


**UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2017**

(₹. in Lakhs)

Sr. No.	Particulars	Six Months Ended Sep 30		Year Ended March 31	
		2017	2016	2017	2016
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
(1)	Interest Earned (a)+(b)+(c)+(d)	2,13,378.17	1,64,878.58	3,42,469.60	2,46,328.02
	(a) Interest/Disc on advances/bills	1,95,466.61	1,50,985.43	3,14,317.93	2,31,336.94
	(b) Income from Investments (Securities Trading Income)	3,540.85	2,834.01	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)	14,370.71	11,059.14	21,354.91	10,391.09
(2)	Other Income	91.18	90.31	196.13	2,332.41
<b>(3)</b>	<b>Total Income (1+2)</b>	<b>2,13,469.35</b>	<b>1,64,968.89</b>	<b>3,42,665.73</b>	<b>2,48,660.43</b>
(4)	Interest Expended	1,23,022.54	1,02,151.69	2,07,706.13	1,54,358.11
(5)	Operating Expenses: (i)+(ii)+(iii)+(iv)	27,386.02	17,252.13	41,874.99	23,046.83
	(i) Employees Cost	15,556.56	10,611.13	24,985.00	14,185.91
	(ii) Rent	1,261.37	884.85	1,860.28	1,028.97
	(iii) Legal & Professional charges	1,464.43	746.66	2,323.12	1,430.27
	(iv) Other operating expenses	9,103.66	5,009.49	12,706.59	6,401.68
<b>(6)</b>	<b>Total Expenditure: excluding provisions and contingencies (4)+(5)</b>	<b>1,50,408.56</b>	<b>1,19,403.82</b>	<b>2,49,581.12</b>	<b>1,77,404.94</b>
<b>(7)</b>	<b>Operating Profit before Provisions and Contingencies (3-6)</b>	<b>63,060.79</b>	<b>45,565.07</b>	<b>93,084.61</b>	<b>71,255.49</b>
(8)	Provisions (other than tax) and Contingencies	9,538.88	4,599.34	9,891.36	8,619.88
(9)	Exceptional items	-	-	-	-
<b>(10)</b>	<b>Profit from Ordinary Activities before Tax (7-8-9)</b>	<b>53,521.91</b>	<b>40,965.73</b>	<b>83,193.25</b>	<b>62,635.61</b>
(11)	Tax Expenses (including Deferred Tax)	18,299.71	14,445.36	24,667.86	21,775.49
<b>(12)</b>	<b>Net Profit from Ordinary Activities after Tax (10-11)</b>	<b>35,222.20</b>	<b>26,520.37</b>	<b>58,525.39</b>	<b>40,860.12</b>
(13)	Extraordinary Items	-	-	-	-
<b>(14)</b>	<b>Net Profit for the period/year (12-13)</b>	<b>35,222.20</b>	<b>26,520.37</b>	<b>58,525.39</b>	<b>40,860.12</b>
(15)	Paid Up Equity Share Capital (Face Value of Rs.10 each)	63,532.00	58,028.87	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 (%)	17.75	16.32	17.33	16.15
	(ii) Earnings Per Share - Basic (Rs.) not annualised	5.60	4.62	10.13	8.74
	Diluted (Rs.) not annualised	5.60	4.62	10.13	8.74
(18)	Non -Performing Assets (NPA) Ratios				
	(a) Amount of Gross Non-Performing Assets	19,936.69	20,498.43	15,718.33	15,717.31
	(b) Amount of Net Non-Performing Assets	12,507.20	8,896.43	7,069.14	5,573.76
	(c) Gross NPA (%)	0.53	0.74	0.47	0.63
	(d) Net NPA (%)	0.34	0.32	0.21	0.22
(19)	Return on Assets (not annualised) (%)	0.94	0.95	1.90	1.85

**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 26 October, 2017. 2. During the six months ended 30 September, 2017, 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 for the six months ended 30 September, 2017 would have been lower by Rs.2,085.39 lakhs and profit before tax for the same period would have been higher by Rs.2,085.39 lakhs (net of tax Rs. 1,372.39 lakhs). 3. The financial results for the six months ended 30 September, 2016 have been restated to give effect of the results of the wealth management undertaking of Aditya Birla Money Mart Limited which has been vested in the Company with effect from the appointed date viz. 01 April, 2016. The merger was made effective from 31 December, 2016, hence the results for the year ended 31 March, 2017 already include the impact of the takeover of the wealth management undertaking. The results for the six months ended 30 September, 2016 after such restatement have not been subjected to limited review by the auditors. 4

. During the current six months, management has amended the Company's provisioning policy to include an accelerated provisioning on unsecured NPAs 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 Rs. 420.55 lakhs on unsecured NPA loans and Rs.121.44 lakhs on unsecured standard asset has been made. Had the Company followed its earlier provisioning policy, the charge in the Six Months for the provisioning on unsecured NPA and standard assets would have been lower by Rs. 541.99 lakhs and the profit before tax would have been higher by Rs. 541.99 lakhs (net of tax Rs.356.68 lakhs).

**5. Credit Rating**

Instrument	Credit Rating Agency	Rating
Commercial Paper	ICRA Limited	A1+
Non Convertible Debenture	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

6. Key Ratio	30-Sep-17	31-Mar-17
Debt Equity Ratio	5.83	5.79
Net worth of Company (Rs. in Lakhs)	5,59,257.96	4,99,132.70

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

Particulars	Six Months Ended Sep 30		Year Ended March 31	
	2017	2016	2017	2016
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Segment Revenue</b>				
Financing Activities	2,06,125.71	1,59,558.91	3,29,979.16	2,44,060.44
Trading and other activities	3,540.85	2,834.01	6,796.76	4,599.99
Wealth Business	3,802.79	2,575.97	5,889.81	-
<b>Total Income</b>	<b>2,13,469.35</b>	<b>1,64,968.89</b>	<b>3,42,665.73</b>	<b>2,48,660.43</b>
<b>Segment Results (Profit before tax and after interest on finance activities)</b>				
Financing Activities	51,606.14	40,763.42	81,597.65	61,239.19
Trading and other activities	1,554.05	1,039.04	2,690.85	1396.42
Wealth Business	361.72	(836.73)	(1,095.25)	-
<b>Total profit before Tax</b>	<b>53,521.91</b>	<b>40,965.73</b>	<b>83,193.25</b>	<b>62,635.61</b>
<b>Capital Employed</b>				
Financing Activities	5,39,004.48	3,90,705.29	4,82,034.16	3,56,205.63
Trading and other activities	19,901.59	20,155.96	17,166.01	13,374.76
Wealth Business	351.89	266.49	(67.47)	-
<b>Total Capital Employed</b>	<b>5,59,257.96</b>	<b>4,11,127.74</b>	<b>4,99,132.70</b>	<b>3,69,580.39</b>

8. No complaint was received from debenture holders during the six months ended September 30, 2017 and no complaint was pending at the beginning and end of the half year. 9. Previous due date for payment of interest on NCDs was 29 September, 2017 and for redemption of Non Convertible Debentures(NCDs) was 15 September, 2017. Both the payments were made on their respective due dates. 10. Interest on NCDs has been paid on the respective due dates and there has been no delay thereof. 11. 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)