

**HDB/SLC/2017/531**

**October 16, 2017**

To,  
The Department of Corporate Affairs  
BSE Limited  
P J Towers, Dalal Street  
Mumbai- 400 001

**K.A.: Mr. Vinod Koyande / Ms. Netra Sahani**

**Subject: Submission of unaudited Financial Results along with Limited Review Report for the Half year ended September 30, 2017**

Dear Sir / Madam,


Pursuant to the provisions of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find the unaudited financial results along with Limited Review Report for the Half year ended September 30, 2017 as reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held today i.e. October 16, 2017.

Kindly take the same on records for the information of the Non-Convertible Debenture holders and Subordinate Bond holders of the Company.

Thanking you,

Yours faithfully,

**For HDB Financial Services Limited**

  
**Dipti Khandelwal**  
**(Company Secretary)**  
**Membership No.: A25592**



Encl: a/a

# BSR & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

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## Review report

### To the Board of Directors of HDB Financial Services Limited

We have reviewed the accompanying Statement of Unaudited Financial Results of HDB Financial Services Limited (the 'Company') for the six months period ended 30 September 2017 ('the Statement'). This Statement has been prepared by the Company pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in its meeting held on 16 October 2017. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 financial statements 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in term of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For BSR & Co. LLP  
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Manoj Kumar Vijai  
Partner

Membership No: 046882

Mumbai  
16 October 2017

BSR & Co (a partnership firm with  
Registration No. BA61223) converted into  
BSR & Co. LLP (a Limited Liability Partnership  
with LLP Registration No. AAB-8181)  
with effect from October 14, 2013

Registered Office:  
5th Floor, Lodha Excelus  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011, India

**Statement of profit and loss**  
*for the half year ended 30 September 2017*

(Rupees in lakhs)

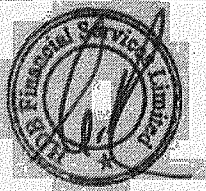
Particulars	Half Year Ended 30/09/2017	Half Year Ended 30/09/2016	Period ended 30/09/2017	Year ended 31/03/2017
	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	333,960	205,843	333,960	571,135
II Other income	93	195	93	319
<b>III Total Revenue (I+II)</b>	<b>334,053</b>	<b>206,038</b>	<b>334,053</b>	<b>571,454</b>
<b>IV Expenses</b>				
Employee benefits expense	109,750	32,381	109,750	189,665
Finance costs	111,150	97,556	111,150	204,992
Depreciation and amortization	2,218	1,639	2,218	3,862
Other expenses	19,427	13,231	19,427	33,117
Provisions and write offs	31,560	17,745	31,560	33,959
<b>Total expenses</b>	<b>274,105</b>	<b>162,552</b>	<b>274,105</b>	<b>465,595</b>
<b>V Profit before tax (III-IV)</b>	<b>59,948</b>	<b>43,486</b>	<b>59,948</b>	<b>105,859</b>
<b>VI Tax expense:</b>				
a. Current tax	23,673	17,409	23,673	39,174
b. Deferred tax	(2,925)	(2,296)	(2,925)	(1,736)
<b>Net Tax Expense</b>	<b>20,748</b>	<b>15,112</b>	<b>20,748</b>	<b>37,438</b>
<b>VII Profit for the year (V-VI)</b>	<b>39,200</b>	<b>28,373</b>	<b>39,200</b>	<b>68,421</b>
<b>VIII Earnings per equity share (Refer Note 4):</b>				
a. Basic (in Rupees)	5.02	4.05	5.02	9.64
b. Diluted (in Rupees)	5.00	4.05	5.00	9.64
Face Value per share (in Rupees)	10	10	10	10



**Balance Sheet**  
as at 30 September 2017

(Rupees in lakhs)

Particulars	As at 30/09/2017	As at 31/03/2017
	Unaudited	Audited
<b>I EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	78,075	78,024
(b) Reserves and surplus	492,195	458,266
	570,270	536,290
<b>2 Non-current liabilities</b>		
(a) Long-term borrowings	1,943,911	1,876,022
(b) Other long term liabilities	9,008	15,974
(c) Long-term provisions	25,240	20,972
	1,978,159	1,912,968
<b>3 Current liabilities</b>		
(a) Short-term borrowings	367,581	208,000
(b) Trade payables		
(i) Total outstanding dues of micro and small enterprises		
(ii) Total outstanding dues of creditors other than micro and small enterprises	23,999	28,327
(c) Other current liabilities	820,370	609,229
(d) Short-term provisions	57,252	50,794
	1,269,202	896,350
<b>TOTAL</b>	<b>3,817,631</b>	<b>3,345,608</b>
<b>II ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets		
(i) Tangible assets	13,098	12,579
(ii) Intangible assets	642	518
(iii) Capital work-in-progress		24
(b) Non-current investments	4,562	6,506
(c) Deferred tax assets (net)	16,770	13,845
(d) Long-term loans and advance:		
- Receivables under financing activity	2,625,152	2,406,658
- Other loans and advances	2,740	2,586
	2,662,964	2,442,716
<b>2 Current assets</b>		
(a) Current investments	40,000	40,000
(b) Trade receivables	18,787	11,542
(c) Cash and bank balances	21,890	18,870
(d) Short-term loans and advances		
- Receivables under financing activity	1,062,555	
- Other loans and advances	1,922	
(e) Other current assets	9,513	6,103
	1,154,667	76,516
<b>TOTAL</b>	<b>3,817,631</b>	<b>3,345,608</b>



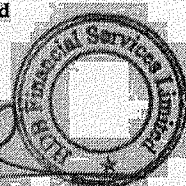
Notes:

- 1 The Company is a Non-Banking Finance Company registered with the Reserve Bank of India.
- 2 The results for the half year ended 30 September 2017 has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 16 October 2017.
- 3 The financial results for the half year ended 30 September 2017 of the Company have been subjected to a "Limited Review" by the Statutory Auditors of the Company.
- 4 Earnings per share for the half year ended 30 September 2017 and 30 September 2016 have been calculated for six months and not annualised.
- 5 The Capital to Risk Asset Ratio at 30 September 2017 is 19.22% (18.02% at 30 September 2016).
- 6 The gross NPA ratio of the Company at 30 September 2017 is 2.08% (1.56% at 30 September 2016). The net NPA ratio of the Company at 30 September 2017 is 1.28% (0.91% at 30 September 2016).
- 7 The Secured listed Non-Convertible Debentures of the Company are secured by first pari passu mortgage of immovable property situated at "Heera Panna Commercial Complex", 3rd Floor, Dr. Yagnik Road, Rajkot and first and exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 1.1 times of the amount outstanding.
- 8 Reserves include Statutory Reserve as per Section 45IC of Reserve Bank of India Act, 1934, balance in securities premium account and retained earning.
- 9 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as per "Annexure 1" attached.
- 10 The figures of statement of profit and loss for the current period are not comparable with the corresponding figures of the previous period, as the current period figures are pursuant to the Scheme of Amalgamation of erstwhile M/s. HBL Global Private Limited and erstwhile M/s. Atlas Documentary Facilitators Company Private Limited into the Company, effective from 1 December 2016.
- 11 The previous financial year / period figures have been regrouped / reclassified wherever necessary.

By Order of the Board  
For HBL Financial Services Limited

Ramash G.  
Managing Director  
DIN 108291597

Date : 16 October 2017  
Place : Mumbai



SIGNED FOR IDENTIFICATION  
BY

For B S R & Co. LLP

## HDB Financial Services Limited

### Annexure 1

#### Additional Information

a) **Credit rating**

The Credit Analysis & Research Limited (CARE) and CRISIL Limited (CRISIL) have assigned following ratings to the Company:

Facility	CARE	CRISIL	Amount (Rs. in lacs)
Bank facilities	AAA	AAA/Stable	1,650,000
Non-convertible debentures	AAA	AAA/Stable	2,750,000
Short term debt program	A1+	A1+	750,000
Subordinated bond issue	AAA	AAA/Stable	200,000
Perpetual bond issue	AAA	AAA/Stable	50,000

b) **Asset cover available**

Not applicable

c) **Debt-Equity ratio\***

The debt-equity ratio of the Company as per the reviewed financials by statutory auditors for the half year ended 30 September 2017 is 5.39

d) **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.**

All previous dues with respect to debentures were paid on due date (Refer Appendix A). The Company has not issued any non-convertible redeemable preference shares.

e) **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.**

The next due date for each series of debentures have been listed in Appendix A. The Company has not issued any non-convertible redeemable preference shares.

f) **Debt service coverage ratio**

Not applicable

g) **Interest service coverage ratio**

Not applicable

h) **Outstanding redeemable preference shares (quantity and value)**

Not applicable

i) **Capital redemption reserve / Debenture redemption reserve**

Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.

j) **Net worth\*\***

Rs. 553,500 lakhs

k) **Net profit after tax**

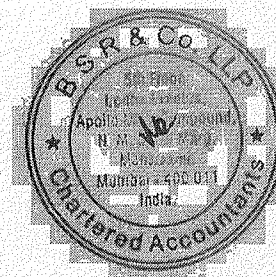
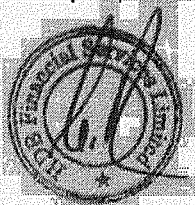
Rs. 39,200 lakhs

l) **Earnings per share (Refer Note 4)**

Rs. 5.02

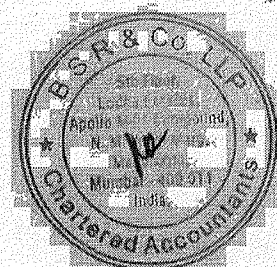
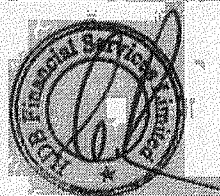
\* Debt equity ratio is (Long term borrowing + Short term borrowing + Current maturities of long term borrowing) / Networth

\*\* Networth is equal to share capital plus reserves & surplus less deferred tax



**Appendix A - Statement of interest & principle on non convertible debentures falling due in FY 17-18**

Non Convertible Debenture Series	Interest Redemption Date	Principle Redemption Date	Total Amount Rs. In lakhs	Payment Status
NCD Series 8	17-Apr-2017	17-Apr-2017	4,942	Paid
NCD Series 10	11-Jun-2017	11-Jun-2017	9,907	Paid
NCD Series 38	19-Jun-2017	18-Jun-2019	951	Paid
NCD Series 56	28-Apr-2017	8-Jun-2018	951	Paid
NCD Series 57	26-May-2017	27-Jul-2018	994	Paid
NCD Series 58	2-Jun-2017	2-Jun-2018	877	Paid
NCD Series 74	3-Jun-2017	2-Mar-2019	1,099	Paid
NCD Series 77	15-May-2017	13-May-2019	2,798	Paid
NCD Series 78A	2-May-2017	12-Jun-2019	854	Paid
NCD Series 78B	2-May-2017	2-May-2019	641	Paid
NCD Series 79	19-Jun-2017	17-Jun-2019	1,752	Paid
NCD Series 80	3-Jun-2017	3-Jul-2019	1,130	Paid
NCD Series 82A	14-Jun-2017	13-Mar-2020	866	Paid
NCD Series 82B	14-Jun-2017	13-Sep-2019	1,731	Paid
NCD Series 83	10-Jul-2017	8-Mar-2019	863	Paid
NCD Series 10	12-Jun-2017	12-Jun-2017	9,907	Paid
NCD Series 13	7-Sep-2017	7-Sep-2017	24,310	Paid
NCD Series 14	9-Oct-2017	9-Oct-2017	16,488	Paid
NCD Series 44	31-Jul-2017	31-Jul-2017	8,747	Paid
NCD Series 45	8-Sep-2017	8-Sep-2017	10,953	Paid
NCD Series 64	11-Sep-2017	11-Sep-2017	12,513	Paid
NCD Series 81	10-Aug-2017	10-Aug-2017	22,041	Paid
NCD Series 28	9-Oct-2017	9-Oct-2017	1,063	Paid
NCD Series 41	31-Jul-2017	31-Jul-2019	1,430	Paid
NCD Series 61	28-Jul-2017	28-Jul-2018	969	Paid
NCD Series 63	21-Aug-2017	20-Oct-2018	1,747	Paid
NCD Series 65	7-Oct-2017	25-Sep-2018	1,730	Paid
NCD Series 74	4-Sep-2017	2-Mar-2019	1,110	Paid
NCD Series 84A	27-Jul-2017	27-Jul-2018	1,461	Paid
NCD Series 84B	27-Jul-2017	29-Jul-2019	1,470	Paid
NCD Series 85A	3-Aug-2017	3-Aug-2018	1,654	Paid
NCD Series 86	10-Aug-2017	9-Aug-2019	1,660	Paid
NCD Series 88	1-Sep-2017	2-Mar-2020	2,094	Paid
NCD Series 89A	15-Sep-2017	17-Sep-2019	811	Paid
NCD Series 90	25-Sep-2017	24-Sep-2018	2,131	Paid
NCD Series 91B	28-Sep-2017	27-Sep-2019	790	Paid



**Appendix A - Statement of interest & principle on non convertible debentures falling due in FY 17-18**

Non Convertible Debenture Series	Interest Redemption Date	Principle Redemption Date	Total Amount Rs. In lakhs	Payment Status
NCD Series 18	10-Jan-2018	10-Jan-2018	5,000	Unpaid
NCD Series 19	17-Jan-2018	17-Jan-2018	5,000	Unpaid
NCD Series 47	20-Nov-2017	20-Nov-2017	22,500	Unpaid
NCD Series 48	16-Mar-2018	16-Mar-2018	20,000	Unpaid
NCD Series 52	29-Dec-2017	29-Dec-2017	15,000	Unpaid
NCD Series 53	20-Feb-2018	20-Feb-2018	21,000	Unpaid
NCD Series 69A	4-Dec-2017	4-Dec-2017	9,000	Unpaid
NCD Series 18	10-Jan-2018	10-Jan-2018	470	Unpaid
NCD Series 19	17-Jan-2018	17-Jan-2018	467	Unpaid
NCD Series 37	17-Feb-2018	15-Feb-2019	800	Unpaid
NCD Series 47	20-Nov-2017	20-Nov-2017	7,533	Unpaid
NCD Series 48	16-Mar-2018	16-Mar-2018	1,858	Unpaid
NCD Series 52	29-Dec-2017	29-Dec-2017	1,365	Unpaid
NCD Series 53	20-Feb-2018	20-Feb-2018	1,884	Unpaid
NCD Series 66	20-Oct-2017	22-Oct-2018	1,702	Unpaid
NCD Series 67	30-Oct-2017	29-Oct-2018	2,550	Unpaid
NCD Series 68A	27-Dec-2017	27-Dec-2018	1,201	Unpaid
NCD Series 69A	4-Dec-2017	4-Dec-2017	768	Unpaid
NCD Series 71C	29-Dec-2017	26-Dec-2018	824	Unpaid
NCD Series 72A	12-Jan-2018	12-Feb-2019	865	Unpaid
NCD Series 73A	1-Mar-2018	1-Mar-2019	1,923	Unpaid
NCD Series 73B	1-Mar-2018	22-Jan-2019	511	Unpaid
NCD Series 73C	1-Mar-2018	26-Mar-2019	537	Unpaid
NCD Series 74	4-Dec-2017	2-Mar-2019	1,090	Unpaid
NCD Series 74	5-Mar-2018	2-Mar-2019	1,090	Unpaid
NCD Series 75	28-Feb-2018	28-Feb-2019	1,558	Unpaid
NCD Series 76B	14-Mar-2018	12-Mar-2019	972	Unpaid
NCD Series 92	18-Oct-2017	14-Dec-2018	1,337	Unpaid
NCD Series 93	27-Oct-2017	25-Oct-2019	1,050	Unpaid
NCD Series 94A	8-Dec-2017	7-Dec-2018	1,586	Unpaid
NCD Series 94B	8-Dec-2017	6-Dec-2019	2,391	Unpaid
NCD Series 95	22-Nov-2017	22-Nov-2018	1,895	Unpaid
NCD Series 96	29-Nov-2017	29-Nov-2018	1,482	Unpaid
NCD Series 97	29-Dec-2017	3-Jan-2020	1,613	Unpaid
NCD Series 98	29-Dec-2017	28-Dec-2018	875	Unpaid
NCD Series 99	17-Jan-2018	27-Jan-2020	767	Unpaid
NCD Series 100A	25-Jan-2018	1-Mar-2019	1,536	Unpaid
NCD Series 101A	31-Jan-2018	31-Jul-2018	760	Unpaid
NCD Series 101B	31-Jan-2018	31-Jan-2019	1,151	Unpaid
NCD Series 101C	31-Jan-2018	24-Feb-2020	1,542	Unpaid
NCD Series 102A	22-Feb-2018	22-Feb-2019	1,240	Unpaid
NCD Series 102B	22-Feb-2018	24-Feb-2020	2,033	Unpaid
NCD Series 111B	31-Jan-2018	31-Jan-2019	931	Unpaid

