

Date : April 24, 2019

To
The Manager
Listing Department
BSE Limited
P.J Towers,
Dalal Street
Mumbai - 400001

Dear Sir / Madam,

Sub: Statutory Compliance – Half Yearly Report for the half year ended March 31, 2019

With reference to above mentioned subject, as per Regulation 52(4) & (5) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), we submit herewith the following:

a) Audited financial results for the half year ended as on March 31, 2019 signed by Statutory Auditor-
Enclosed

b) Credit rating and change in credit rating (if any);

Please find below the change in Credit rating of the Company

Instrument	Rating as on March 31, 2018	Rating as on March 31, 2019
NCD	CARE AA+(SO); BWR AA+(SO)	CARE A+ (SO); BWR AA - (SO)
SUB –Debt	CARE AA (SO); BWR AA+(SO)	CARE A (SO); BWR AA - (SO)

c) Asset cover available, in case of non-convertible debt securities. – 1.42

d) Debt-equity ratio – 4.05 times

e) Previous due date for the payment of interest / dividend for non-convertible redeemable preference shares / repayment of principal of non-convertible preference shares / non-convertible debt securities and whether the same has been paid or not; and, as per **Annexure A**.

f) Next due date for the payment of interest / dividend of non-convertible preference shares / principal along with the amount of interest / dividend of non-convertible preference shares payable and the redemption amount; as per **Annexure B**.

g) Debt service coverage ratio (***not applicable for NBFC***);

h) Interest service coverage ratio (***not applicable for NBFC***);

i) Details of Debenture redemption reserve in the format ANNEXURE – **C – Not Applicable**

j) Net worth – 577.78 crores

k) Net Profit After Tax – 27.27 crores

l) Earnings per Share – Rs 4.40/-

Thanking you,

For Avanse Financial Services Limited


Rakesh Dhanuka

Company Secretary



Encl. Annexure A to C

ANNEXURE - A

Details of redemption & payment of interest during the last half year ending March 31, 2019:

Consent Letter / Tranche Reference No.	Series / Tranche	ISIN	Type (Principal / Interest)	Due date of payment	Amount (Rs.)	Actual date of payment
Series 4 Tranche 1	NCD Series 4 Tranche 1	INE087P07089	Interest	November 03, 2018	21,625,000/-	November 02, 2018
Series 2 Tranche 1	NCD Series 2 Tranche 1	INE087P07055	Interest	January 31, 2019	9,550,000/-	January 31, 2019
Sub Debt Series 2	NCD Sub Debt Series 2	INE087P08020	Interest	January 31, 2019	23,750,000/-	January 31, 2019
Sub Debt series 3	NCD Sub Debt series 3	INE087P08038	Interest	January 31, 2019	23,375,000/-	January 31, 2019

ANNEXURE - B

Details of redemption & interest due in the next half-year i.e. April 01, 2019 to September 30, 2019:

Consent Letter / Tranche Reference No.	Series / Tranche	ISIN	Type (Principal / Interest)	Due date of payment	Amount (Rs.)
Series 5	NCD Series 5	INE087P07097	Interest	June 29, 2019	4,67,50,000/-
Series 6	NCD Series 6	INE087P07105	Interest	July 12, 2019	24,87,50,000/-
001	NCD 001	INE087P07022	Interest	July 31, 2019	25,250,000/-
002	NCD 002	INE087P07030	Interest	July 31, 2019	10,050,000/-
003	NCD 003	INE087P07048	Interest	July 31, 2019	15,150,000/-
Series 2 Tranche 2	Series 2 Tranche 2	INE087P07063	Interest	July 31, 2019	9,650,000/-
Sub Debt Series 1	NCD Sub Debt Series 1	INE087P08012	Interest	July 31, 2019	26,250,000/-
Series 5	NCD Series 5	INE087P07097	Principal	September 27, 2019	50,00,00,000/-

Company does not expect default in payment of principal / interest due in next half year.

ANNEXURE - C

Details of Debenture Redemption Reserve (If applicable): - Not Applicable

Series / Tranche	Amount of issue Rs. (In Cr.)	DRR required to be created Rs. (In Cr.)	DRR created upto 31.09.2018 Rs. (In Cr.)	Funds invested for debentures maturing during the year



April 24, 2019

BSE Limited

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

Dear Sir,

Sub : Submission of Audited Financial Result as per Regulations 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 April 24, 2019 the Board have approved the Audited Financial Result of the Company for the Half and financial year ended March 31, 2019, in terms of Regulations 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

1. Audited Financial results
2. Auditor Report issued by the Joint Statutory Auditors
3. Noting Certificate by the Debenture Trustee
4. Declaration for Unmodified Opinion

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

STATEMENT OF AUDITED FINANCIAL RESULTS FOR HALF YEAR AND YEAR ENDED MARCH 31, 2019

(Rs. in Lakh)

Sr.		Half year ended		Year ended	
No.	Particulars	31.03.2019	31.03.2018	31.03.2019	31.03.2018
		Unaudited (Refer Note 3)	Unaudited (Refer Note 3)	Audited	Audited
1	Income				
(a)	Revenue from operations				
	Interest income	21,643.59	11,849.78	40,505.76	20,006.26
	Fees and commission income	262.97	182.33	705.06	291.45
	Other operating income	70.45	101.67	102.53	117.59
	Total revenue from operations	21,977.01	12,133.78	41,313.35	20,415.30
(b)	Other income	126.72	177.03	718.47	367.85
	Total income	22,103.73	12,310.81	42,031.82	20,783.15
2	Expenses				
	Finance costs	12,661.15	7,217.19	24,015.23	12,062.67
	Impairment on financial instruments	(25.63)	(23.01)	679.74	458.07
	Employee benefits expense	4,712.82	1,828.30	7,516.32	2,908.77
	Depreciation and amortisation expense	298.71	47.51	403.87	82.14
	Other expenses	2,769.19	2,176.17	5,267.94	3,471.56
	Total expenses	20,416.24	11,246.16	37,883.10	18,983.21
3	Profit before tax (1-2)	1,687.49	1,064.65	4,148.72	1,799.94
4	Tax expense				
(a)	Current tax	550.23	526.59	1,613.58	770.72
(b)	Deferred tax	52.60	(73.72)	(191.83)	(156.42)
	Total tax expenses	602.83	452.87	1,421.75	614.30
5	Net profit after tax (3-4)	1,084.66	611.78	2,726.97	1,185.64
6	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	- Actuarial gain / (loss) on post retirement benefit plans	(15.03)	41.99	(9.87)	(11.85)
	- Income tax on above	5.26	(14.70)	3.45	4.14
	Total other comprehensive income	(9.77)	27.29	(6.42)	(7.71)
7	Total comprehensive Income (5+6)	1,074.89	639.07	2,720.55	1,177.93
8	Earnings per equity share				
	Face value of Rs.10 each				
	Basic EPS (in Rs.) (Not annualised for half year)	1.71	1.97	4.40	2.85
	Diluted EPS (in Rs.) (Not annualised for half year)	1.71	1.97	4.40	2.85



Notes:

- 1 The above audited financial 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 April 24, 2019.
- 2 The above audited financial results have been prepared as per format prescribed in Regulation 52 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016 ("the Regulation").
- 3 The Statement includes the results for the half year March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the half year of the current financial year which were subject to limited review.
- 4 The shareholders of the Company have entered into a binding agreement as on March 16, 2019 with Olive Vine Investment Ltd for stake sale. Execution of the agreement is pending subject to regulatory approvals.
- 5 Information as required by Regulation 52(4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is as per Annexure 'I' attached
- 6 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.
- 7 Effective April 01, 2018, the Company has adopted all the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ("Ind AS") and the adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. The above audited financial statement has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Ind AS and other accounting principles generally accepted in India.
- 8 The Company operates in a single reportable operating segment of providing loans as per the requirement of Ind AS 108 - Operating Segment.
- 9 Reconciliation of net profit for the corresponding half year and year ended March 31, 2018 and net equity for the year ended between erstwhile Indian GAAP (IGAAP) and Ind AS is as under:

Particulars	Total Comprehensive income Reconciliation		Equity Reconciliation	
	Half Year ended	Year ended	As at	As at
	31.03.2018 Unaudited	31.03.2018 Audited	31.03.2018 Audited	01.04.2017 Audited
Net profit / equity as per previous Indian GAAP	470.99	1,024.52	48,499.00	14,025.05
Add / (Less):				
Effective interest rate for financial assets and liabilities at	(153.52)	(137.63)	(111.20)	26.43
Reclassification of actuarial gains and losses on employee benefit plans to other comprehensive income	(41.99)	11.85	11.85	-
Provision for Expected Credit Loss	398.43	373.43	198.10	(175.33)
Deferred tax impact on above	(62.13)	(86.53)	(34.50)	52.03
Total effect of transition to IND AS	140.79	161.12	64.25	(96.87)
Net profit / equity as per Ind AS	611.78	1,185.64	48,563.25	13,928.18
Other comprehensive income (net of tax)	27.29	(7.71)	(7.71)	-
Total Comprehensive income / Equity as per Ind AS	639.07	1,177.93	48,555.54	13,928.18

For Avanse Financial Services Limited

Kapil Wadhawan
Chairman
DIN - 00028528

Place : Mumbai
Date : April 24, 2019



- (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 A+ (SO); BWR AA - (SO)	31-Jul-18	31-Jul-18	31-Jul-19	31-Jul-25	252.50
10.05% Non- Convertible Debentures	INE087P07030	CARE A+ (SO); BWR AA - (SO)	31-Jul-18	31-Jul-18	31-Jul-19	08-Aug-22	100.50
10.10% Non- Convertible Debentures	INE087P07048	CARE A+ (SO); BWR AA - (SO)	31-Jul-18	31-Jul-18	31-Jul-19	07-Aug-25	151.50
9.55% Non- Convertible Debentures	INE087P07055	CARE A+ (SO); BWR AA - (SO)	31-Jan-19	31-Jan-19	31-Jan-20	26-Oct-20	95.50
9.65% Non- Convertible Debentures	INE087P07063	CARE A+ (SO); BWR 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 A (SO) BWR 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)	04-Jan-19	04-Jan-19	NA	NA	NA
9.50% Non- Convertible Debentures (Sub debt)	INE087P08020	CARE A (SO) BWR AA - (SO)	31-Jan-19	31-Jan-19	31-Jan-20	30-Jun-27	237.50
8.65% Non- Convertible Debentures	INE087P07089	CARE A+ (SO) BWR AA - (SO)	03-Nov-18	02-Nov-18	03-Nov-19	02-Nov-20	216.25
9.35% Non- Convertible Debentures (Sub debt)	INE087P08038	CARE A (SO) BWR AA - (SO)	31-Jan-19	31-Jan-19	31-Jan-20	27-Dec-27	233.75
9.35% Non- Convertible Debentures	INE087P07097	CARE A+ (SO) BWR 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 A+ (SO) BWR AA - (SO)	NA	NA	12-Jul-19	12-Jul-21	2,487.50

*Basis the Put Option Notice exercised by the Debenture holders, these NCDs were fully repaid with interest accrued for the period on Put Option exercise date i.e. 04-Jan-2019.

Year Ended
31.03.2019

- (ii) Debt Equity Ratio (Nos. of times): 4.05
- (iii) Capital Redemption Reserve (Rs. In Lakh): Nil
- (iv) Net Worth (Rs in lakh): 57,778.34
- (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 as on March 31, 2018	Rating as on March 31, 2019
a) Commercial paper	CRISIL A1+; CARE A1+	Withdrawn*
b) Debentures	CARE AA+(SO); BWR AA+(SO)	CARE A+ (SO); BWR AA - (SO)
c) Debentures (Sub debt)	CARE AA (SO); BWR AA+(SO)	CARE A (SO); BWR AA - (SO)
e) Loan Facility	CARE AA+(SO)	CARE A + (SO)

*Rating has been withdrawn since the company has repaid the amount in full and there was no outstanding CP.



AVANSE FINANCIAL SERVICES LIMITED
STATEMENT OF AUDITED BALANCE SHEET AS AT MARCH 31, 2019

(Rs. in Lakh)

Sr. No.		As at March 31, 2019 Audited	As at March 31, 2018 Audited
	ASSETS		
(1)	Financial assets		
(a)	Cash and cash equivalents	14,347.65	23,881.55
(b)	Bank balance other than (a) above	3,175.97	434.00
(c)	Loans	294,007.00	221,100.66
(d)	Other financial assets	672.14	604.37
		312,202.76	246,020.58
(2)	Non-financial assets		
(a)	Current tax assets (net)	152.72	115.41
(b)	Deferred tax assets (net)	547.20	351.92
(c)	Property, plant and equipment	309.66	149.31
(d)	Other intangible assets	899.64	97.68
(e)	Other non-financial assets	362.01	404.83
		2,271.23	1,119.15
	Total assets	314,473.99	247,139.73
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	Financial liabilities		
(a)	Trade payables		
(i)	total outstanding dues of micro and small enterprises	5.74	-
(ii)	total outstanding dues of creditors other than micro and small enterprises	1,444.78	459.51
(b)	Debt securities	46,795.42	50,766.91
(c)	Borrowings (other than debt securities)	186,968.62	133,544.03
(d)	Other financial liabilities	20,743.42	13,627.36
	Total financial liabilities	255,957.98	198,397.81
(2)	Non-financial liabilities		
(a)	Current tax liabilities (net)	227.37	46.24
(b)	Provisions	228.73	-
(c)	Other non-financial liabilities	281.57	140.14
	Total non-financial liabilities	737.67	186.38
(3)	EQUITY		
(a)	Equity share capital	6,285.50	5,924.27
(b)	Other equity	51,492.84	42,631.27
	Total equity	57,778.34	48,555.54
	Total liabilities and equity	314,473.99	247,139.73



**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF AVANSE FINANCIAL SERVICES LIMITED**

1. We have audited the accompanying Statement of Financial Results of **AVANSE FINANCIAL SERVICES LIMITED** (the "Company"), for the year ended 31st March 2019 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DFI/69/2016 dated August 10, 2016 (the "Regulation").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. 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 Regulation; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive profit and other financial information of the Company for the year ended 31st March 2019.



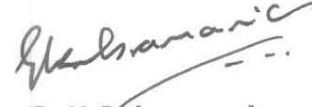
5. The previously issued comparative financial information of the Company for the Half year ended and year ended 31st March 2018 included in this Statement has been prepared after adjusting the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued comparative financial information were audited by one of us whose report for the year ended 31st March 2018 dated 24th April 2018 expressed an unmodified opinion on those comparative financial information. Adjustments made to the previously issued said comparative financial information to comply with Ind AS have been audited by us.
6. The Statement includes the results for the half year ended 31st March 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the half year of the current financial year which were subject to limited review by us.

For **T R CHADHA & CO LLP**
Chartered Accountants
(Firm's Registration No.
006711N/N500028)


Pramod Tilwani
(Partner)
(Membership No. 076650)



For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.
117366W/W-100018)


G. K Subramaniam
(Partner)
(Membership No. 109839)

Mumbai, 24th April, 2019

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 March 31, 2019.

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

Authorized Signatory

Date: April 24, 2019



April 24, 2019

BSE Limited

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

Dear Sir,

Sub : Declaration of Audit Report with Unmodified Opinion as per Regulation 52(3) of SEBI LODR (Regulations), 2015

Ref : Scrip Code 952525

As required under Regulation 52(3) of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, we hereby confirm that the Audit Report for Financial Year 2018- 19 is a Report with an unmodified opinion.

You are requested to kindly take the above in your records.

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