



ADITYA BIRLA CAPITAL LIMITED

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2018

₹ crore

Particulars	Quarter Ended			Half Year Ended	
	30th Sept, 2018 (Unaudited)	30th June, 2018 (Unaudited)	30th Sept, 2017 (Unaudited)	30th Sept, 2018 (Unaudited)	30th Sept, 2017 (Unaudited)
1 Revenue from operations					
Interest Income	1,769.27	1,606.17	1,354.73	3,375.44	2,623.22
Dividend Income	6.56	14.33	4.55	20.89	8.06
Fees and Commission Income	224.04	258.60	139.37	482.64	267.35
Net gain on fair value changes	22.37	58.03	91.07	80.40	138.22
Sale of services (primarily premium income from Life and Health Insurance Business)	1,568.22	1,125.59	1,109.08	2,693.81	1,982.06
Total Revenue from operations	3,590.46	3,062.72	2,698.80	6,653.18	5,018.91
2 Other Income	4.80	1.93	1.86	6.73	2.91
3 Total Income (1+2)	3,595.26	3,064.65	2,700.66	6,659.91	5,021.82
4 Expenses					
(a) Finance costs	993.24	906.27	738.87	1,899.51	1,410.16
(b) Fees and commission expense	181.21	151.17	67.66	332.38	119.31
(c) Impairment on financial instruments (Expected Credit Loss)	50.43	39.69	78.25	90.12	151.17
(d) Employee Benefits Expense	402.91	378.64	304.35	781.55	571.15
(e) Change in Valuation of Liability in respect of Insurance Policies	246.92	(47.72)	(195.24)	199.20	(520.23)
(f) Benefits Paid - Insurance Business	1,171.03	1,057.92	1,180.34	2,228.95	2,304.07
(g) Depreciation and Amortisation Expense	22.76	21.43	20.78	44.19	40.43
(h) Other Expenses	277.13	267.74	205.68	544.87	398.25
Total Expenses	3,345.63	2,775.14	2,400.69	6,120.77	4,474.31
5 Profit before share of Profit / (Loss) of Joint Venture Companies, exceptional items and tax (3 - 4)	249.63	289.51	299.97	539.14	547.51
6 Share of Profit / (Loss) of Joint Venture Companies	53.21	51.19	41.71	104.40	81.56
7 Profit before tax (5+6)	302.84	340.70	341.68	643.54	629.07
8 Tax Expense					
Current Tax	156.96	134.50	110.14	291.46	222.91
Short/ (Excess) Provision for Tax Related to Earlier Years (Net)	0.33	(0.71)	0.00	(0.38)	(0.38)
Deferred Tax	(24.84)	5.67	(9.27)	(19.17)	(16.93)
Total tax expense	132.45	139.46	100.87	271.91	205.60
9 Profit for the period (including Non-controlling interests) (7- 8)	170.39	201.24	240.81	371.63	423.47
10 Loss / (Profit) attributable to non-controlling interest	24.48	14.62	(16.02)	39.10	(26.80)
11 Profit for the period attributable to owners of the Company (9- 10)	194.87	215.86	224.79	410.73	396.67
12 Other Comprehensive Income (OCI)					
(i) Items that will not be reclassified to profit or loss in subsequent periods	(6.43)	4.36	(1.78)	(2.07)	31.29
Income tax relating to items that will not be reclassified to profit and loss	0.61	(0.52)	(4.56)	0.09	(4.44)
(ii) Items that will be reclassified to profit or loss in subsequent periods	(37.28)	(169.59)	(11.77)	(206.87)	36.28
Income tax relating to items that will be reclassified to profit and loss	5.62	24.09	(31.67)	29.71	(31.67)
13 Other Comprehensive Income for the period	(37.48)	(141.66)	(49.78)	(179.14)	31.46
14 Total Comprehensive Income (after tax) (9+ 13)	132.91	59.58	191.03	192.49	454.93
15 Profit for the period attributable to					
Owners of the Company	194.87	215.86	224.79	410.73	396.67
Non-Controlling interests	(24.48)	(14.62)	16.02	(39.10)	26.80
16 Other Comprehensive Income attributable to					
Owners of the Company	(18.63)	(70.78)	(25.40)	(89.39)	15.23
Non-Controlling interests	(18.85)	(70.88)	(24.38)	(89.75)	16.23
17 Total Comprehensive Income attributable to					
Owners of the Company	176.24	145.08	199.40	321.34	411.91
Non-Controlling interests	(43.33)	(85.50)	(8.36)	(128.85)	43.03
18 Paid Up Equity Share Capital* (Face Value of ₹ 10 each)	2,201.36	2,201.31	2,200.91	2,201.36	2,200.91
19 Earnings per Equity Share of ₹ 10 each (not annualised)					
Basic - ₹	0.89	0.98	1.04	1.87	2.33
Diluted - ₹	0.88	0.97	1.03	1.86	2.32

* Includes allotment of 92,02,66,951 Equity Shares and Global Depository Shares ("GDSs") pursuant to the Composite Scheme of Arrangement amongst (erstwhile) Aditya Birla Nuvo Limited, Grasim Industries Limited and the Company and respective Shareholders and Creditors.



CONSOLIDATED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED 30TH SEPTEMBER 2018

₹ crore

Particulars	Quarter Ended			Half Year Ended	
	30th Sept, 2018 (Unaudited)	30th June, 2018 (Unaudited)	30th Sept, 2017 (Unaudited)	30th Sept, 2018 (Unaudited)	30th Sept, 2017 (Unaudited)
1 Segment Revenue					
NBFC	1,346.06	1,271.80	1,095.90	2,617.86	2,122.81
Housing Finance	241.64	219.09	131.61	460.73	245.93
Life Insurance	1,746.08	1,332.60	1,338.79	3,078.68	2,365.13
Asset Management	371.35	351.52	311.89	722.87	582.49
General Insurance Broking	108.58	117.29	39.96	225.87	87.58
Money Broking	43.99	43.00	39.55	86.99	75.84
Health Insurance	101.58	76.27	35.78	177.85	99.33
Other Financial Services	8.23	9.63	29.02	17.86	48.22
Total Segmental Revenue	3,967.51	3,421.20	3,022.50	7,388.71	5,627.33
Less: Inter Segment Revenue	(6.46)	(7.92)	(14.89)	(14.38)	(31.29)
Total Segment Revenue from Operations (Net)	3,961.05	3,413.28	3,007.61	7,374.33	5,596.04
2 Segment Results (Profit Before Tax)					
NBFC	316.97	335.21	252.28	652.18	505.16
Housing Finance	20.87	13.40	3.25	34.27	11.06
Life Insurance	16.94	29.49	83.31	46.43	93.90
Asset Management	155.26	145.76	126.76	301.02	245.84
General Insurance Broking	8.40	15.03	11.06	23.43	29.71
Money Broking	3.49	2.57	2.52	6.06	3.91
Health Insurance	(72.64)	(64.75)	(48.84)	(137.39)	(82.83)
Other Financial Services	(45.77)	(42.63)	(4.84)	(88.40)	(16.12)
Total Segment Results	403.52	434.08	425.50	837.60	790.63
3 Segment Assets (Including Goodwill)	As on	As on	As on	As on	As on
	30th Sept, 2018	30th June, 2018	30th Sept, 2017	30th Sept, 2018	30th Sept, 2017
NBFC	48,395.88	44,814.74	39,226.31	48,395.88	39,226.31
Housing Finance	9,943.72	9,243.11	5,815.05	9,943.72	5,815.05
Life Insurance	40,183.89	39,737.94	38,562.13	40,183.89	38,562.13
Asset Management	1,458.21	1,567.09	1,452.69	1,458.21	1,452.69
General Insurance Broking	143.30	145.95	100.23	143.30	100.23
Money Broking	687.69	776.55	563.25	687.69	563.25
Health Insurance	543.08	410.08	370.12	543.08	370.12
Other Financial Services	459.01	447.54	398.68	459.01	398.68
Total Segment Assets	101,814.78	97,143.00	86,488.46	101,814.78	86,488.46
Inter-Segment Elimination	(193.72)	(223.47)	(177.67)	(193.72)	(177.67)
Add: Unallocated Corporate Assets	277.79	222.73	211.15	277.79	211.15
Total Assets	101,898.85	97,142.26	86,521.94	101,898.85	86,521.94
4 Segment Liabilities	As on	As on	As on	As on	As on
	30th Sept, 2018	30th June, 2018	30th Sept, 2017	30th Sept, 2018	30th Sept, 2017
NBFC	41,569.98	38,413.33	33,760.05	41,569.98	33,760.05
Housing Finance	8,827.49	8,337.29	5,186.69	8,827.49	5,186.69
Life Insurance	37,921.88	37,445.52	36,050.02	37,921.88	36,050.02
Asset Management	279.30	297.50	261.66	279.30	261.66
General Insurance Broking	109.88	109.99	42.23	109.88	42.23
Money Broking	483.14	572.86	367.84	483.14	367.84
Health Insurance	338.70	274.35	173.01	338.70	173.01
Other Financial Services	1,668.91	1,205.90	501.32	1,668.91	501.32
Total Segment Liabilities	91,199.28	86,656.74	76,342.82	91,199.28	76,342.82
Inter-Segment Elimination	(193.72)	(223.47)	(177.67)	(193.72)	(177.67)
Add: Unallocated Corporate Liabilities	274.23	289.35	328.75	274.23	328.75
Total Liabilities	91,279.79	86,722.62	76,493.90	91,279.79	76,493.90

The Operating Segments have been identified on the basis of the business activities from which the Group earns revenues and incurs expenses and whose operating results are reviewed by the Chief Operating Decision Maker of the Group to make decisions about the resources to be allocated and assess performance and for which discrete financial information is available. The smaller business segments which are not separately reportable have been grouped under "Other Financial Services".

Note:1

Consolidated Statement of Assets and Liabilities:

₹ crore

	Particulars	As at
		30th Sept 18 (Unaudited)
A	ASSETS	
1	Financial Assets	
	(a) Cash and Cash Equivalents	481.49
	(b) Bank Balances other than (a) above	200.15
	(c) Stock of Securities	75.40
	(d) Trade Receivables	319.83
	(e) Loans	57,406.76
	(f) Investments	
	- Investments of Life Insurance Business	13,861.98
	- Investments of Health Insurance Business	385.62
	- Other Investments	1,095.40
	(g) Asset held to cover linked liabilities	24,213.81
	(h) Others Financial Assets	334.18
	Sub Total - Financial Assets	98,374.62
2	Non Financial Assets	
	(a) Deferred Tax Assets (Net)	186.55
	(b) Current tax assets (Net)	82.08
	(c) Property, Plant and Equipment	135.52
	(d) Capital work-in-progress	1.85
	(e) Goodwill on Consolidation	580.03
	(f) Other Intangible Assets	140.43
	(g) Intangible Assets Under Development	25.44
	(h) Investment in Joint Venture Company	601.09
	(i) Other non-financial assets	894.13
	Sub Total - Non Financial Assets	2,647.12
	Total Assets	101,021.74
B	LIABILITIES AND EQUITY	
	LIABILITIES	
1	Financial Liabilities	
	(a) Trade Payables	541.20
	(b) Debt Securities	26,721.28
	(c) Borrowings	23,874.25
	(d) Sub Ordinate Debentures	259.15
	(e) Other Financial Liabilities	1,534.98
	Sub Total - Financial Liabilities	52,930.86
2	Non Financial Liabilities	
	(a) Current Tax Liabilities (Net)	32.47
	(b) Deferred Tax Liabilities (Net)	217.78
	(c) Provisions	244.06
	(d) Policyholders Liabilities	37,214.49
	(e) Other non-financial liabilities	340.45
	Sub Total - Non Financial Liabilities	38,049.25
3	Equity	
	(a) Equity Share Capital	2,201.36
	(b) Other Equity	6,758.30
	Equity attributable to equity holders of the company	8,959.66
	Non-Controlling Interests	1,081.97
	Total Equity	10,041.63
	Total - Liabilities and Equity	101,021.74

Notes:

- 2 Aditya Birla Capital Limited and its subsidiaries (The "Group") has adopted Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from 1st April, 2018 and the transition date is 1st April, 2017. The transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ("RBI"), National Housing Bank ("NHB") and Insurance Regulatory and Development Authority of India ("IRDAI") (collectively referred to as the "Previous GAAP"). The figures have been presented in accordance with Non-Banking Financial Company (NBFC) whose financial statements has been drawn up in compliance of the Companies (Indian Accounting Standards) Rules 2015, in Division III of Notification G.S.R 1022(E) dated 11th October, 2018, issued by the Ministry of Corporate Affairs, Government of India. Accordingly, the reported figures for the corresponding previous periods have been recast.
- 3 The Company and Aditya Birla ARC Limited (ABARC) wholly owned Subsidiary of the Company on 29th August, 2018 entered into a strategic joint venture agreement with Varde Partners ("Varde") to create a joint platform to pursue investments in stressed and distressed assets in India.
- As part of the above arrangement;
- a) Varde through its affiliates will acquire a 50% joint controlling stake in ABARC alongwith the Company, subject to regulatory approvals.
- b) On 26th October, 2018, the Company on receipt of the consideration amount i.e. ₹ 8.00 crore, transferred 8,00,000 – 0.01% Compulsorily Convertible Preference Shares to Varde Holdings India Pte Ltd
- 4 The Company, during the quarter and half year ended 30th September, 2018, has allotted 51,964 and 3,22,620 equity shares respectively of ₹10 each, fully paid up, on exercise of options by employees of the Company, its subsidiaries and its Parent (Grasim Industries Limited), in accordance with the Company's Employee Stock Option Schemes.
- 5 (a) The segment revenue, segment results, segments asset and segment liabilities include revenue, results, assets and liabilities of joint venture entities (which have been consolidated using the equity method) as tabulated below:

- 5 (b) Reconciliation of Revenue from Operations with Total Segment Revenue from Operations (Net):

Particulars	Quarter Ended			Half Year Ended	
	30th Sept, 2018	30th June, 2018	30th Sept, 2017	30th Sept, 2018	30th Sept, 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Total Revenue from operations	3,590.46	3,062.72	2,698.80	6,653.18	5,018.91
Add: Revenue of joint venture entities, profits of which are equity accounted under the Ind AS framework	373.40	352.96	312.23	726.36	582.93
Less: Elimination of Intra Group revenue from transactions with joint venture entities	(2.81)	(2.40)	(3.42)	(5.21)	(5.80)
Total Segment Revenue from Operations (Net)	3,961.05	3,413.28	3,007.61	7,374.33	5,596.04

- 5 (c) Reconciliation of Profit Before Tax with Total Segment Results:

Particulars	Quarter Ended			Half Year Ended	
	30th Sept, 2018	30th June, 2018	30th Sept, 2017	30th Sept, 2018	30th Sept, 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit Before Tax	302.84	340.70	341.68	643.54	629.07
Add: Share of joint venture partners (not included in share of profits of the Group) in joint venture entities	100.68	93.38	83.82	194.06	161.56
Total Segmental Results	403.52	434.08	425.50	837.60	790.63

- 5 (d) Reconciliation of Total Assets with Segment Assets

Particulars	As at		
	30th Sept, 2018	30th June, 2018	30th Sept, 2017
	(Unaudited)	(Unaudited)	(Unaudited)
Total Assets	101,021.74	96,199.03	85,668.79
Add: Assets of joint venture entities, which are equity accounted under the Ind AS framework	1,488.45	1,600.54	1,474.61
Less: Elimination of Intra Group assets from transactions with joint venture entities	(10.25)	(13.37)	(10.80)
Less: Investment in joint venture entities which are equity accounted under the Ind AS framework	(601.09)	(643.94)	(610.66)
	101,898.85	97,142.26	86,521.94

- 5 (e) Reconciliation of Total Liabilities with Segment Liabilities

Particulars	As at		
	30th Sept, 2018	30th June, 2018	30th Sept, 2017
	(Unaudited)	(Unaudited)	(Unaudited)
Total Liabilities	90,980.11	86,393.96	76,226.34
Add: Liabilities of joint venture entities, which are equity accounted under the Ind AS framework	309.92	342.01	278.40
Less: Elimination of Intra Group liabilities from transactions with joint venture entities	(10.25)	(13.37)	(10.80)
Total Segmental Liabilities	91,279.78	86,722.60	76,493.94

6 As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under Previous GAAP and Ind AS is as under:

Particulars	₹ crore	
	Quarter Ended 30th Sept, 2017	Half Year Ended 30th Sept, 2017
Net Profit after Taxes and Minority Interest as per Previous GAAP	226.61	399.73
Fair value change on financial assets carried at fair value through profit or loss	6.25	27.72
Adjustments to Finance Costs pursuant to measurement using the effective interest rate (EIR) as processing costs which were charged to revenue at the time of draw downs are now being amortised through EIR	(1.36)	1.72
Reduction pursuant to measurement using the EIR as processing fees (net of cost) previously recognised on disbursement are amortised through EIR	(2.72)	(9.21)
Reduction in the carrying value of Loan Assets and Trade Receivables on allowances for credit losses measured using the expected credit loss model	(28.03)	(44.37)
Increase in Revenue from Operations on recognition of interest income (unwinding of discount) on Credit Impaired Loan Assets (Stage 3)	6.87	11.68
Net increase in the fair value of investments of the Life and Health Insurance Businesses	42.62	27.35
Net reduction in actuarial liabilities of Insurance Business	(0.63)	(1.27)
Others	2.44	2.72
Deferred Tax on above adjustments	(6.35)	(4.42)
Deferred Tax on undistributed earnings of subsidiaries	(9.28)	(16.42)
Dividend Distribution Tax on dividend by subsidiaries	-	(3.81)
Share of Non-Controlling Interests in the above adjustments	(15.78)	(4.58)
Group's share in increase in profits of joint venture entities on account of GAAP differences.	4.15	9.83
Net Profit after tax attributable to Owners of the Company as per Ind AS	224.79	396.67

7 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company, at their meeting held on 6th November, 2018. The Statutory Auditors of the Company have carried out Limited Review of the aforesaid results.

In terms of our report attached

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Kumar Mangalam Birla
Chairman
DIN : 00012813

Place: Mumbai
Date: 6th November, 2018

ADITYA BIRLA CAPITAL LIMITED
(FORMERLY KNOWN AS ADITYA BIRLA FINANCIAL SERVICES LIMITED)
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