate office: One Indiabulls Centre, Tower 1, 18th Floor, Elephinstone Road, Mumbai 400 013

CIN : U65990GJ1991PLC064603

FINANCIAL RESULTS FOR SIX MONTHS AND YEAR ENDED 31 March , 2019

(₹ in Crores, except per share data)

Particulars	Six months ended March 31		Year ended March 31	
	2019 (Audited)	2018 (Unaudited)	2019 (Audited)	2018 (Audited)
(1) Interest Earned (a)+(b)+(c)+(d)	2,989.41	2,313.60	5,607.27	4,436.39
(a) Interest/Disc on advances/bills	2,732.09	2,077.46	5,097.02	3,974.48
(b) Income on Investments	92.94	60.17	162.28	167.47
(c) Interest on balances with Reserve Bank of India and other interbank funds	-	-	-	-
(d) Others (Syndication and Other Fee Income)	164.38	175.97	347.97	294.44
(2) Other Income	0.64	0.57	5.61	1.85
(3) Total Income:(1+2)	2,990.05	2,314.17	5,612.88	4,438.24
(4) Interest Expended	1,745.24	1,367.15	3,276.01	2,596.76
(5) Operating Expenses: (i)+(ii)+(iii)+(iv)	441.13	324.08	802.15	575.67
(i) Employees Cost	229.69	195.85	445.73	351.64
(ii) Rent	21.88	15.03	42.77	28.06
(iii) Legal & Professional charges	32.73	14.12	53.21	22.50
(iv) Other operating expenses	156.83	99.08	260.44	173.47
(6) Total Expenditure:(4)+(5) excluding provisions and contingencies	2,186.37	1,691.23	4,078.16	3,172.43
(7) Operating Profit before Provisions and Contingencies (3-6)	803.68	622.94	1,534.72	1,265.81
(8) Provisions (other than tax) and Contingencies	127.84	77.21	206.71	214.92
(9) Exceptional items	-	-	-	-
(10) Profit from Ordinary Activities before Tax (7-8-9)	675.84	545.73	1,328.01	1,050.89
(11) Tax Expenses (including Deferred Tax)	237.50	181.84	459.29	354.91
(12) Net Profit from Ordinary Activities after Tax (10-11)	438.34	363.89	868.72	695.98
(13) Extraordinary Items/Other Comprehensive Income	-	-	0.10	2.61
(14) Net Profit for the period/year (12-13)	438.34	363.89	868.82	698.57
(15) Paid Up Equity Share Capital of ₹10/- each.	656.25	645.68	656.25	645.68
(16) Reserve excluding Revaluation Reserve			6,760.30	5,583.30
(17) Analytical Ratio				
(i) Capital Adequacy Ratio (%)	17.45	17.90	17.45	17.90
(ii) Earnings Per Share (Face Value of ₹10/- each) - Basic & Diluted (₹) not annualised	6.75	5.75	13.37	11.01
(18) Non -Performing Assets (NPA) Ratios				
(a) Amount of Gross Non-Performing Assets	604.28	385.73	604.28	385.73
(b) Amount of Net Non-Performing Assets	328.92	178.40	328.92	178.40
(c) Gross NPA (%)	1.19%	0.91%	1.19%	0.91%
(d) Net NPA (%)	0.65%	0.42%	0.65%	0.42%
(19) Return on Assets (not annualised) (%)	0.87	0.88	1.81	1.76

Notes :

1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 02 May, 2019.



A

Particulars	As at	As at
	31 March, 2019	31 March, 2018
ASSETS		
FINANCIAL ASSETS		
(a) Cash and cash equivalents	59.08	70.89
(b) Receivables		
Trade and Other Receivables	9.75	22.60
(c) Loans	50,187.60	42,079.62
(d) Investments	1,576.51	1,327.52
(e) Other Financial assets	28.23	8.21
	51,861.17	43,508.84
NON- FINANCIAL ASSETS		
(a) Current Tax Assets (Net)	10.87	30.31
(b) Deferred tax assets (Net)	196.39	139.71
(c) Property, Plant and Equipments	20.82	19.11
(d) Intangible assets under development	15.09	8.17
(e) Other Intangible assets	28.21	31.25
(f) Other non-financial assets	45.50	40.08
	316.88	268.63
TOTAL ASSETS	52,178.05	43,777.47
LIABILITIES AND EQUITY		
LIABILITIES		
FINANCIAL LIABILITIES		
(a) Payables		
Trade and Other Payables		
- Micro and small enterprises	-	-
- Other than micro and small enterprises	48.52	58.13
(b) Debt Securities	23,539.68	21,432.01
(c) Borrowings (Other than Debt Securities)	19,442.65	14,605.26
(d) Subordinated Liabilities	209.76	209.64
(e) Other financial liabilities	1,362.08	1,104.81
	44,622.69	37,409.85
NON- FINANCIAL LIABILITIES		
(a) Current tax liabilities (Net)	15.72	48.94
(b) Provisions	87.98	64.69
(c) Other non-financial liabilities	35.12	25.01
	138.82	138.64
Equity		
(a) Equity Share capital	656.24	645.68
(b) Other equity	6,760.30	5,583.30
Total Equity	7,416.54	6,228.98
	52,178.05	43,777.47

3 The Company is primarily engaged in financing activities. It operates in 3 segments namely financing activities, trading activities and wealth business and single geographical segment. The segmental reporting is as under :

₹ in Crores

SEGMENT REPORTING	Six months ended March 31		Year ended March 31	
	2019 (Audited)	2018 (Unaudited)	2019 (Audited)	2018 (Audited)
Segment Revenue				
Financing Activities	2,965.71	2,243.11	5,535.55	4,296.51
Trading Activities	(2.10)	17.01	13.49	49.65
Wealth Business	26.44	54.05	63.83	92.08
Total Income	2,990.05	2,314.17	5,612.88	4,438.24
Segment Results (Profit before tax and after interest on finance activities)				
Financing Activities	687.94	518.73	1,334.92	1,008.68
Trading Activities	(4.42)	11.02	2.38	23.80
Wealth Business	(7.68)	15.97	(9.28)	18.41
Total profit before Tax	675.84	545.73	1,328.01	1,050.89
Capital Employed				
Financing Activities	7,372.88	6,212.88	7,372.88	6,212.88
Trading Activities	36.84	-	36.84	-
Wealth Business	6.82	16.10	6.82	16.10
Total Capital Employed	7,416.54	6,228.98	7,416.54	6,228.98



Handwritten signature or mark in blue ink.

4 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] AAA Stable IND AAA Stable
Principal Protected Market Linked Debentures	India Ratings & Research Private Limited	IND PP-MLD AAA emr Stable
Subordinate Debt	CARE Limited ICRA Limited India Ratings & Research Private Limited	CARE AAA Stable [ICRA] AAA Stable IND AAA Stable
Unsecured NCD	ICRA Limited	[ICRA] AAA Stable
Perpetual Debt	ICRA Limited India Ratings & Research Private Limited	[ICRA] AA+ (hyb) IND AA+ Stable
Long Term Bank Loans	ICRA Limited India Ratings & Research Private Limited	[ICRA] AAA Stable IND AAA Stable
Short Term Bank Loans	ICRA Limited India Ratings & Research Private Limited	[ICRA] A1+ IND AAA Stable

5 Outstanding Redeemable Preference Shares

Particulars	Number of shares	₹ in Crores
8% Redeemable Cumulative Preference Shares of Rs 10 each, fully paid up	1,00,00,000	10.80

6 Key Ratio

	31 March, 2019	31 March, 2018
Debt Equity Ratio	5.83	5.82
Net worth (₹ In Crores)	7,416.54	6,228.98

7 Reconciliation of net equity for the corresponding year ended March 31, 2018 between erstwhile Indian GAAP (IGAAP) and Ind AS is as under:
(₹ in Crore)

Particulars	31 March, 2018
Total Equity Under Previous Indian GAAP	6,311.24
Goodwill	(15.27)
Gain on Fair Value and change in carrying value of Investments	21.12
Amortisation of processing fees (Net)	(113.15)
Deferred Tax Impact	37.63
Impact of applying effective interest rate on borrowings	15.00
NPA Income Accrual	47.00
Expected Credit Loss Allowance	(93.60)
Trade Receivable	(0.13)
Trade Payable	19.14
Total Equity Under Ind AS	6,228.98

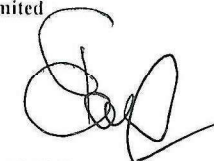
- 8 As of 31 March, 2019, the Company has aggregate exposure of ₹ 220.64 crores to four SPVs of IL&FS group categorized as amber or red [as submitted by ILFS to NCLAT]. The said exposures have been classified by the company under Stage III carrying ECL provision of ₹ 58.91 crore, under IND AS. The exposure mentioned above excludes exposure of ₹ 169.75 Crores to one SPV of ILFS group categorized as green. The account is regular in debt servicing.
- 9 During the year, the Company spent ₹ 11.08 Crores 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 year ended 31 March, 2019 and no complaint was pending at the beginning and end of the year.
- 11 Previous due date for redemption of Non-Convertible Debentures (NCD's) and payment of interest on NCD's was 21 March, 2019 and 31 March, 2019 respectively. Both the payments were made on their respective due dates as per the terms of issue of NCD's.
- 12 Interest on NCD's has been paid on the respective due dates and there has been no delay thereof.
- 13 Results are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. The results for the year ended 31 March, 2018 have been restated to comply with Ind AS and are comparable on like to like basis.
- 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



Place: Mumbai
Date: 02 May, 2019


Ajay Srinivasan
Director
(DIN - 00121181)


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

May 02, 2019

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, 2019.

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, are acting as a Debenture Trustee for the Secured & Unsecured, Listed, Redeemable, Non-Convertible Debenture issue raised up to Rs. 17,409.20 crore (Rs. 15,460.20 crore of secured NCDs + Rs. 1,799 crore of Sub debt + Rs. 200 crore of Perpetual debt) of Aditya Birla Finance Limited (Company).

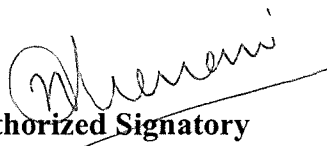
With reference to above, we have received the following documents and have noted its contents without verification:

1. Financial Results for the year ended March 31, 2019 along with information in accordance with clause 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. ICRA, CARE and India Ratings Research Credit Rating Letters for debt instruments.

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


Authorized Signatory

Place: Mumbai