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**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

**PART I – STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

₹ in Crore

PARTICULARS	Quarter ended 30-Sep-19	Quarter ended 30-Jun-19	Quarter ended 30-Sep-18	Half Year ended 30-Sep-19	Half Year ended 30-Sep-18	Year ended 31-Mar-19
	Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
<b>Revenue from Operations</b>						
(i) Interest Income	10,478.33	10,478.20	9,494.70	20,956.53	18,410.08	<b>38,335.18</b>
(ii) Surplus from deployment in Cash Management Schemes of Mutual Funds	302.60	302.87	182.38	605.47	362.70	<b>943.79</b>
(iii) Dividend Income	1,073.80	1.05	5.77	1,074.85	591.62	<b>1,130.64</b>
(iv) Rental Income	17.63	13.33	11.80	30.96	28.31	<b>65.07</b>
(v) Fees and Commission Income	46.47	36.05	42.58	82.52	65.05	<b>182.41</b>
(vi) Net gain / (loss) on Fair Value changes	(322.31)	(45.04)	214.02	(367.35)	275.91	<b>552.11</b>
(vii) Profit on Sale of Investments	1,627.09	1,894.21	891.34	3,521.30	891.34	<b>1,212.35</b>
(viii) Profit on Sale of Investment-Properties	(0.05)	13.45	5.73	13.40	29.19	<b>66.50</b>
(ix) Income on derecognised/assigned loans	263.88	296.17	397.29	560.05	538.76	<b>859.99</b>
<b>I Total Revenue from Operations</b>	<b>13,487.44</b>	<b>12,990.29</b>	<b>11,245.61</b>	<b>26,477.73</b>	<b>21,192.96</b>	<b>43,348.04</b>
<b>II Other Income</b>	<b>6.68</b>	<b>5.82</b>	<b>11.35</b>	<b>12.50</b>	<b>15.98</b>	<b>29.97</b>
<b>III Total Income (I+II)</b>	<b>13,494.12</b>	<b>12,996.11</b>	<b>11,256.96</b>	<b>26,490.23</b>	<b>21,208.94</b>	<b>43,378.01</b>
<b>Expenses</b>						
(i) Finance Cost	7,830.70	7,739.27	7,044.53	15,569.97	13,397.21	<b>27,837.67</b>
(ii) Impairment on financial instruments (Expected Credit Loss)	754.10	890.00	401.30	1,644.10	421.00	<b>935.00</b>
(iii) Employee Benefit Expenses	144.93	155.40	127.56	300.33	451.82	<b>716.53</b>
(iv) Depreciation, amortisation and impairment	33.31	29.23	13.36	62.54	26.34	<b>66.53</b>
(v) Establishment Expenses	7.42	18.34	24.48	25.76	60.04	<b>107.57</b>
(vi) Other Expenses	193.28	178.76	156.65	372.04	293.45	<b>595.94</b>
<b>IV Total Expenses</b>	<b>8,963.74</b>	<b>9,011.00</b>	<b>7,767.88</b>	<b>17,974.74</b>	<b>14,649.86</b>	<b>30,259.24</b>
<b>V Profit Before Tax (III-IV)</b>	<b>4,530.38</b>	<b>3,985.11</b>	<b>3,489.08</b>	<b>8,515.49</b>	<b>6,559.08</b>	<b>13,118.77</b>
<b>Tax Expense</b>						
- Current Tax	473.77	903.61	733.00	1,377.38	1,579.00	<b>3,307.11</b>
- Deferred Tax	95.08	(121.60)	289.00	(26.52)	323.00	<b>179.20</b>
<b>VI Total Tax Expense</b>	<b>568.85</b>	<b>782.01</b>	<b>1,022.00</b>	<b>1,350.86</b>	<b>1,902.00</b>	<b>3,486.31</b>
<b>VII Net Profit after Tax (V-VI)</b>	<b>3,961.53</b>	<b>3,203.10</b>	<b>2,467.08</b>	<b>7,164.63</b>	<b>4,657.08</b>	<b>9,632.46</b>
<b>VIII Other Comprehensive Income</b>	<b>(95.43)</b>	<b>261.98</b>	<b>(88.93)</b>	<b>166.55</b>	<b>(118.10)</b>	<b>(131.53)</b>
<b>IX Total Comprehensive Income (VII+VIII)</b>	<b>3,866.10</b>	<b>3,465.08</b>	<b>2,378.15</b>	<b>7,331.18</b>	<b>4,538.98</b>	<b>9,500.93</b>
Earnings per Share (Face value ₹ 2)*						
- Basic (₹)	22.94	18.60	14.60	41.54	27.56	<b>56.53</b>
- Diluted (₹)	22.77	18.48	14.45	41.25	27.28	<b>56.08</b>
Paid-up Equity Share Capital (Face value ₹ 2)	345.34	345.06	339.32	345.34	339.32	<b>344.29</b>
Reserves excluding Revaluation Reserves as at March 31						<b>77,011.18</b>

\* Not annualised for the quarters

Contd.....two



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Notes :

1 Statement of Standalone Assets and Liabilities

₹ in Crore

PARTICULARS		As at 30-Sep-19 Reviewed	As at 31-Mar-19 Audited
<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>		
(a)	Cash and cash equivalents	30.23	360.80
(b)	Bank Balance other than (a) above	1,451.21	1,235.46
(c)	Derivative financial instruments	3,092.66	1,403.35
(d)	Receivables		
	(I) Trade Receivables	138.52	186.86
	(II) Other Receivables	-	-
(e)	Loans	4,19,455.43	4,00,759.63
(f)	Investments	58,023.59	46,240.35
(g)	Other Financial Assets	2,808.80	3,894.34
	<b>Total - Financial Assets</b>	<b>4,85,000.44</b>	<b>4,54,080.79</b>
<b>2</b>	<b>Non - Financial Assets</b>		
(a)	Current tax Assets (Net)	3,503.14	2,750.18
(b)	Deferred tax Assets (Net)	857.19	830.91
(c)	Investment Property	398.28	321.32
(d)	Property, Plant and Equipment	845.78	644.23
(e)	Other Intangible Assets	9.07	7.10
(f)	Other Non-financial Assets	177.48	143.02
(g)	Non-current Assets Held for Sale	39.99	-
	<b>Total - Non Financial Assets</b>	<b>5,830.93</b>	<b>4,696.76</b>
	<b>TOTAL - ASSETS</b>	<b>4,90,831.37</b>	<b>4,58,777.55</b>
<b>LIABILITIES AND EQUITY</b>			
<b>1</b>	<b>Financial Liabilities</b>		
(a)	Derivative Financial Instruments	1,845.46	1,113.46
(b)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	0.04	1.47
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	319.02	188.70
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(c)	Debt Securities	1,77,398.56	1,76,499.20
(d)	Borrowings (Other than Debt Securities)	83,798.33	77,667.54
(e)	Deposits	1,22,279.10	1,05,598.94
(f)	Subordinated Liabilities	5,500.00	5,500.00
(g)	Other Financial Liabilities	16,950.09	13,720.49
	<b>Total - Financial Liabilities</b>	<b>4,08,090.60</b>	<b>3,80,289.80</b>
<b>2</b>	<b>Non Financial Liabilities</b>		
(a)	Current Tax Liabilities	146.43	146.43
(b)	Provisions	228.75	209.55
(c)	Other Non-financial Liabilities	660.05	776.30
	<b>Total - Non Financial Liabilities</b>	<b>1,035.23</b>	<b>1,132.28</b>
<b>3</b>	<b>EQUITY</b>		
(a)	Equity Share capital	345.34	344.29
(b)	Other Equity	81,360.20	77,011.18
	<b>Total - Equity</b>	<b>81,705.54</b>	<b>77,355.47</b>
	<b>TOTAL - LIABILITIES AND EQUITY</b>	<b>4,90,831.37</b>	<b>4,58,777.55</b>

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2 Cash Flow Statement

₹ in Crore

PARTICULARS	For Half Year Ended	
	30-Sep-19	30-Sep-18
	Reviewed	Reviewed
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	8,515.49	6,559.08
Adjustments for:		
Depreciation and Amortisation	62.54	26.34
Impairment on Financial Instruments (Expected Credit Loss)	1,644.10	421.00
Expense on Employee Stock Option Scheme	7.94	199.98
Net loss/(gain) on fair value changes	367.35	(275.92)
Interest Expense	15,470.75	13,302.85
Interest Income	(21,644.52)	(18,837.83)
Dividend Income	(1,074.85)	(591.61)
Profit on Sale of Investments	(3,521.30)	(891.34)
(Profit) / Loss on Sale of Investment Properties and Fixed Assets (Net)	(13.32)	(29.42)
Utilisation of Shelter Assistance Reserve	(3.11)	(14.96)
MTM on Derivative Financial Assets and Liabilities	(652.10)	(1,832.68)
<b>Operating Profit before Working Capital changes</b>	<b>(841.03)</b>	<b>(1,964.51)</b>
Adjustments for:		
Investment in Cash Management Schemes of Mutual Funds (Net)	(10,341.22)	(3,262.00)
(Increase) / Decrease in Financial Assets and Non Financial Assets	(85.48)	(18.49)
Increase / (Decrease) in Financial and Non Financial Liabilities	380.16	(674.21)
<b>Cash generated from Operations</b>	<b>(10,887.57)</b>	<b>(5,919.21)</b>
Interest Received	21,608.57	18,623.25
Interest Paid	(12,844.30)	(12,033.89)
Dividend Received	1,074.85	591.61
Taxes Paid	(2,204.77)	(323.89)
<b>Net cash from Operations</b>	<b>(3,253.22)</b>	<b>937.87</b>
Loans disbursed (net)	(20,417.49)	(19,509.61)
Corporate Deposits (net)	929.18	(2.28)
<b>Net cash used in operating activities</b>	<b>(22,741.53)</b>	<b>(18,574.02)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(15.44)	(28.73)
Sale of Fixed Assets	0.40	0.81
<b>Net Cash used for Fixed Assets</b>	<b>(15.04)</b>	<b>(27.92)</b>
Purchase of Investment Properties	(8.09)	(7.75)
Sale of Investment Properties	28.92	36.78
<b>Net Cash used for Investment Properties</b>	<b>20.83</b>	<b>29.03</b>
<b>Investments</b>		
- in Subsidiary Company	(148.08)	(113.55)
- in Associate Company	-	(8,569.50)
<b>Other Investments :</b>		
- Purchase of Investments	(2,058.20)	(1,066.90)
- Sale of Investments	348.27	5,507.04
Sale of Investments in subsidiary	1,647.52	-
<b>Net cash from investing activities</b>	<b>(204.70)</b>	<b>(4,241.80)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share Capital - Equity	1.05	4.14
Share Application Money	-	567.23
Securities Premium	632.67	2,761.96
Sale proceeds of Investments in Subsidiary Company	1,892.45	908.12
Borrowings and Deposits (Net)	22,803.52	17,820.29
Proceeds from Debt Securities and Subordinated Liabilities	50,820.00	67,975.00
Repayment of Debt Securities and Subordinated Liabilities	(49,920.64)	(64,996.73)
Dividend paid - Equity Shares	(3,020.44)	(2,805.77)
Tax paid on Dividend	(592.95)	(558.90)
<b>Net cash from financing activities</b>	<b>22,615.66</b>	<b>21,675.34</b>
Net (Decrease) / Increase in cash and cash equivalents [A+B+C]	(330.57)	(1,140.48)
Add : Cash and cash equivalents as at the beginning of the period	360.80	1,232.14
<b>Cash and cash equivalents as at the end of the period</b>	<b>30.23</b>	<b>91.66</b>

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**Notes :**

- 3 The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 4 In view of the scheme of amalgamation filed by GRUH Finance Limited ("GRUH"), a Subsidiary of the Corporation, and Bandhan Bank Limited ("Bandhan") and the subsequent directive by The Reserve Bank of India to the Corporation to hold not more than 9.9% of the share capital of Bandhan post merger, during the quarter ended September 30, 2019, 6,74,00,000 equity shares of ₹ 2 each of GRUH were sold, resulting in a pre tax gain of ₹ 1,627.09 crore. Post this sale, the Corporation retained 38% of the GRUH and has classified the investment as an Associate as at September 30, 2019 and the same is continued to be measured at cost.  
  
During the quarter ended September 30, 2019, The National Company Law Tribunal, Ahmedabad and Kolkata benches approved the scheme of amalgamation of GRUH into and with Bandhan.  
  
The aforesaid investment in GRUH has been disclosed under Non-Current Assets held for sale as at September 30, 2019. Subsequently, the shares of GRUH have been swapped for the shares of Bandhan on October 30, 2019.
- 5 Effective April 1, 2019 the Corporation has adopted Ind AS 116 - Leases, which requires any lease arrangement to be recognised in the balance sheet of the lessee as a 'right-of-use' asset with a corresponding lease liability. The 'right-of-use' asset has been included under the line 'Property, Plant and Equipment' and lease liability has been included under 'Other Financial Liabilities'. Accordingly depreciation has been charged on such assets as against lease rental expenses in the previous year. Similarly interest expense has been recognised on lease liabilities under finance costs. As permitted by the standard, the Corporation has applied this standard w.e.f. April 1, 2019 and comparatives for the previous period / year have not been restated. The effect of this adoption is insignificant on the profit for the quarter and half year ended September 30, 2019.
- 6 The Corporation has elected to exercise the option of a lower tax rate provided under Section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Corporation has recognised provision for income tax for the half year ended September 30, 2019 and re-measured its deferred tax assets (including re-measuring the opening balance as at April 1, 2019 and has taken a charge of ₹ 237.67 crore relating to the same in the current quarter) basis the rate provided in the said section. The full impact of above mentioned change has been recognised in the result for the quarter ended September 30, 2019.
- 7 During the previous quarter, the Corporation had entered into agreements for acquiring upto 51.2% of the equity share capital of Apollo Munich Health Insurance Company Limited ("Apollo"), subject to regulatory approvals. The Competition Commission of India has given their approval for merger of Apollo with HDFC ERGO General Insurance Company Limited.
- 8 During the quarter ended September 30, 2019, the Corporation has allotted 13,88,874 equity shares of ₹ 2 each pursuant to exercise of stock options by certain employees/ directors.
- 9 The Corporation's main business is financing by way of loans for the purchase or construction of residential houses, commercial real estate and certain other purposes, in India. All other activities of the Corporation revolve around the main business. Accordingly, there are no separate reportable segments, as per the Ind AS 108 dealing with 'Operating Segment'.
- 10 Figures for the previous period have been regrouped wherever necessary, in order to make them comparable.

**The above results for the quarter and half year ended September 30, 2019 were reviewed by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on November 4, 2019, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**The above results for the quarter and half year ended September 30, 2019 have been subjected to a Limited Review by the Auditors of the Corporation.**

**For and on behalf of the Board of Directors**

**Place: Mumbai  
Date: November 4, 2019**

**Keki M. Mistry  
Vice Chairman & CEO**