



(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

January 30, 2018

The General Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street
Mumbai – 400001.

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

Dear Sir/Madam,

Sub: Financial Results for the quarter and nine months ended December 31, 2017

In compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Board of Directors of the Company at its meeting held on January 30, 2018 (commenced at 2.00 p.m. and concluded at 4.15 p.m.) has approved the Audited Financial Results of the Company for the quarter and nine months ended December 31, 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
Executive Vice President - Legal & Company Secretary

Encl: As above

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City
Orwell, 6th Floor, Unit-3
Sy. No. 83/1, Plot No. 2, Raidurg
Hyderabad-500081, India

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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 31 December 2017 and the year to date financial results for the period from 1 April 2017 to 31 December 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 31 December 2017 as well as the year to date results for the period from 1 April 2017 to 31 December 2017.



4. The financial results for the quarter ended 31 December 2016 and the financial results for nine months ended 31 December 2016 were reviewed and for the year ended 31 March 2017 were audited by another auditor whose reports dated 24 January 2017 and 1 May 2017 respectively expressed unmodified opinion on those results.

for **B S R & Associates LLP**

Chartered Accountants

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



Sriram Mahalingam

Partner

Membership No: 049642

Place: Hyderabad

Date : 30 January 2018

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 nine months ended December 31, 2017							
							<i>Rs. in lakhs</i>
Sr No.	Particulars	Quarter ended			Nine month ended		Year ended
		December 31, 2017 Audited	September 30, 2017 Audited	December 31, 2016 Unaudited	December 31, 2017 Audited	December 31, 2016 Unaudited	March 31, 2017 Audited
1	Income						
	Revenue from operations	50,360.80	46,327.89	40,889.21	137,806.74	118,523.95	155,307.51
	Other income	4,012.40	4,210.84	4,597.67	13,413.31	13,335.19	17,482.97
	Total revenue (I)	54,373.20	50,538.73	45,486.88	151,220.05	131,859.14	172,790.48
2	Expenses						
	Employee benefit expenses	14,716.88	11,818.47	10,610.05	37,699.32	30,077.41	40,616.01
	Finance costs	17,828.04	17,590.26	16,425.11	52,912.28	45,788.95	62,246.13
	Other expenses	4,354.63	3,885.31	3,447.16	11,733.69	9,872.49	13,432.09
	Depreciation and amortization expenses	351.96	313.38	342.84	937.32	865.04	1,277.14
	Provisions and write-offs	860.34	4,991.02	379.92	23,441.08	2,479.61	35,935.31
	Total expenses (II)	38,111.85	38,598.44	31,205.08	126,723.69	89,083.50	153,506.68
3	Profit / (loss) before tax (III)=(I)-(II)	16,261.35	11,940.29	14,281.80	24,496.36	42,775.64	19,283.80
4	Tax expenses						
	Current tax (Minimum Alternate Tax)	3,073.57	3,170.03	2,927.46	7,541.72	9,388.19	10,943.06
	Minimum Alternate Tax credit entitlement	(3,073.57)	(3,170.03)	(2,927.46)	(7,541.72)	(19,073.43)	(20,628.30)
	Total tax expense (IV)	-	-	-	-	(9,685.24)	(9,685.24)
5	Profit / (loss) after tax (III)-(IV)	16,261.35	11,940.29	14,281.80	24,496.36	52,460.88	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	11.72	8.64	10.36	17.71	40.04	21.82
	Diluted	11.64	8.57	10.26	17.56	39.53	21.56



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 January 30, 2018 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 nine month ended December 31, 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 had approved the Composite Scheme of Arrangement ("Scheme") between the Company and IndusInd Bank Limited (the "Bank") for, inter alia, the amalgamation of the Company with the Bank, subject to receipt of applicable regulatory approvals.

In this regard, the Competition Commission of India ("CCI") has, vide its letter dated December 19, 2017 intimated that CCI, in its meeting held on December 19, 2017, considered the proposed combination and approved the same under sub-section (1) of Section 31 of the Competition Act, 2002. The order of CCI has been received on January 19, 2018 to this effect.

The Scheme remains subject to the receipt of approval from the Reserve Bank of India and other statutory and regulatory approvals, including the approvals of the Stock Exchanges, SEBI, the National Company Law Tribunal, and the respective shareholders and creditors of BFIL and the Bank.

4. The net deferred tax asset amounting to Rs.18,229.11 lakhs as at December 31, 2017 has not been recognized. The said sum of Rs. 18,229.11 lakhs will be available to offset tax on future taxable income.
5. The Company has provided for minimum alternate tax ('MAT') liability of Rs.7,541.72 lakhs for the nine month ended December 31, 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: Hyderabad
Date: January 30, 2018

For Bharat Financial Inclusion Limited


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

