

August 2, 2022

National Stock Exchange of India Limited

Listing Department, Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051.

BSE Limited

P J Towers
Dalal Street, Mumbai -400001
India

Dear Sir/Madam,

Sub: Outcome of Board Meeting under Regulation 51(2) and 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulations 51(2) and 52 read with Part B of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Operational Circular issued by SEBI through circular number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, as amended, we wish to inform you that the Board of Directors of the Company at its Meeting held today i.e. August 2, 2022, have, inter alia, considered and approved the Unaudited Financial Results of the Company for the first quarter ended June 30, 2022.

Accordingly, please find enclosed the Unaudited Financial Results for the first quarter ended June 30, 2022 along with Limited Review Report issued by the joint Statutory Auditors: Deloitte Haskins & Sells LLP (Registration No.117366W/W-100018) and M/s. Singhi & Co (Registration No. 302049E).

The above meeting of the Board of Directors commenced at 12.30 p.m. and concluded at 02.00 p.m.

The above is for your information, records and dissemination please.

Thanking you,

Yours faithfully,

For **Aditya Birla Finance Limited**

ANKUR
DEEPAK SHAH

Digitally signed by
ANKUR DEEPAK SHAH
Date: 2022.08.02
14:14:17 +05'30'

**Ankur Shah
Company Secretary**

Encl: As above

Aditya Birla Finance Limited

One World Center, Tower 1-C, 18th Floor, 841, Jupiter Mill Compound,
Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013.
+91 22 4356 7100 | (F) +91 22 4356 7266 | Toll-free number 1800-270-7000
care.finance@adityabirlacapital.com | <https://abfl.adityabirlacapital.com>

Registered Office:

Indian Rayon Compound, Veraval,
Gujarat -362 266
CIN: U65990GJ1991PLC064603



Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center
Tower 3, 24th-32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai – 400 013
Maharashtra, India

Tele: + 91 22 6185 4000
Fax: +91 22 6185 4001

Singhi & Co.

Chartered Accountants
B2 402B Marathon Innova, 4th Floor,
Off Ganpatrao Kadam Marg,
Lower Parel,
Mumbai 400013
Maharashtra, India

Tel: +91 22 6662 5537

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED QUARTERLY FINANCIAL RESULTS PURSUANT TO REGULATION 52 OF THE SEBI (LODR) REGULATIONS, 2015, AS AMENDED

TO THE BOARD OF DIRECTORS OF ADITYA BIRLA FINANCE LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Aditya Birla Finance Limited** (the "Company") for the quarter ended June 30, 2022 (the "Statement") being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 4 to the Statement in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our conclusion is not modified in respect of this matter.



Deloitte Haskins & Sells LLP

Singhi & Co.

6. The Statement includes comparative financial figures of the Company for the quarter ended June 30, 2021, which have been reviewed by one of the joint auditors vide its reports dated August 04, 2021, in which that joint auditor has expressed unmodified conclusions.

The conclusion of the other joint auditor is not modified in respect of this matter.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

For **Singhi & Co.**
Chartered Accountants
(Firm's Registration. No. 302049E)



Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
UDIN: 22039826AOARQY6622
Place: Mumbai
Date: August 02, 2022



Arnit Hundia
Partner
(Membership No. 120761)
UDIN: 22120761AOBHEQ6386
Place: Mumbai
Date: August 02, 2022

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE, 2022

(₹ in Lakhs)

| Sr. No. | Particulars | Quarter ended | | | Year Ended |
|-----------|--|------------------------------|----------------------------------|------------------------------|-----------------------------|
| | | 30 June, 2022 (Unaudited) | 31 March, 2022 (Refer Note 9) | 30 June, 2021 (Unaudited) | 31 March, 2022 (Audited) |
| 1 | Revenue from Operations | | | | |
| | (a) Interest Income | 1,54,028.26 | 1,38,712.39 | 1,32,929.55 | 5,53,128.87 |
| | (b) Dividend Income | - | 284.23 | - | 285.31 |
| | (c) Fees and Commission Income | 7,986.32 | 8,475.49 | 4,777.64 | 24,880.80 |
| | (d) Net Gain / (Loss) on Fair Value Changes | (809.36) | 19.54 | 367.65 | 190.62 |
| | Total Revenue from Operations | 1,61,205.22 | 1,47,491.65 | 1,38,074.84 | 5,78,485.60 |
| 2 | Other Income | 676.09 | 558.38 | 327.34 | 1,201.65 |
| 3 | Total Income (1+2) | 1,61,881.31 | 1,48,050.03 | 1,38,402.18 | 5,79,687.25 |
| 4 | Expenses | | | | |
| | (a) Finance costs | 72,890.48 | 67,545.14 | 66,350.70 | 2,70,909.59 |
| | (b) Impairment on Financial Instruments | 14,728.96 | 14,699.28 | 19,050.67 | 65,346.00 |
| | (c) Employee benefit expenses | 15,148.72 | 13,433.79 | 12,134.12 | 52,072.80 |
| | (d) Depreciation, Amortization and Impairment | 1,840.92 | 1,929.19 | 1,493.14 | 6,835.39 |
| | (e) Other expenses | 11,420.46 | 10,372.08 | 7,898.40 | 35,811.83 |
| | Total Expenses | 1,16,029.54 | 1,07,979.48 | 1,06,927.03 | 4,30,975.61 |
| 5 | Profit before exceptional items and tax (3-4) | 45,851.77 | 40,070.55 | 31,475.15 | 1,48,711.64 |
| 6 | Tax Expenses | | | | |
| | (a) Current Tax | 15,030.00 | 4,584.50 | 11,360.00 | 38,264.50 |
| | (b) Deferred Tax Expenses / (Benefits)- (Net) | (2,695.02) | 5,305.94 | (3,343.97) | (730.52) |
| | (c) Prior year adjustments | - | 330.39 | - | 344.60 |
| | Total Tax Expenses | 12,334.98 | 10,220.83 | 8,016.03 | 37,878.58 |
| 7 | Profit for the period/year (5-6) | 33,516.79 | 29,849.72 | 23,459.12 | 1,10,833.06 |
| 8 | Other Comprehensive Income (OCI) | | | | |
| | (a) Items that will not be reclassified to profit and loss | | | | |
| | Re-measurement profit / (loss) on defined benefit plans | 279.69 | 153.48 | 185.33 | 531.55 |
| | Income tax effect of above | (70.39) | (38.63) | (46.64) | (133.78) |
| | Gain/(Loss) on investments | - | - | - | 24.22 |
| | Income tax effect of above | - | - | - | (6.10) |
| | (b) Items that will be reclassified to profit and loss | | | | |
| | Fair Value change on derivatives designated as cash flow hedge | 418.22 | 859.30 | (55.76) | 2,578.79 |
| | Income tax effect of above | (105.26) | (216.27) | 14.03 | (649.03) |
| | Total other comprehensive income | 522.26 | 757.88 | 96.96 | 2,345.65 |
| 9 | Total Comprehensive Income for the period/year (7+8) | 34,039.05 | 30,607.60 | 23,556.08 | 1,13,178.71 |
| 10 | Paid up Equity share Capital of ₹ 10 each | 66,210.08 | 66,210.08 | 66,210.08 | 66,210.08 |
| 11 | Reserve excluding Revaluation Reserve | | | | 9,19,831.90 |
| 12 | Basic/Diluted Earnings per share (In ₹) | 5.06 | 4.51 | 3.54 | 16.74 |



- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective Meetings, held on 02 August, 2022. The Joint Statutory Auditors of the Company have carried out review of the aforesaid result for the quarter ended 30 June, 2022.
- 2 These financial results have been prepared in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.
- 3 These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("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.
- 4 The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability of the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.
 Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- 5 Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108. The Company has its operations within India and all revenue is generated within India.
- 6 RBI vide Circular dated 12 November, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances Clarifications" (IRACP) has clarified/harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company is taking necessary steps to comply with the norms/changes for regulatory reporting, with effect from 01 October, 2022 as clarified vide circular dated 15 February, 2022. Such clarifications/harmonization has no impact on the financial results, as the Company continues to prepare the financial results in accordance with the applicable Ind-AS guidelines and the RBI Circular dated 13 March, 2020 - "Implementation of Indian Accounting Standards".
- 7 Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR-STR. REC. 51/21.04.048/2021-22 dated 24 September, 2021.

(a)(i) Details of Loans not in default that are acquired during the quarter ended 30 June, 2022.

| | |
|--|-----------|
| Count of Loan Account acquired | 136 |
| Amount of Loan Account acquired (₹ In Lakhs) | 31,788.37 |
| Weighted Average Maturity (Residual maturity) (In Months) | 133 |
| Weighted Average Holding period (Upto date of acquisition) (In Months) | 4 |
| Retention of beneficial economic interest (MRR of assignor)* | 1.20% |
| Coverage of tangible security* | 100% |
| Rating wise distribution of loans acquired by value | |
| A- | 31.30% |
| BBB+ | 13.17% |
| A | 31.46% |
| Unrated | 24.07% |

* Ratio is computed basis weighted average of loans acquired.

(a)(ii) Details of Loans not in default that are transferred during the quarter ended 30 June, 2022 : Nil

(b) Details of stressed loans transferred during the quarter : Nil

- 8 Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the quarter ended 30 June, 2022 is attached as Annexure 1.
- 9 The figures for the quarter ended 31 March, 2022 are the balancing figures between audited figures in respect of the full financial year and unaudited year-to-date figures upto end of the third quarter of the previous financial year.
- 10 The figures for previous year/period have been regrouped/rearranged/recasted wherever necessary to conform to current period presentation. The impact of these reclassification is not material.

Place : Mumbai
 Date: 02 August, 2022



Rakesh Singh
 Rakesh Singh
 Managing Director and Chief Executive
 Officer
 (DIN - 07006067)

ADITYA BIRLA FINANCE LIMITED
 Website : www.adityabirlafinance.com
 Regd office: Indian Rayon Compound, Veraval Gujarat, 362266
 Corporate office: One World Centre, Tower 1 C, 18th Floor, Elphinstone Road, Mumbai 400 013
 Tel.: 91-22-43567100 Fax: 91-22-43567265

Annexure 1 : Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the quarter ended 30 June, 2022.

| Sr No. | Particulars | Ratios |
|---|---|--------------|
| 1 | Debt Equity Ratio | 4.83 |
| 2 | Debt Service Coverage Ratio* | NA |
| 3 | Interest Service Coverage Ratio* | NA |
| 4 | Outstanding Redeemable Preference Shares | Nil |
| 5 | Capital Redemption Reserve (₹ In lakhs) | 1,000.00 |
| 6 | Debenture Redemption Reserve | Nil |
| 7 | Net worth (₹ In lakhs) | 10,20,081.03 |
| 8 | Net Profit after tax (₹ In lakhs) | 33,516.79 |
| 9 | Earnings Per Share of ₹ 10/- each (not annualised) Basic and Diluted (₹) | 5.06 |
| 10 | Current ratio* | NA |
| 11 | Long term debt to working capital* | NA |
| 12 | Bad debts to Account receivable ratio* | NA |
| 13 | Current liability ratio* | NA |
| 14 | Total debts to total assets | 0.81 |
| 15 | Inventory turnover* | NA |
| 16 | Debtors turnover* | NA |
| 17 | Operating margin (%)* | NA |
| 18 | Net profit margin (%) | 20.79% |
| 19 | Paid up Equity Share Capital (Face Value of ₹ 10/- each) | 66,210.08 |
| 20 | Reserve excluding Revaluation Reserve (₹ In lakhs) | 9,53,870.95 |
| 21 | Securities Premium Account (₹ In lakhs) | 3,63,738.29 |
| Sector specific equivalent ratios: | | |
| 22 | Capital Adequacy Ratio (%) | 20.99% |
| 23 | Liquidity coverage ratio (%) | 82.44% |
| 24 | Expected Credit Loss (ECL) Ratios | |
| | (a) Amount of Gross Stage 3 Assets (₹ In lakhs) | 2,13,373.23 |
| | (b) Amount of Net Stage 3 Assets (₹ In lakhs) | 1,23,404.40 |
| | (c) Gross Stage 3 (%) | 3.70% |
| | (d) Net Stage 3 (%) | 2.17% |

Notes :

- Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Net worth.
- *The Company is a Non-Banking Financial Company registered under the Reserve Bank of India Act, 1934 hence these ratios are not applicable.
- Total Debts to Total assets = (Debt securities+ Borrowings (other than debt securities) + Subordinated liabilities) / total assets.
- Net profit margin= Net profit after tax / Total Revenue from Operations.
- Net worth = Equity Share Capital + Other Equity.
- Capital to risk-weighted assets ratio and Liquidity coverage ratio, are calculated as per the RBI guidelines.
- As per Reg. 54 of the SEBI (LODR) Regulations, 2015, the Company at all times maintains 100% asset cover as per the terms of the Offer document / Information Memorandum and the Debenture Trust deed, sufficient to discharge its liabilities for the Non-convertible Debt securities issued, by way of pari passu charge over its immovable property and on all current & future receivables and monies receivables thereunder and future current assets except the ECLGS loans amounting to Rs. 63,945.00 lakhs charged in favour of Deutsche Bank. The asset cover available for the outstanding non-convertible debt securities is 2.40 times.

