



## Arman Financial Services Limited

501-504, SAKAR III, OPP. OLD HIGH COURT, OFF. ASHRAM ROAD, AHMEDABAD-380 014. GUJARAT, INDIA  
PH. : +91-79-40507000, 27541989 e-mail : finance@armanindia.com Web : www.armanindia.com CIN : L55910GJ1992PLC018623

Date: November 11, 2020

To, BSE Limited P. J. Tower, Dalal Street, Mumbai-400001	To, National Stock Exchange of India Limited "Exchange Plaza" C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai- 400051
<b>Script Code: 531179</b> <b>ISIN: INE109C01017</b>	<b>Symbol: ARMANFIN</b> <b>Series: EQ</b>

Dear Sir,

**SUB: UNAUDITED FINANCIAL RESULTS WITH LIMITED REVIEW REPORT FOR THE  
QUARTER / HALF YEAR ENDED ON SEPTEMBER 30, 2020**

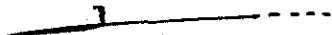
Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we hereby submitting Unaudited Financial Results (Standalone & Consolidated) for the quarter / half year ended on September 30, 2020 as reviewed by audit committee and approved by Board of Directors in it's meeting held on November 11, 2020.

The statutory auditor has also carried out a limited review. The Limited Review Certificates of M/s Samir M. Shah & Associates, on Unaudited Financial Results (Consolidated & Standalone) for the quarter ended on September 30, 2020 are also forwarded herewith.

The Meeting conducted at 03.30 p.m. and concluded at 5:00 p.m.

Thanking you,

Yours faithfully,  
For, Arman Financial Services Limited

  
Jayendra Patel  
Vice Chairman & Managing Director  
(DIN: 00011814)





## ARMAN FINANCIAL SERVICES LIMITED

Reg. off: 502-503, SAKAR III, OPP. OLD HIGH COURT, AHMEDABAD-380014

CIN:L55910GJ1992PLC018623 Ph-079-40507000; E-mail: finance@armanindia.com; Website: www.armanindia.com

### STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED ON SEPTEMBER 30, 2020

(Rs. In Lakhs except per share data)

Sr.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income from operations</b>						
	a. Revenue from Operations						
	i. Interest Income	4,958.00	4,745.79	5,181.08	9,703.79	9,763.07	20,037.87
	ii. Gain on assignment of financial assets	-	-	-	-	-	450.33
	iii. Fees and Commission Income	124.46	120.53	140.81	244.99	271.79	646.04
	iv. Net Gain on Fair Value Changes of Investment Marked To Market	(5.18)	39.41	(58.45)	34.23	(16.37)	16.46
	<b>Total revenue from Operations</b>	<b>5,077.28</b>	<b>4,905.73</b>	<b>5,263.44</b>	<b>9,983.01</b>	<b>10,018.50</b>	<b>21,150.70</b>
	b. Other Income	91.71	32.97	173.08	124.68	237.55	364.00
	<b>Total Income</b>	<b>5,168.99</b>	<b>4,938.70</b>	<b>5,436.52</b>	<b>10,107.69</b>	<b>10,256.05</b>	<b>21,514.70</b>
<b>2</b>	<b>Expenses</b>						
	a. Finance cost	1,863.70	2,234.87	2,269.83	4,098.57	4,141.44	8,759.37
	b. Impairment losses on financial assets	1,865.52	1,024.43	223.16	2,889.95	371.21	2,000.85
	c. Employees benefits expense	909.63	829.88	880.70	1,739.51	1,681.32	3,645.68
	d. Depreciation and amortisation expense	20.23	20.73	22.47	40.96	38.32	79.84
	e. Other expenses	313.68	166.06	388.63	479.74	753.72	1,651.35
	<b>Total Expenses</b>	<b>4,972.76</b>	<b>4,275.97</b>	<b>3,784.79</b>	<b>9,248.73</b>	<b>6,986.01</b>	<b>16,137.09</b>
<b>3</b>	<b>Profit / (Loss) before an Exceptional and Tax (1-2)</b>	<b>196.23</b>	<b>662.73</b>	<b>1,651.73</b>	<b>858.96</b>	<b>3,270.04</b>	<b>5,377.61</b>
<b>4</b>	Exceptional Items	-	-	-	-	-	-
<b>5</b>	<b>Profit / (Loss) before Tax (3 - 4)</b>	<b>196.23</b>	<b>662.73</b>	<b>1,651.73</b>	<b>858.96</b>	<b>3,270.04</b>	<b>5,377.61</b>
<b>6</b>	<b>Tax Expense (net)</b>						
	- Current tax	355.00	408.90	377.67	763.90	826.45	1,423.40
	- Short / (excess) Provision of Income Tax of earlier years	-	-	-	-	-	(2.78)
	- Deferred tax liability / (asset)	(310.15)	(277.03)	69.88	(587.18)	28.36	(195.00)
	<b>Net Tax Expenses</b>	<b>44.85</b>	<b>131.87</b>	<b>447.55</b>	<b>176.72</b>	<b>854.81</b>	<b>1,225.62</b>
<b>7</b>	<b>Profit for the period / year from continuing operations (5-6)</b>	<b>151.38</b>	<b>530.86</b>	<b>1,204.18</b>	<b>682.24</b>	<b>2,415.23</b>	<b>4,151.99</b>
<b>8</b>	Profit / (loss) from discontinued operations	-	-	-	-	-	-
<b>9</b>	Tax expense of discontinued operations	-	-	-	-	-	-
<b>10</b>	<b>Profit / (loss) from discontinued operations (after tax) (8-9)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>11</b>	<b>Profit for the period / year (7+10)</b>	<b>151.38</b>	<b>530.86</b>	<b>1,204.18</b>	<b>682.24</b>	<b>2,415.23</b>	<b>4,151.99</b>
<b>12</b>	<b>Other comprehensive income / (loss)</b>						
	(a) (i) Items that will not be reclassified to profit and loss						
	- Remeasurement of Defined Benefit Obligations	(2.91)	(2.92)	(1.69)	(5.83)	(3.37)	(11.67)
	(ii) Income tax relating to items that will not be reclassified to profit and loss	0.74	0.73	0.37	1.47	0.86	2.94
	<b>Sub Total (a)</b>	<b>(2.17)</b>	<b>(2.19)</b>	<b>(1.32)</b>	<b>(4.36)</b>	<b>(2.51)</b>	<b>(8.73)</b>
	(b) (i) Items that will be reclassified to profit and loss						
	- Fair valuation gain / (loss) on financial instruments measured at FVOCI	303.19	(6.81)	66.63	296.38	(4.55)	85.68
	(ii) Income tax relating to items that will be reclassified to profit and loss	(77.25)	1.71	(19.57)	(75.54)	1.16	(24.29)
	<b>Sub Total (b)</b>	<b>225.94</b>	<b>(5.10)</b>	<b>47.07</b>	<b>220.84</b>	<b>(3.38)</b>	<b>61.39</b>
	<b>Net Other comprehensive income / (loss) (a)+(b)</b>	<b>223.77</b>	<b>(7.29)</b>	<b>45.75</b>	<b>216.48</b>	<b>(5.89)</b>	<b>52.66</b>
<b>13</b>	<b>Total Comprehensive Income</b>	<b>375.15</b>	<b>523.57</b>	<b>1,249.93</b>	<b>898.72</b>	<b>2,409.34</b>	<b>4,204.65</b>
	<b>Paid up Equity Share capital (face value of Rs. 10/-)</b>	<b>848.76</b>	<b>845.09</b>	<b>698.13</b>	<b>848.76</b>	<b>698.13</b>	<b>845.09</b>
<b>14</b>	<b>Earnings per share (of Rs. 10/- Each)(Not Annualised)</b>						
	(a) Basic EPS	1.79	6.28	17.31	8.07	34.72	55.80
	(b) Diluted EPS	1.79	6.26	13.89	8.06	27.65	55.54



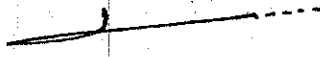
## Notes

- 1 These unaudited financial results of Arman Financial Services Limited (the "Parent") and its subsidiary (collectively referred to as the "Group") have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The unaudited Consolidated financial results for the quarter / half year ended September 30, 2020 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on November 11, 2020.
- 3 The Company reports quarterly financial results of the Group on a consolidated basis, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with circular dated July 5, 2016. The standalone financial results are available on the website of the Company at [www.armanindia.com](http://www.armanindia.com), the website of BSE Limited ("BSE") at [www.bseindia.com](http://www.bseindia.com) and on the website of National Stock Exchange of India Limited ("NSE") at [www.nseindia.com](http://www.nseindia.com).
- 4 The parent Company, during the quarter ended September 30, 2020 has allotted 36,740 equity shares of Rs. 10/- each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- 5 **Moratorium in accordance with the Reserve Bank of India (RBI) guidelines**  
The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Pursuant to the guidelines issued by RBI dated, March 27, 2020, April 17, 2020 and May 23, 2020 relating to COVID-19 Regulatory Package, the Group has granted moratorium on the payment of instalments falling due between March 1, 2020 and August 31, 2020 to the eligible borrowers. For the purpose of asset classification on all such accounts, the number of days past due as on September 30, 2020 excludes the moratorium period to the respective borrower, as per the Group's policy.
- 6 **Estimation of uncertainty relating to COVID-19 global health pandemic**  
In assessing the recoverability of loans, receivables and investments, the Group has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these consolidated financial results. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The Group has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic condition and external developments including the final decision of the Hon'ble Supreme Court of India in relation to moratorium and other related matters, the eventual outcome of impact of the aforesaid factors may be different from those estimated as on the date of approval of these consolidated financial results and the Group will continue to monitor any material changes to the future economic conditions, which will be given effect to in the respective future period.
- 7 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
- 8 The Group is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 9 Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Date: 11.11.2020  
Place: Ahmedabad



For, Arman Financial Services Limited

  
Jayendra Patel  
Vice Chairman & Managing Director  
DIN-00011814



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**CONSOLIDATED BALANCE SHEET AS ON SEPTEMBER 30, 2020**

Particulars	Rs. in Lakhs	
	September 30, 2020	March 31, 2020
<b>ASSETS</b>		
<b>(1) Financial Assets</b>		
(a) Cash and cash equivalents	3,542.43	5,842.09
(b) Bank Balance other than (a) above	7,293.47	3,841.60
(c) Loans	61,232.98	77,849.33
(d) Investments	6,225.89	325.90
(e) Other Financial assets	1,273.10	748.47
<b>(2) Non-financial Assets</b>		
(a) Current tax assets (Net)	-	50.30
(b) Deferred tax Assets (Net)	991.79	478.68
(c) Property, Plant and Equipment	325.26	352.93
(d) Other Intangible assets	13.84	17.69
(e) Right of Use Assets	66.54	73.93
(f) Other non-financial assets	20.17	35.52
<b>Total Assets</b>	<b>80,985.47</b>	<b>89,616.46</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>(1) Financial Liabilities</b>		
(a) 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	8.87	78.00
(b) Debt Securities	10,600.52	10,570.98
(c) Borrowings (Other than Debt Securities)	47,651.96	57,705.63
(d) Subordinated Liabilities	1,500.00	1,500.00
(e) Other financial liabilities	2,295.62	2,332.66
<b>(2) Non-Financial Liabilities</b>		
(a) Provisions	99.18	79.98
(b) Current Tax Liabilities (Net)	641.38	-
(c) Other non-financial liabilities	44.85	126.68
<b>(3) EQUITY</b>		
(a) Equity Share capital	848.76	845.09
(b) Other Equity	17,294.33	16,377.44
<b>Total Liabilities and Equity</b>	<b>80,985.47</b>	<b>89,616.46</b>





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**Consolidated Cash Flow Statement for the half year ended on September 30, 2020**

PARTICULARS	Rs. in Lakhs	
	For the Half year ended on September 30, 2020	For the Half year ended on September 30, 2019
<b>Cash from Operating Activities:</b>		
<b>Net profit before taxation</b>	<b>858.96</b>	<b>3,270.04</b>
<b>Adjustment For:</b>		
Depreciation and amortisation	40.96	38.32
Interest Income	(9,703.79)	(9,763.07)
Finance cost	4,098.57	4,141.44
Provision for impairment on financial assets	2,429.50	174.95
Loss / (Profit) on sale of Current Investment	(101.10)	(175.97)
Net gain on equity instruments measured through profit and loss	(34.23)	16.37
Remeasurement of define benefit plan	(5.83)	(3.37)
Employee Stock Option Plan Expense	3.47	14.07
	(3,272.45)	(5,557.27)
<b>Operating profit before working Capital changes :</b>	<b>(2,413.49)</b>	<b>(2,287.23)</b>
<b>Adjustment For (Increase)/Decrease in operating Assets:</b>		
Loans and Advances	14,483.23	(7,606.80)
Other Financial Assets	355.59	2.63
Other Non Financial Assets	15.35	(1.18)
Bank balance other than Cash and Cash equivalents	(3,451.87)	(456.18)
<b>Adjustment For Increase/(Decrease) in operating Liabilities:</b>		
Trade Payables	(69.13)	151.27
Provision	19.20	4.70
Other Non Financial liability	(81.83)	(38.43)
Other Financial Liabilities	105.85	173.49
	11,376.39	(7,770.50)
<b>Cash Generated From Operations</b>	<b>8,962.90</b>	<b>(10,057.73)</b>
Interest Received	8,823.56	9,787.42
Finance Cost Paid	(4,099.25)	(4,171.27)
Income tax paid (Net)	(72.22)	(814.50)
	4,652.09	4,801.65
<b>Net Cash From Operating Activities:</b>	<b>13,614.99</b>	<b>(5,256.08)</b>
<b>Cash Flow From Investment Activities:</b>		
Purchase of Property, Plant & Equipment	(2.04)	(75.56)
Purchase of investments	(22,292.63)	(26,840.00)
Proceeds from redemption of investments	16,527.98	27,016.07
<b>Net Cash from Investment Activities:</b>	<b>(5,766.69)</b>	<b>100.50</b>
<b>Cash Flow From Financing Activities :</b>		
Proceeds from issue of share capital	18.37	14.50
Proceeds from debt securities and borrowings	9,668.43	24,490.47
Repayment of Borrowings	(20,668.63)	(15,481.51)
Net increase / (decrease) in working capital borrowings	839.61	(236.85)
Payment of lease Installments	(5.68)	(4.86)
Dividend paid	(0.06)	(18.10)
<b>Net Cash from Financing Activities:</b>	<b>(10,147.96)</b>	<b>8,763.64</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>(2,299.66)</b>	<b>3,608.06</b>
Cash & cash equivalents at the beginning	5,842.09	3,850.88
<b>Cash &amp; cash equivalents at the end</b>	<b>3,542.43</b>	<b>7,458.95</b>



**LIMITED REVIEW REPORT ON UNAUDITED QUARTERLY CONSOLIDATED FINANCIAL RESULTS OF ARMAN FINANCIAL SERVICES LIMITED UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Board of Directors of  
Arman Financial Services Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Arman Financial Services Limited** (the "Parent") and its subsidiary (the Parent and its subsidiary together referred to as the "Group"), **for the quarter and six months ended September 30, 2020** (the "Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the Company	Relationship
Namra Finance Limited	Wholly owned Subsidiary



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 6 to the consolidated financial results in which the Group describes the uncertainties arising from the COVID 19 pandemic.

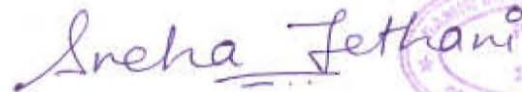
Our conclusion on the Statement is not modified in respect of this matter.

7. We did not review the interim financial information/financial results of one subsidiary included in the Statement, whose interim financial information/financial results reflect total assets of ₹ 58,588.56 lakhs as at September 30, 2020, total revenues of ₹ 3561.50 lakhs and ₹ 6,895.78 lakhs for the quarter and six months ended September 30, 2020 respectively, total net profit after tax of ₹ 64.07 lakhs and ₹ 330.26 lakhs for the quarter and six months ended September 30, 2020 respectively, total comprehensive income of ₹ 282.60 lakhs and ₹ 281.28 lakhs for the quarter and six months ended September 30, 2020 respectively and net cash out flows of ₹ 4735.84 Lakhs for the six months ended September 30, 2020, as considered in the Statement. These interim financial information/ financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

Place : AHMEDABAD  
Date : 11<sup>th</sup> NOVEMBER, 2020

For SAMIR M. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. No.: 122377W



SNEHA JETHANI  
(PARTNER)

MEMBERSHIP No.: 160932  
UDIN: 20160932AAAABP8468





## ARMAN FINANCIAL SERVICES LIMITED

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### STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER, 2020

(Rs. In Lacs except per share data)

Sr.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income from operations</b>						
	a. Revenue from Operations						
	i. Interest Income based on Effective Interest Method	1,641.85	1,617.88	1,674.67	3,259.73	3,236.61	6,537.65
	ii. Gain on Assignment of Financial Assets	-	-	-	-	-	173.66
	iii. Income from Current Investment in Mutual Fund- Fair value through Profit & Loss	1.65	-	-	1.65	-	-
	<b>Total revenue from Operations</b>	<b>1,643.50</b>	<b>1,617.88</b>	<b>1,674.67</b>	<b>3,261.38</b>	<b>3,236.61</b>	<b>6,711.31</b>
	b. Other Income	99.44	65.73	103.37	165.17	158.00	298.86
	<b>Total Income</b>	<b>1,742.94</b>	<b>1,683.61</b>	<b>1,778.04</b>	<b>3,426.55</b>	<b>3,394.61</b>	<b>7,010.17</b>
<b>2</b>	<b>Expenses</b>						
	a. Finance cost	496.96	531.30	548.68	1,028.26	1,035.19	2,202.74
	b. Impairment losses on financial assets	684.51	447.14	48.32	1,131.65	110.80	668.79
	c. Employees benefits expense	292.49	257.41	320.25	549.90	621.28	1,323.12
	d. Depreciation and amortisation expense	2.66	2.71	2.91	5.37	5.40	11.15
	e. Other expenses	72.18	48.46	102.02	120.64	227.84	521.76
	<b>Total Expenses</b>	<b>1,548.80</b>	<b>1,287.02</b>	<b>1,022.17</b>	<b>2,835.82</b>	<b>2,000.51</b>	<b>4,727.56</b>
<b>3</b>	<b>Profit / (Loss) before an Exceptional and Tax (1-2)</b>	<b>194.14</b>	<b>396.59</b>	<b>755.87</b>	<b>590.73</b>	<b>1,394.10</b>	<b>2,282.61</b>
<b>4</b>	<b>Exceptional Items</b>	-	-	-	-	-	-
<b>5</b>	<b>Profit / (Loss) before Tax (3 - 4)</b>	<b>194.14</b>	<b>396.59</b>	<b>755.87</b>	<b>590.73</b>	<b>1,394.10</b>	<b>2,282.61</b>
<b>6</b>	<b>Tax Expense (net)</b>						
	- Current tax	184.70	199.00	136.41	383.70	296.54	516.88
	- Deffered tax liability / (asset)	(160.66)	(127.92)	77.87	(288.58)	32.61	(58.04)
	<b>Net Tax Expenses</b>	<b>24.04</b>	<b>71.08</b>	<b>214.28</b>	<b>95.12</b>	<b>329.15</b>	<b>458.84</b>
<b>7</b>	<b>Profit for the period / year from continuing operations (5-6)</b>	<b>170.10</b>	<b>325.51</b>	<b>541.59</b>	<b>495.61</b>	<b>1,064.95</b>	<b>1,823.77</b>
<b>8</b>	<b>Profit / (loss) from discontinued operations</b>	-	-	-	-	-	-
<b>9</b>	<b>Tax expense of discontinued operations</b>	-	-	-	-	-	-
<b>10</b>	<b>Profit / (loss) from discontinued operations (after tax) (8-9)</b>	-	-	-	-	-	-
<b>11</b>	<b>Profit for the period / year (7+10)</b>	<b>170.10</b>	<b>325.51</b>	<b>541.59</b>	<b>495.61</b>	<b>1,064.95</b>	<b>1,823.77</b>
<b>12</b>	<b>Other comprehensive income / (loss)</b>						
	(a) (i) Items that will not be reclassified to profit and loss						
	- Fair valuation gain / (loss) on financial instruments measured at FVOCI	-	-	-	-	-	-
	- Remeasurement of Defined Benefit Obligations	(1.22)	(1.22)	(1.02)	(2.44)	(2.04)	(4.87)
	(ii) Income tax relating to items that will not be reclassified to profit and loss	0.30	0.31	0.23	0.61	0.52	1.23
	<b>Sub Total (a)</b>	<b>(0.92)</b>	<b>(0.91)</b>	<b>(0.80)</b>	<b>(1.83)</b>	<b>(1.52)</b>	<b>(3.64)</b>
	(b) (i) Items that will be reclassified to profit and loss						
	- Fair Value changes on Advances	(76.14)	(6.75)	(54.75)	(82.89)	(21.40)	46.05
	(ii) Income tax relating to items that will not be reclassified to profit and loss	18.21	1.70	15.19	19.91	5.48	(12.81)
	<b>Sub Total (b)</b>	<b>(57.93)</b>	<b>(5.05)</b>	<b>(39.55)</b>	<b>(62.98)</b>	<b>(15.91)</b>	<b>33.24</b>
	<b>Net Other comprehensive income / (loss) (a)+(b)</b>	<b>(58.85)</b>	<b>(5.96)</b>	<b>(40.35)</b>	<b>(64.81)</b>	<b>(17.43)</b>	<b>29.59</b>
<b>13</b>	<b>Total Comprehensive Income</b>	<b>111.25</b>	<b>319.55</b>	<b>501.24</b>	<b>430.80</b>	<b>1,047.51</b>	<b>1,853.36</b>
	<b>Paid up Equity Share capital (face value of Rs. 10/-)</b>	<b>848.76</b>	<b>845.09</b>	<b>698.13</b>	<b>848.76</b>	<b>698.13</b>	<b>845.09</b>
<b>14</b>	<b>Earnings per share (in Rs.) (Not Annualised)</b>						
	(a) Basic EPS	2.01	3.85	7.79	5.86	15.31	24.51
	(b) Diluted EPS	2.01	3.84	6.43	5.86	12.44	24.39

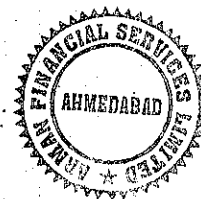





**Notes**

- 1 These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The unaudited standalone financial results for the quarter / half year ended September 30, 2020 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on November 11, 2020.
- 3 The Company, during the quarter ended September 30, 2020 has allotted 36,740 equity shares of Rs. 10/- each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- 4 **Moratorium in accordance with the Reserve Bank of India (RBI) guidelines**  
The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Pursuant to the guidelines issued by RBI dated, March 27, 2020, April 17, 2020 and May 23, 2020 relating to COVID-19 Regulatory Package, the Company has granted moratorium on the payment of instalments falling due between March 1, 2020 and August 31, 2020 to the eligible borrowers. For the purpose of asset classification on all such accounts, the number of days past due as on September 30, 2020 excludes the moratorium period to the respective borrower, as per the Company's policy.
- 5 **Estimation of uncertainty relating to COVID-19 global health pandemic**  
In assessing the recoverability of loans, receivables and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these standalone financial results. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic condition and external developments including the final decision of the Hon'ble Supreme Court of India in relation to moratorium and other related matters, the eventual outcome of impact of the aforesaid factors may be different from those estimated as on the date of approval of these standalone financial results and the Company will continue to monitor any material changes to the future economic conditions, which will be given effect to in the respective future period.
- 6 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
- 7 The Company is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 8 Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Date: 11.11.2020  
Place: Ahmedabad



**For, Arman Financial Services Limited**

  
Jayendra Patel  
Vice Chairman & Managing Director  
DIN-00011814

**ARMAN FINANCIAL SERVICES LIMITED**

Reg. off: 502-503, SAKAR III, OPP. OLD HIGH COURT, AHMEDABAD-380014

CIN:L55910GJ1992PLC018623 Ph-079-40507000; E-mail: finance@armanindia.com; Website: www.armanindia.com

**STANDALONE BALANCE SHEET AS ON SEPTEMBER 30, 2020**

Particulars	Rs. in Lakhs	
	September 30, 2020	March 31, 2020
<b>ASSETS</b>		
<b>(1) Financial Assets</b>		
(a) Cash and cash equivalents	2,470.33	34.15
(b) Bank Balance other than (a) above	1,770.78	561.29
(c) Loans	15,626.19	22,314.24
(d) Investments	8,259.87	6,236.69
(e) Other Financial assets	241.65	232.66
<b>(2) Non-financial Assets</b>		
(a) Current tax assets (Net)	-	130.63
(b) Deferred tax Assets (Net)	415.59	106.49
(c) Property, Plant and Equipment	77.66	82.31
(d) Other Intangible assets	0.39	0.81
(e) Other non-financial assets	8.25	20.44
<b>Total Assets</b>	<b>28,870.71</b>	<b>29,719.68</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>(1) Financial Liabilities</b>		
(a) Debt Securities	6,468.96	6,453.90
(b) Borrowings (Other than Debt Securities)	8,731.49	10,118.97
(c) Subordinated Liabilities	500.00	500.00
(d) Other financial liabilities	496.09	498.07
<b>(2) Non-Financial Liabilities</b>		
(a) Provisions	42.27	35.21
(b) Current Tax Liabilities (Net)	220.38	-
(c) Other non-financial liabilities	7.63	39.86
<b>(3) EQUITY</b>		
(a) Equity Share capital	848.76	845.09
(b) Other Equity	11,555.13	11,228.60
<b>Total Liabilities and Equity</b>	<b>28,870.71</b>	<b>29,719.68</b>





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**Standalone Cash Flow Statement for the half year ended on September 30, 2020**

PARTICULARS	Rs. in Lakhs	
	For the Half year ended on September 30, 2020	For the Half year ended on September 30, 2019
<b>Cash from Operating Activities:</b>		
Net profit before taxation	590.74	1,394.10
<b>Adjustment For:</b>		
Depreciation and amortisation	5.37	5.40
Interest Income	(3,259.73)	(3,236.61)
Finance cost	1,028.26	1,035.19
Provision for impairment on financial assets	1,056.48	40.72
Net gain on Units of Mutual Funds instruments measured through profit and loss	(1.65)	-
Remeasurement of define benefit plan	(2.44)	(2.04)
Employee Stock Option Plan Expense	3.03	10.17
Financial Gaurantee Income	(143.64)	(96.42)
	(1,314.32)	(2,243.59)
<b>Operating profit before working Capital changes :</b>	<b>(723.58)</b>	<b>(849.49)</b>
<b>Adjustment For (Increase)/Decrease in Operating Assets:</b>		
Loans and Advances	5,548.68	(1,907.05)
Other Financial Assets	110.43	(207.54)
Other Non Financial Assets	12.19	5.12
Bank balance other than Cash and Cash equivalents	(1,209.50)	8.57
<b>Adjustment For Increase/(Decrease) in Operating Liabilities:</b>		
Other Non Financial liability	(32.24)	(45.44)
Other Financial Liabilities	52.12	(38.42)
Provision	7.07	2.24
	4,488.75	(2,182.51)
<b>Cash Generated From Operations</b>	<b>3,765.17</b>	<b>(3,032.00)</b>
Interest Income Received	3,140.31	3,250.65
Finance Cost Paid	(1,049.62)	(965.40)
Income tax paid	(32.69)	(243.97)
	2,058.00	2,041.28
<b>Net Cash From Operating Activities:</b>	<b>5,823.17</b>	<b>(990.72)</b>
<b>Cash Flow From Investment Activities:</b>		
Purchase of Property, Plant & Equipment	(0.30)	(12.29)
Purchase of Current investments	(1,999.90)	(990.00)
<b>Net Cash from Investment Activities:</b>	<b>(2,000.20)</b>	<b>(1,002.29)</b>
<b>Cash Flow From Financing Activities :</b>		
Proceeds from issue of share capital	18.37	14.50
Dividend paid	(0.06)	(18.10)
Proceeds from long term borrowings	668.43	1,805.26
Net increase / (decrease) in working capital borrowings	759.46	2,634.39
Repayment of borrowings	(2,832.97)	(2,625.48)
<b>Net Cash from Financing Activities:</b>	<b>(1,386.77)</b>	<b>1,810.57</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>2,436.20</b>	<b>(182.43)</b>
Cash & cash equivalents at the beginning	34.15	479.60
<b>Cash &amp; cash equivalents at the end</b>	<b>2,470.35</b>	<b>297.16</b>



**LIMITED REVIEW REPORT ON UNAUDITED QUARTERLY STANDALONE FINANCIAL RESULTS OF  
ARMAN FINANCIAL SERVICES LIMITED UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS  
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

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To,  
The Board of Directors of  
Arman Financial Services Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Arman Financial Services Limited (the "Company"), for the quarter and six months ended September 30, 2020 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended).
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is 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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to Note 5 to the standalone financial results in which the Company describes the uncertainties arising from the COVID 19 pandemic.

Our conclusion on the Statement is not modified in respect of this matter.

Place : AHMEDABAD  
Date : 11<sup>th</sup> NOVEMBER, 2020

For SAMIR M. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. No.: 122377W

*Sneha Jethani*

SNEHA JETHANI  
(PARTNER)

MEMBERSHIP No.: 160932  
UDIN: 20160932AAAABO2554

