

October 29, 2018

**BSE Limited**

The Listing Department  
P.J. Towers,  
Dalal Street,  
Mumbai 400001

Dear Sir,

**Sub : Submission of Unaudited Financial Result as per Regulation 52 under SEBI LODR Regulations, 2015**

**Ref : Scrip Code 952525**

We wish to inform you that at the meeting of the Board of Directors held today i.e. on October 29, 2018 the Board has approved the Unaudited Financial Result of the Company for the half year ended September 30, 2018, in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With respect to the above, please find enclosed the following:

1. Unaudited Financial results
2. Limited Review Report issued by the Statutory Auditor
3. Noting Certificate by the Debenture Trustee

The result will also be published in the newspapers, in the format prescribed under the Listing Regulations.

You are requested to take note of the above.

Thanking You,

Yours Faithfully,

For **Avanse Financial Services Limited**



**Rakesh Dhanuka**  
Company Secretary



c.c.: Mr. R.K. Kulkarni

**Catalyst Trusteeship Limited**

GDA House, Plot No. 85, Bhusari Colony (Right)  
Paud Road, Pune – 411038

**Avanse Financial Services Limited**

CIN : U67120MH1992PLC068060

Regd office : DHFL House, 1st Floor, 19, Sahar Road, Off Western Express Highway, Vile Parle (East), Mumbai – 400 099

Tel No : 022 7111 2233 Website : www.avanse.com Email : investorrelations@avanse.com

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2018**

(Rupees in Lakh)

Sr. No.	Particulars	Half year Ended	
		30.09.2018 Unaudited	30.09.2017 Unaudited
(I)	<b>Revenue from operations</b>		
(i)	Interest Income	18,862.17	8,156.48
(ii)	Commission Income	442.09	109.12
(iii)	Other Operating Income	32.08	15.92
	<b>Total Revenue from operations</b>	<b>19,336.34</b>	<b>8,281.52</b>
(II)	<b>Other Income</b>	591.75	190.82
(III)	<b>Total Income (I+II)</b>	<b>19,928.09</b>	<b>8,472.34</b>
(IV)	<b>Expenses</b>		
(i)	Finance Costs	11,354.08	4,845.48
(ii)	Employee Benefits Expenses	2,803.50	1,080.47
(iii)	Depreciation and amortization	105.16	34.63
(iv)	Provision For Expected Credit Loss	705.37	481.08
(v)	Others expenses	2,498.75	1,295.39
	<b>Total Expenses</b>	<b>17,466.86</b>	<b>7,737.05</b>
(V)	<b>Profit before exceptional items and tax (III-IV)</b>	<b>2,461.23</b>	<b>735.29</b>
(VI)	<b>Tax Expense:</b>		
	Current tax	1,063.35	244.13
	Deferred tax	(244.43)	(82.70)
	<b>Total tax expenses</b>	<b>818.92</b>	<b>161.43</b>
(VII)	<b>Profit for the period from continuing operations (V-VI)</b>	<b>1,642.31</b>	<b>573.86</b>
(VIII)	<b>Other Comprehensive Income</b>		
	Items that will not be reclassified to profit or loss		
	- Remeasurment of employee defined benefit obligation	5.16	(53.84)
	- Income tax on above	(1.81)	18.84
	<b>Other Comprehensive Income</b>	<b>3.35</b>	<b>(35.00)</b>
(IX)	<b>Total Comprehensive Income for the period (VII+VIII)</b>	<b>1,645.66</b>	<b>538.86</b>
(X)	<b>Earnings per equity share</b>		
	Basic EPS (in Rs.) (Not annualised)	2.69	0.88
	Diluted EPS (in Rs.) (Not annualised)	2.69	0.88



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**STATEMENT OF UNAUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2018**

		(Rupees in Lakh)
Sr. No.	Particulars	As at September 30, 2018 Unaudited
	<b>ASSETS</b>	
(1)	<b>Financial Assets</b>	
(a)	Cash and cash equivalents	3,066.65
(b)	Other Bank Balances	434.00
(c)	Loans	3,02,991.65
(d)	Investments	1.01
(e)	Others	6,930.89
		<b>3,13,424.20</b>
(2)	<b>Non-financial Assets</b>	
(a)	Current Tax Assets (Net)	181.65
(b)	Deferred tax Assets (Net)	576.99
(c)	Property, Plant and Equipment	337.93
(d)	Intangible assets under development	50.15
(e)	Other Intangible assets	390.18
(f)	Others	473.53
		<b>2,010.43</b>
	<b>Total Assets</b>	<b>3,15,434.63</b>
	<b>LIABILITIES AND EQUITY</b>	
	<b>LIABILITIES</b>	
(1)	<b>Financial Liabilities</b>	
(a)	Trade Payables	
	(i) total outstanding dues of micro enterprises and small enterprises	
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,527.54
(b)	Debt Securities	81,793.69
(c)	Borrowings (Other than Debt Securities)	1,68,084.22
(d)	Others	6,575.04
	<b>Total Financial Liabilities</b>	<b>2,57,980.49</b>
(2)	<b>Non-Financial Liabilities</b>	
(a)	Current tax liabilities (Net)	306.52
(b)	Provisions	125.92
(c)	Others	260.60
	<b>Total Non-Financial Liabilities</b>	<b>693.04</b>
	<b>EQUITY</b>	
(a)	Equity Share capital	6,285.50
(b)	Other Equity	50,475.60
	<b>Total Equity</b>	<b>56,761.10</b>
	<b>Total Liabilities and Equity</b>	<b>3,15,434.63</b>



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**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR HALF YEAR ENDED 30TH SEPTEMBER , 2018**

**Notes:**

- 1 The above results have been reviewed and recommended for Board approval by the Audit Committee and approved by the Board of Directors at the meeting held on October 29, 2018. These results have been subjected to a "Limited Review" by the statutory auditors of the Company.
- 2 The above unaudited financial results have been prepared as per format prescribed in Regulation 52 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.
- 3 Information as required by Regulation 52 and 54 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is as per Annexure 'I' attached.
- 4 The Secured Listed Non-Convertible Debt Securities of the Company are secured by first pari-passu charge on the fixed assets owned by the Company and by first pari-passu charge by way of hypothecation over receivables and current assets both present and future as stated in the respective Debenture Trust Deeds. The total asset cover required thereof has been maintained as per the terms and conditions stated in the respective Debenture Trust Deeds.
- 5 Further transition adjustments may be required to these financial results including those arising from new or revised standards or interpretations issued by the Ministry of Corporate Affairs and Reserve Bank of India, as applicable or changes in use of one or more optional exemptions from full retrospective application of certain Ind AS, till the finalisation of the financial statements as at and for the year ending 31 March 2019.
- 6 The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 01, 2018 with comparative figures being restated to make them comparable. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Reconciliation of net profit for the corresponding half year ended September 30, 2017 between previous Indian GAAP (IGAAP) and Ind AS is as under:

Particulars	(Rupees in Lakh)	
	Half Year ended 30.09.2017 Unaudited	
Net profit as per previous GAAP		553.53
<b>Add / (Less):</b>		
Effective interest rate for financial assets and liabilities at amortised cost		15.90
Reclassification of actuarial gains and losses on employee benefit plans to other comprehensive income		53.84
Provision for Expected Credit Loss		(25.00)
Deferred tax impact on above		(24.40)
<b>Total effect of transition to IND AS</b>		<b>20.34</b>
<b>Net profit as per IND AS</b>		<b>573.86</b>
Other comprehensive Income (net of tax)		(35.00)
<b>Total Comprehensive Income under IND AS</b>		<b>538.86</b>

For Avanse Financial Services Ltd



*Kapil Wadhawan*  
Kapil Wadhawan  
Chairman  
DIN - 00028528

Date: 29.10.2018  
Place: Mumbai



## Annexure I

(i) Details of payment of principal and interest of Non-Convertible Debentures as required under regulation 52(4)(d) and Regulation 52(4)(e) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 are as under :

Name of Debt Instruments	ISIN	Credit rating	Previous Due Date for Payment of Interest & Principal	Actual Date of payment for previous interest	Next Due Date for Payment of Interest	Next Due Date for Payment of Principal	Next Interest Amt. (Rs. In Lakh)
10.10% Non- Convertible Debentures	INE087P07022	CARE:AA+(SO) BRW:AA+(SO)	31-Jul-18	31-Jul-18	31-Jul-19	31-Jul-25	252.50
10.05% Non- Convertible Debentures	INE087P07030	CARE:AA+(SO) BRW:AA+(SO)	31-Jul-18	31-Jul-18	31-Jul-19	08-Aug-22	100.50
10.10% Non- Convertible Debentures	INE087P07048	CARE:AA+(SO) BRW:AA+(SO)	31-Jul-18	31-Jul-18	31-Jul-19	07-Aug-25	151.50
9.55% Non- Convertible Debentures	INE087P07055	CARE:AA+(SO) BRW:AA+(SO)	31-Jan-18	31-Jan-18	31-Jan-19	26-Oct-20	95.50
9.65% Non- Convertible Debentures	INE087P07063	CARE:AA+(SO) BRW:AA+(SO)	31-Jul-18	31-Jul-18	31-Jul-19	26-Feb-23	96.50
10.50% Non- Convertible Debentures (Sub debt)	INE087P08012	CARE:AA(SO) BRW:AA+(SO)	31-Jul-18	31-Jul-18	31-Jul-19	16-Mar-24	262.50
9.20% Non- Convertible Debentures	INE087P07071	CARE:AA+(SO)	31-Jan-18	31-Jan-18	31-Jan-19	06-Jan-22	460.00
9.50% Non- Convertible Debentures (Sub debt)	INE087P08020	CARE:AA(SO) BRW:AA+(SO)	31-Jan-18	31-Jan-18	31-Jan-19	30-Jun-27	237.50
8.65% Non- Convertible Debentures	INE087P07089	CARE:AA+(SO) BRW:AA+(SO)	NA	NA	03-Nov-18	02-Nov-20	216.25
9.35% Non- Convertible Debentures	INE087P08038	CARE:AA (SO) BRW:AA+(SO)	31-Jan-18	31-Jan-18	31-Jan-19	27-Dec-27	233.75
9.35% Non- Convertible Debentures	INE087P07097	CARE:AA+(SO) BRW:AA+(SO)	NA	NA	29-Jun-19	27-Sep-19	467.50
9.95% Non- Convertible Debentures (1 Year MCLR of State Bank of India + 1.70%)	INE087P07105	CARE:AA+(SO)	NA	NA	12-Jul-19	12-Jul-21	2,487.50

Half Year Ended  
30.09.2018  
Unaudited

- (ii) Debt Equity Ratio (Nos. of times): 4.40
- (iii) Asset Coverage Ratio (Nos. of times) : 1.67
- (iv) Net Worth (Rs in lakh) : 56,761.10
- (v) There was no deviation in the use of the proceeds of the issue of Non Convertible Debt Securities from the object stated in the offer document.
- (vi) Details of Credit rating and changes in credit rating is given here under:

Product	Rating
a) Commercial paper	CRISIL A1+; CARE A1+
b) Debentures	CARE AA+(SO) ; BWR AA+(SO)
c) Loan Facility	CARE AA+(SO)

There is no change in the Credit Ratings during the period April 2018 to September 2018.



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## INDEPENDENT AUDITORS' REVIEW REPORT ON INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF AVANSE FINANCIAL SERVICES LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **AVANSE FINANCIAL SERVICES LIMITED** ("the Company"), for the half year ended 30th September, 2018 ("the statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Circular No. CIR/IMD/DFIC/69/2016 dated 10th August, 2016.
2. The Statement which is the responsibility of the Company's management and approved by the 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 issue a report 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with 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 Requirement) Regulations, 2015 read with Circular No. CIR/IMD/DFIC/69/2016 dated 10<sup>th</sup> August, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The previously issued financial information of the Company for the half year ended 30th September, 2017, prepared in accordance with the Companies (Accounting Standards) Rules, 2006 were reviewed by one of us (whose report dated 12<sup>th</sup> October, 2017 was unmodified). These previously issued financial information have been restated to comply with Ind AS and included in this Statement as comparative financial information. The adjustments made to the previously issued financial information to comply with Ind AS have been reviewed by us.

Our report is not modified in respect of the above matter.

For **T R Chadha & Co LLP**

Chartered Accountants

(Registration No.006711N/N500028)

  
**Pramod Tilwani**  
Partner  
Membership No. 076650




Mumbai, 29<sup>th</sup> October, 2018

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Registration No.117366W / W-100018)

  
**G. K. Subramaniam**  
Partner  
Membership No. 109839



• **CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, **Catalyst Trusteeship Limited** (“**Debenture Trustee**”) hereby confirm that we have received and noted (without independent verification thereof) the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Regulations**”), provided to us by **Avanse Financial Services Limited** (“**the Company**”) for the Half year ended on September 30, 2018.

This Certificate is being issued pursuant to the requirements of Regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

**For Catalyst Trusteeship Limited**

*P.S. Kulkarni*

**Authorised Signatory**

Date: October 29, 2018

