



BHARAT
Financial Inclusion Ltd
Prayaas se pragati

(Formerly known as 'SKS Microfinance Limited')

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Corporate Identity Number: L65999MH2003PLC250504

Registered Office: Unit No. 410, Madhava, Bandra-Kurla Complex
Bandra (East), Mumbai - 400 051, Maharashtra, India T: +91 22 2659 2375

October 28, 2017

The General Manager
Department of Corporate Services -
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

The Vice President, Listing Department
The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Madam /Sir,

Sub : Approval of Audited Financial Results for the Quarter and Half Year ended
September 30, 2017

In compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Board of Directors of the Company at its meeting held today (*viz.* October 28, 2017-commenced at 2.00 p. m and concluded at 3.30 p. m) in Mumbai has approved Audited Financial Results of the Company for the quarter and half year ended September 30, 2017. A copy of each of the Audited Financial Results and Auditors Report is attached herewith.

We request you to take the same on record.

Thanking You,

Yours faithfully,

For Bharat Financial Inclusion Limited
(formerly known as SKS Microfinance Limited)

Rajendra Patil
EVP-Legal & Company Secretary



Encl. : a/a

Bharat Financial Inclusion Limited (Formerly known as "SKS Microfinance Limited")

Regd.Office: Unit No. 410, "Madhava", Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.

Statement of Standalone Financial Results for the quarter and half year ended September 30, 2017							
							Rs. in lakhs
Sr No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2017 Audited	June 30, 2017 Audited	September 30, 2016 Unaudited	September 30, 2017 Audited	September 30, 2016 Audited	March 31, 2017 Audited
1	Income						
	Revenue from operations	46,327.89	41,118.04	40,738.81	87,445.94	77,634.73	155,307.51
	Other income	4,210.84	5,190.07	4,221.61	9,400.91	8,737.51	17,482.97
	Total revenue (I)	50,538.73	46,308.11	44,960.42	96,846.85	86,372.24	172,790.48
2	Expenses						
	Employee benefit expenses	11,818.47	11,163.96	9,977.72	22,982.44	19,467.36	40,616.01
	Finance costs	17,590.26	17,493.97	15,755.31	35,084.24	29,363.84	62,246.13
	Other expenses	3,885.31	3,493.75	3,436.79	7,379.05	6,425.33	13,432.09
	Depreciation and amortization expenses	313.38	271.98	305.68	585.36	522.20	1,277.14
	Provisions and write-offs	4,991.02	17,589.72	896.95	22,580.74	2,099.69	35,935.31
	Total expenses (II)	38,598.44	50,013.38	30,372.45	88,611.83	57,878.42	153,506.68
3	Profit / (loss) before tax (III)=(I)-(II)	11,940.29	(3,705.27)	14,587.97	8,235.02	28,493.82	19,283.80
4	Tax expenses						
	Current tax (Minimum Alternate Tax)	3,170.03	1,298.12	3,272.40	4,468.15	6,460.73	10,943.06
	Minimum Alternate Tax credit entitlement	(3,170.03)	(1,298.12)	(3,272.40)	(4,468.15)	(16,145.97)	(20,628.30)
	Total tax expense (IV)	-	-	-	-	(9,685.24)	(9,685.24)
5	Profit / (loss) after tax (III)-(IV)	11,940.29	(3,705.27)	14,587.97	8,235.02	38,179.06	28,969.04
6	Earnings per equity share (Not annualised)						
	Nominal value of share	10.00	10.00	10.00	10.00	10.00	10.00
	Basic	8.64	(2.69)	11.41	5.96	29.92	21.82
	Diluted	8.57	(2.69)	11.26	5.91	29.51	21.56



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Bharat Financial Inclusion Limited
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Balance Sheet as at September 30, 2017

Rs. in lakhs

	30-Sep-17	31-Mar-17
	Audited	Audited
Equity and liabilities		
Shareholders' funds		
Share capital	13,849.20	13,798.13
Reserves and surplus	242,184.90	230,875.97
	256,034.10	244,674.10
Share application money pending allotment	23.39	-
Non-current liabilities		
Long-term borrowings	241,795.26	220,854.41
Other long-term liabilities	711.83	757.47
Long-term provisions	45,073.42	27,120.07
	287,580.51	248,731.95
Current liabilities		
Short-term borrowings	79,766.95	112,371.87
Other current liabilities	452,638.41	420,800.69
Short-term provisions	10,267.76	15,177.64
	542,673.12	548,350.20
TOTAL	1,086,311.12	1,041,756.25
Assets		
Non-current assets		
Property, plant and equipment	1,573.49	1,695.59
Intangible assets	597.74	494.57
Intangible assets under development	17.45	17.60
Non-current investments	20.00	20.00
Deferred tax assets	-	-
Long-term loans and advances	140,543.84	144,169.38
Other non-current assets	9,757.96	6,827.50
	152,510.48	153,224.64
Current assets		
Trade receivables	978.61	1,092.64
Cash and bank balances	189,749.72	280,636.85
Short-term loans and advances	735,791.97	598,543.22
Other current assets	7,280.34	8,258.90
	933,800.64	888,531.61
TOTAL	1,086,311.12	1,041,756.25



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BHARAT FINANCIAL INCLUSION LIMITED
(Formerly known as “SKS Microfinance Limited”)

Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on October 28, 2017 in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The results for the quarter and half year ended September 30, 2017 have been audited by the Statutory Auditors of the Company.
3. As intimated to stock exchanges on October 14, 2017, the Board of Directors of the Company at its meeting held on October 14, 2017, after considering the report of the Audit Committee of the Company, have considered and approved a Composite Scheme of Arrangement between and amongst the Company, IndusInd Bank Limited and a wholly owned subsidiary of the IndusInd Bank Limited (to be incorporated for the purposes of the scheme) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Composite Scheme is subject to the receipt of approval from the Reserve Bank of India under the RBI (Amalgamation of Private Sector Banks) Directions, 2016 and the RBI (Financial Services Provided by Banks) Directions, 2016 and other statutory and regulatory approvals, including the approvals of the Competition Commission of India, the Stock Exchanges, SEBI, the National Company Law Tribunal, and the respective shareholders and creditors of Company and the IndusInd Bank Limited.

4. The net deferred tax asset amounting to Rs.24,647.19 lakhs as at September 30, 2017 has not been recognized. The said sum of Rs.24,647.19 lakhs will be available to offset tax on future taxable income.
5. The Company has provided for minimum alternate tax (‘MAT’) liability of Rs.4,468.15 lakhs for the half year ended September 30, 2017 and recognised a corresponding MAT credit entitlement as an asset on the balance sheet.
6. The Company operates in a single business segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on ‘Segment Reporting’ specified under Section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.
7. Figures for the previous periods have been regrouped/ rearranged wherever necessary to conform to current period presentation.

Place: Mumbai
Date: October 28, 2017

For Bharat Financial Inclusion Limited


M. R. RAO
Managing Director and CEO
DIN- 03276291



B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City
Orwell, 6th Floor, Unit-3
Sy. No. 83/1, Plot No. 2, Raidurg
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Auditor's Report on Quarterly and Year to Date Financial Results of Bharat Financial Inclusion Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors of

Bharat Financial Inclusion Limited (formerly, SKS Microfinance Limited)

1. We have audited the accompanying Statement of Financial Results ("the Statement") of Bharat Financial Inclusion Limited (formerly, SKS Microfinance Limited) ('the Company') for the quarter ended 30 September 2017 and the year to date financial results for the period from 1 April 2017 to 30 September 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly as well as year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management and evaluating the overall presentation of the financial results included in the Statement. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly and year to date financial results:
 - i. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended 30 September 2017 as well as the year to date results for the period from 1 April 2017 to 30 September 2017.

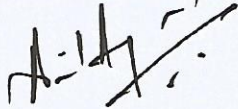


4. The financial results for the quarter ended 30 September 2016 were reviewed and the financial results for half year ended 30 September 2016 and for the year ended 31 March 2017 were audited by another auditor whose reports dated 28 October 2016 and 1 May 2017 respectively expressed unmodified opinion on those results.

for **B S R & Associates LLP**

Chartered Accountants

Firm's registration number/116231 W/ W-100024



Amit Kumar Agarwal

Partner

Membership No: 214198

Place: Mumbai

Date: 28 October 2017