



BHARAT
Financial Inclusion Ltd
Prayaas se pragati

(Formerly known as 'SKS Microfinance Limited')
October 28, 2016

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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

The Secretary
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street
Mumbai – 400001.

The Vice President - Listing
National Stock Exchange of India Limited
Exchange Plaza
Bandra- Kurla Complex
Mumbai – 400051.

Dear Sir/Madam,

Sub: Approval of financial results for the the half year (audited) and second quarter (unaudited - subjected to limited review by the Statutory Auditors) ended September 30, 2016

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Board of Directors of Bharat Financial Inclusion Limited (formerly known as "SKS Microfinance Limited") at its meeting held on October 28, 2016 (commenced at 4.30 p.m. and concluded at 7.45 p.m.) has approved the financial results for the half year (audited) and second quarter (unaudited - subjected to limited review by the Statutory Auditors) ended September 30, 2016. A copy each of the Auditors' report and the financials as approved by the Board, is attached herewith.

We request you to take the above documents on your record.

Thanking you,

Yours faithfully,
For Bharat Financial Inclusion Limited
(Formerly known as 'SKS Microfinance Limited')

Rajendra Patil
Sr. Vice President - Legal & Company Secretary

Encl: a/a



Auditor's Report on Quarterly Financial Results and Year to Date Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

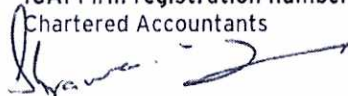
To
The Board of Directors
Bharat Financial Inclusion Limited (formerly, SKS Microfinance Limited)

1. We have reviewed the financial results for the quarter ended September 30, 2016 and audited the financial results for the half year ended September 30, 2016, incorporated in the accompanying statement of financial results ('the Statement') of Bharat Financial Inclusion Limited (formerly, SKS Microfinance Limited) ('the Company'). These quarterly financial results as well as the 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 and have been approved by the Board of Directors. Our responsibility is to issue a report on the financial results based on our review for the quarter ended September 30, 2016 and express an opinion on the financial results for the half year ended September 30, 2016 based on our audit of interim financial statements, prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
2. (a) We conducted our review for the quarter ended September 30, 2016 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 quarterly financial results are 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 on the financial results for the quarter ended September 30, 2016.

(b) We conducted our audit for the half year ended September 30, 2016 in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the half yearly financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion on the financial results for the half year ended September 30, 2016.
3. (a) Based on our review conducted as mentioned in 2(a) above, nothing has come to our attention that causes us to believe that the financial results for the quarter ended September 30, 2016 prepared in accordance with applicable accounting standards and other recognised accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

(b) Based on our audit conducted as mentioned in 2(b) above, in our opinion and to the best of our information and according to the explanations given to us the financial results for the half year ended September 30, 2016:
 - i. are 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 half year ended September 30, 2016.

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E/E300005
Chartered Accountants




per Shrawan Jalan
Partner
Membership No.: 102102

Mumbai
October 28, 2016

Barat Financial Inclusion Limited (Formerly known as "SKS Microfinance Limited")
 Registered 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, 2016							
Rs. In lakhs							
No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2016 Unaudited	June 30, 2016 Unaudited	September 30, 2015 Unaudited	September 30, 2016 Audited	September 30, 2015 Unaudited	March 31, 2016 Audited
1	Income						
	Income from operations	36,915.71	33,412.08	26,639.51	70,327.79	48,369.19	106,418.70
	Other operating income	3,823.10	3,483.84	2,487.04	7,306.94	4,843.08	10,494.70
	Total income from operations	40,738.81	36,895.92	29,126.55	77,634.73	53,212.27	116,913.40
2	Expenses						
	Employee benefits expenses	9,977.72	9,489.64	6,986.29	19,467.36	14,071.80	29,236.91
	Depreciation and amortization expenses	305.68	216.51	184.77	522.20	283.33	836.44
	Provisions and write offs	896.95	1,202.74	878.51	2,099.69	1,598.32	3,864.15
	Other expenses	3,436.79	2,988.54	2,568.77	6,425.33	4,902.00	10,283.21
	Total expenses	14,617.14	13,897.43	10,618.34	28,514.58	20,855.45	44,220.71
3	Profit from operations before other income & finance costs (1-2)	26,121.67	22,998.49	18,508.21	49,120.15	32,356.82	72,692.69
4	Other income	4,221.61	4,515.91	3,302.13	8,737.51	7,480.84	15,153.87
5	Profit before finance costs (3+4)	30,343.28	27,514.40	21,810.34	57,857.66	39,837.66	87,846.56
6	Finance costs	15,755.31	13,608.52	11,694.94	29,363.84	21,772.97	48,457.35
7	Profit before tax (5-6)	14,587.97	13,905.88	10,115.40	28,493.82	18,064.69	39,389.21
8	Tax expense	-	(9,685.24)	2,329.60	(9,685.24)	4,163.30	9,091.07
9	Profit after tax (7-8)	14,587.97	23,591.12	7,785.80	38,179.06	13,901.39	30,298.14
10	Paid-up equity share capital (Face Value of Rs.10 Each)	13,755.16	12,752.95	12,675.41	13,755.16	12,675.41	12,731.11
11	Reserves (excluding Revaluation reserves)						125,568.40
12	Earnings Per Share (EPS) (Not annualised)						
	Basic	11.41	18.52	6.15	29.92	10.99	23.90
	Diluted	11.26	18.29	6.06	29.51	10.83	23.58

SIGNED FOR IDENTIFICATION
 BY  28/10/16
 S. R. BATLIBOI & CO. LLP
 MUMBAI



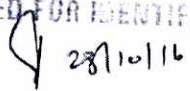
Bharat Financial Inclusion Limited

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

Standalone Statement of Assets and Liabilities

Rs. In lakhs

Particulars	As at	As at
	September 30, 2016 Audited	March 31, 2016 Audited
A. EQUITY AND LIABILITIES		
1. Shareholders' funds		
(a) Share capital	13,755.16	12,731.11
(b) Reserves and surplus	237,560.99	125,568.40
Shareholders' funds	251,316.15	138,299.51
2. Share application money pending allotment	128.68	0.25
3. Non-current liabilities		
(a) Long-term borrowings	210,862.10	216,873.74
(b) Other Long-term liabilities	949.93	1,499.74
(c) Long-term provisions	2,768.16	2,417.79
Non-current liabilities	214,580.19	220,791.27
4. Current liabilities		
(a) Short-term borrowings	74,564.86	64,431.74
(b) Other current liabilities	378,481.15	284,570.60
(c) Short-term provisions	8,926.76	7,276.75
Current liabilities	461,972.77	356,279.09
TOTAL - EQUITY AND LIABILITIES	927,997.79	715,370.12
B. ASSETS		
1. Non-current assets		
(a) Fixed assets		
Tangible assets	1,638.34	1,141.65
Intangible assets	401.57	361.48
Intangible assets under development	175.99	142.16
(b) Non-current investments	20.00	20.00
(c) Long-term loans and advances	71,195.68	41,353.92
(d) Other non-current assets	21,836.83	18,863.85
Non-current assets	95,268.41	61,883.06
2. Current assets		
(a) Trade receivables	906.97	636.82
(b) Cash and bank balances	176,763.71	176,628.28
(c) Short-term loans and advances	643,732.89	460,802.25
(d) Other current assets	11,325.81	15,419.71
Current assets	832,729.38	653,487.06
TOTAL - ASSETS	927,997.79	715,370.12

SIGNED FOR IDENTIFICATION
BY 
S. R. BATLIBOI & CO. LLP
MUMBAI



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

FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 28, 2016, in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The results for the half year ended September 30, 2016 have been audited and the results for the quarter ended September 30, 2016 have been subjected to a 'Limited Review' by the Statutory Auditors of the Company.
3. The Company has made an issue of 9,740,259 equity shares of Rs.10 each at a premium of Rs.760 per equity share aggregating Rs.74,999.99 lakhs through a qualified institutions placement ('QIP') to qualified institutional buyers, in accordance with Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Section 42 of the Companies Act, 2013 as amended, and the rules made thereunder on September 29, 2016. The issue and allotment of shares was approved by the Board of Directors in its meeting held on September 29, 2016, pursuant to the approval of the shareholders obtained on July 21, 2016.
4. The net deferred tax asset amounting to Rs.25,595.87 lakhs as at September 30, 2016 has not been recognized. The said sum of Rs.25,595.87 lakhs will be available to offset tax on future taxable income.
5. The Company has provided for minimum alternate tax ('MAT') liability of Rs.6,460.73 lakhs for the half year ended September 30, 2016 and recognised a corresponding MAT credit entitlement as an asset on the balance sheet. Unrecognised MAT credit of Rs.9,685.24 lakhs as at March 31, 2016 has been recognized as an asset on the balance sheet during the previous quarter ended June 30, 2016.
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: Hyderabad

For Bharat Financial Inclusion Limited

Date: October 28, 2016

