

June 4, 2020**The National Stock Exchange of India Ltd.**Listing Department, Wholesale Debt Market
Exchange Plaza, 5th Floor, Plot C/1,
Bandra-Kurla Complex, Bandra (East)
Mumbai- 400051**BSE Limited**P J Towers
Dalal Street, Mumbai -400001
India

Dear Sirs/Madam,

Sub: Audited Financial Results for the year ended March 31, 2020

Pursuant to regulation 52 and other applicable regulations, if any, of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, please find enclosed the following: -

1. Audited Financial results for the year ended March 31, 2020 alongwith the Auditors Report thereon (approved at the Board meeting held on June 4, 2020);
2. Certificate signed by debenture trustee pursuant to Regulation 52 (4) & (5) of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 for the year ended March 31, 2020;

Further, in accordance with Regulation 52 (3) of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, we hereby declare that S R Batliboi & Co. LLP, Statutory Auditors (Registration No.301003E/E300005) of the Company has given an unmodified opinion on the financial statements and auditors report for the year ended March 31, 2020.

Further, pursuant to regulation 52(7) of SEBI (LODR) Regulation, 2015, we hereby confirm that there were no material deviations in the use of proceeds of issue of non-convertible debt securities from the objects stated in the offer document for the six months period ended March 31, 2020.

Request to kindly take the same on your records.

Thanking you,

Yours faithfully,

For Aditya Birla Finance Limited

**Ankur Shah
Company Secretary**

Encl: As above

Aditya Birla Finance Ltd.

One Indiabulls Center, Tower 1, 16th Floor, Jupiter Mill
Compound, 841, Senapati Bapat Marg, Elphinstone Road,
Mumbai 400 013
www.adityabirlafinance.com

Registered Office:

Indian Rayon Compound, Veraval,
Gujarat -362 266

CIN: U65990GJ1991PLC064603

Independent Auditor's Report on the Financial Results of Aditya Birla Finance Limited Pursuant to the Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Aditya Birla Finance Limited

Report on the audit of the Financial Results

Opinion

We have audited the accompanying statement of financial results of Aditya Birla Finance Limited (the "Company"), for the year March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

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 Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information of the Company for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Assessment of COVID 19 Impact

We draw attention to Note 5 to the Statement, which describes the uncertainty arising from COVID 19 pandemic and impacting the Company's operations and estimates related to impairment of assets, which are dependent on future developments regarding the severity and duration of the pandemic.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive loss of the Company and other financial information

in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- iv. Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- v. Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

We draw attention to Note 4 to the Statement, which states that during the current period, the Company has merged the transaction business of Aditya Birla Capital Technologies Service Limited using pooling of interest method as per Appendix C to Ind AS 103. Accordingly, the figures of the previous year/ period are restated and are not comparable with those reported earlier, in so far as it relates to the amounts included in respect of above said transaction business.

We did not audit the financial results of one division included in Statement, whose financial results reflect total assets of Rs. 2,561.07 lacs as at March 31, 2020 and total revenues of Rs. 413.42 lacs and Rs. 774.18 lacs for the half year and year ended March 31, 2020 respectively and total profit/(loss) after tax of Rs. (618.16) lacs and Rs. (1,842.94) lacs for the half year and year ended March 31, 2020 respectively, and total comprehensive income of Rs. (627.51) lacs and Rs. (1,852.07) lacs for the half year and year ended March 31, 2020 respectively, as considered in the Statement. These financial results have been audited by the other auditors whose reports has been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this division, is based solely on the report of such other auditors. Our opinion on the Statement is not modified in respect of the above matter.

Further, we report that figures for the half year ended March 31, 2020 included in the Statement represent the derived figures between the audited figures in respect of the financial year ended March 31, 2020 and the published unaudited figures for the half year ended September 30, 2019, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

per Viren H. Mehta

Partner

Membership No.: 048749

UDIN: 20048749AAAAIK1457

Mumbai

June 04, 2020

FINANCIAL RESULTS FOR SIX MONTHS AND YEAR ENDED 31 MARCH, 2020

(₹ in Crores, except per share data)

Particulars	Six months ended March 31		Year ended March 31	
	2020 (Audited)	2019 (Audited)	2020 (Audited)	2019 (Audited)
(1) Revenue from Operations				
(a) Interest Income	2,764.53	2,777.84	5,649.39	5,192.97
(b) Dividend Income	11.05	2.80	19.25	11.00
(c) Fees and Commission Income	175.44	167.52	374.62	356.96
(d) Net gain on Fair Value Changes	74.95	44.38	158.48	55.32
Total Revenue from Operations	3,025.97	2,992.54	6,201.74	5,616.25
(2) Other Income	4.82	0.81	12.96	6.00
(3) Total Income (1+2)	3,030.79	2,993.34	6,214.70	5,622.25
(4) Expenses				
(a) Finance costs	1,763.08	1,753.29	3,604.64	3,287.55
(b) Impairment on Financial Instruments	476.39	128.14	707.07	207.01
(c) Employee benefit expenses	197.40	234.12	422.75	455.11
(d) Depreciation, Amortization and Impairment	25.53	15.06	49.77	29.13
(e) Other expenses	220.98	203.20	377.57	350.04
Total Expenses	2,683.38	2,333.81	5,161.80	4,328.84
(5) Profit before exceptional items and tax (3-4)	347.41	659.53	1,052.90	1,293.41
(6) Tax Expenses				
(a) Current Tax	96.40	278.00	291.36	518.16
(b) Deferred Tax Expenses / (Benefits)- (Net)	(88.30)	(38.81)	(37.93)	(56.74)
(c) Prior year adjustments	2.92	(1.69)	(5.47)	(2.14)
Total Tax Expenses	11.02	237.50	247.96	459.28
(7) Profit for the period/year (5-6)	336.39	422.03	804.94	834.13
(8) Other Comprehensive Income (OCI)				
(a) Items that will not be reclassified to profit and loss				
- Re-measurement profit/(loss) on defined benefit plans	(2.36)	(0.51)	(4.26)	(0.38)
- Income tax effect of above	0.59	0.18	1.07	0.17
- Gain/(Loss) on Investments	-	0.63	(0.14)	0.63
- Income tax effect of above	-	(0.22)	0.04	(0.22)
(b) Items that will be reclassified to profit and loss				
Fair Value change on derivatives designated as cash flow hedge	(16.49)	-	(16.49)	-
Income tax impact on above	4.15	-	4.15	-
Total other comprehensive income	(14.11)	0.08	(15.63)	0.20
(9) Total Comprehensive Income for the period/year (7+8)	322.28	422.11	789.31	834.33
(10) Paid up Equity share Capital of ₹ 10 each (refer note 4 below)	662.10	662.10	662.10	662.10
(11) Reserve excluding Revaluation Reserve	7,416.05	6,625.10	7,416.05	6,625.10
(12) Basic/Diluted Earnings per share (in ₹) (Not annualised except for year ended 31 March, 2020 and 31 March 2019)	5.08	6.37	12.16	12.73

Notes :

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 4 June, 2020.

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

Tel.: 91-22-43567100 Fax: 91-22-43567265

CIN : U65990GJ1991PLC064603

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

SEGMENT REPORTING	Six months ended March 31		Year ended March 31	
	2020 (Audited)	2019 (Audited)	2020 (Audited)	2019 (Audited)
Segment Revenue				
Financing Activities	2,925.82	2,938.06	6,027.49	5,507.91
Trading Activities	79.69	25.63	137.13	41.22
Wealth and Online platform & marketing business	25.28	29.65	50.08	73.12
Total Income	3,030.79	2,993.34	6,214.70	5,622.25
Segment Results (Profit before tax and after interest on finance activities)				
Financing Activities	428.05	660.09	1,098.47	1,307.07
Trading Activities	(76.37)	23.31	(23.85)	30.11
Wealth and Online platform & marketing business	(4.27)	(23.87)	(21.72)	(43.77)
Total profit before Tax	347.41	659.53	1,052.90	1,293.41
Capital Employed				
Financing Activities	7,332.40	7,165.62	7,332.40	7,165.62
Trading Activities	407.61	36.84	407.61	36.84
Wealth and Online platform & marketing business	(136.10)	(123.82)	(136.10)	(123.82)
Unallocated Corporate Assets	474.24	208.56	474.24	208.56
Total Capital Employed	8,078.15	7,287.20	8,078.15	7,287.20

- 3 The Company has adopted Ind AS 116, which is effective from 1 April, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (1 April, 2019). Accordingly the Company has not restated comparative information, instead, the cumulative effect of initially applying the standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April, 2019. This has resulted in recognising a right-of-use asset of ₹ 85.63 crores, a corresponding lease liability of ₹ 94.24 crores and deferred tax assets created on the same for ₹ 2.12 crores by adjusting retained earnings of ₹ 6.49 crores as at 1 April, 2019. In the Profit and Loss account for the current period / year, the nature of expenses in respect of Operating Lease has changed from lease rent in previous periods / years to depreciation cost for the right-to -use asset and finance cost for interest accrued on lease liability.
- 4 At the meeting of the Board of Directors held on September 10, 2019, the Board had approved the Scheme of Arrangement under Section 230 – 232 and other applicable provisions of the Companies Act, 2013, for merger of Online Platform and marketing business ("transaction business") of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla MyUniverse Limited, ABMUL) with the Company. The National Company Law Tribunal, bench at Ahmedabad (NCLT) passed an order on 13 December, 2019 approving the Scheme of Arrangement and the Transactions Business Merger Committee at its meeting held on 01 January, 2020 made Scheme effective from 01 January, 2020. Both the companies are wholly owned subsidiaries of Aditya Birla Capital Limited. The merger qualifies as a 'common control transaction' and has been accounted for using the pooling of interest method as per Appendix C to Ind AS 103 'Business Combinations'. Accordingly, the financial statements for the year ended 31 March, 2020 have been restated as if the business combination had occurred with effect from 01 April, 2018 irrespective of the actual date of acquisition. Similarly, the value of paid up equity share capital has also been restated to make the Basic / Diluted Earnings per share comparable. If the financial statements were not restated, the Net Profit before Tax would have been higher by Rs. 15.74 crores and Rs. 34.59 crores for 31 March, 2020 and 31 March, 2019 respectively.
- 5 The COVID-19 pandemic has significantly impacted economic activities, businesses, individuals across the spectrum. Reserve Bank of India (RBI)'s guidelines dated 27 March, 2020 enabled banks, lending institutions and NBFCs to offer a moratorium upto 3 months on repayment of EMIs, payment of interest on line of credit falling due between 01 March, 2020 and 31 May, 2020 to all eligible borrowers, which has been extended for a further period of 3 months via RBI circular dated 23 May, 2020. The Company based on its Board approved policy, has engaged with its customers whose account were standard as at 29 February, 2020, and offered the moratorium basis their need. As on 31 March, 2020, the staging of these accounts is basis days past due status as on 29 February, 2020 in line with the RBI circular. As per the Company's assessment, this by itself has not resulted into any significant increase in the credit risk.
- The Company recognizes the need to make reasonable estimation of the impact of this pandemic on the repayment ability of its borrowers, and make additional provisions as considered appropriate, over-and-above the extant provisions, for expected credit losses. The Company has segmented its portfolio basis various parameters to ascertain the impact of Covid-19 and basis its estimates, assumptions and judgements arrived at the additional impairment which is provided for in its financial results. Given the uncertainty over the potential macro-economic condition, the impact of the COVID-19 may be different from that expected as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions and suitable effect will be given in the respective future period.
- 6 Pursuant to The Taxation Laws (Amendment) Ordinance 2019, promulgated on 20 September 2019, the Company intends to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 to compute income tax at the revised rate (i.e. 25.17%) from the current financial year. Cumulative benefit of ₹ 58.16 crores is recognised in the profit after tax which was a result of the gain arising due to reduction in income tax rate amounting to ₹ 113.10 crores for the year ended 31 March, 2020 offset by a charge on account of re-measurement of opening deferred tax assets amounting to ₹ 54.94 crores.
- 7 Statement of assets and liabilities is enclosed as per Annexure A.
- 8 Details under Regulation 52(4) of the SEBI (LODR) Regulations, 2015 and as per SEBI circular no. SEBI/HO/DDHS/CIR/P/2018/144 as per para 4, of November 26, 2018 is enclosed as per Annexure B.
- 9 No complaint was received from debenture holders during the year ended 31 March, 2020 and no complaint was pending at the end of 31 March, 2020.
- 10 The figures for the last six months of the current and previous financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figure upto the end of first six months of the current and previous financial year which were subject to limited review by statutory auditors.
- 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

Rakesh Singh
Managing Director & CEO
(DIN - 07006067)

Place: Mumbai
Date: 4 June, 2020

ADITYA BIRLA FINANCE LIMITED
Website : www.abfl.adityabirlacapital.com

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Tel.: 91-22-43567100 Fax: 91-22-43567265
CIN : U65990GJ1991PLC064603

Annexure A - Statement of assets and Liabilities are as under-

₹ in Crores

Particulars	As at 31 March, 2020	As at 31 March, 2019
ASSETS		
FINANCIAL ASSETS		
(a) Cash and cash equivalents	1,830.56	59.09
(b) Receivables		
Trade and Other Receivables	16.02	10.74
(c) Derivative financial instruments	54.08	-
(d) Loans	45,987.80	50,188.33
(e) Investments	3,342.40	1,576.51
(f) Other Financial assets	4.67	28.24
	51,235.53	51,862.91
NON- FINANCIAL ASSETS		
(a) Current Tax Assets (Net)	233.65	12.17
(b) Deferred tax assets (Net)	240.59	196.39
(c) Property, Plant and Equipments	19.53	21.77
(d) Intangible assets under development	48.98	15.30
(e) Other Intangible assets	24.81	30.20
(f) Right to use of Assets	80.69	-
(g) Other non-financial assets	90.79	62.43
	739.04	338.26
TOTAL ASSETS	51,974.57	52,201.17
LIABILITIES AND EQUITY		
LIABILITIES		
FINANCIAL LIABILITIES		
(a) Derivative financial instruments *	0.00	-
(b) Payables		
Trade and Other Payables		
- Micro and small enterprises	2.82	2.78
- Other than micro and small enterprises	62.53	46.68
(c) Debt Securities	17,869.23	22,648.56
(d) Borrowings (Other than Debt Securities)	23,438.45	19,667.29
(e) Subordinated Liabilities	2,101.42	2,044.55
(f) Lease Liability	89.10	-
(g) Other financial liabilities	175.92	363.12
	43,739.47	44,772.98
NON- FINANCIAL LIABILITIES		
(a) Current tax liabilities (Net)	28.26	15.72
(b) Provisions	97.04	88.59
(c) Other non-financial liabilities	31.65	36.68
	156.95	140.99
Equity		
(a) Equity Share capital	662.10	662.10
(b) Other equity	7,416.05	6,625.10
Total Equity	8,078.15	7,287.20
TOTAL LIABILITIES AND EQUITY	51,974.57	52,201.17

* Amount less than ₹ 50,000/-

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

Place: Mumbai
Date: 4 June, 2020

Rakesh Singh
Managing Director & CEO
(DIN - 07006067)

June 04, 2020

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, 2020.

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. 16,498.20 crore (Rs. 14,499.80 crore of secured NCDs + Rs. 1,799 crore of Sub debt + Rs. 200 crore of Perpetual debt) (all on face values) 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, 2020 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

Registered office:

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

Tel +91 22 2659 3535
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www.vistraitcl.com

Vistra ITCL (India) Limited

Corporate Identity Number (CIN):U66020MH1995PLC095507