



**AFL/2021-22/053**

**July 23, 2021**

**The General Manager  
(Listing & Corporate Relations)  
Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001**

Dear Sir/Madam,

**Sub: Financial Results for the quarter ended 30<sup>th</sup> June, 2021**

Pursuant to SEBI Circulars SEBI/HO/DDHS/DDHS/CIR/P/2019/167 dated December 24, 2019 read with Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019, please find enclosed the following:

- a) Copy of the duly approved audited Financial Results for the quarter ended 30<sup>th</sup> June, 2021. The said results have been approved by the Board of Directors of the Company in its meeting held on July 23, 2021;
- b) Copy of the Limited Review Report on the Financial Results issued by M/s S. R. Batliboi & Co, Statutory Auditors of the Company;

You are requested to kindly take the same on your record.

**Thanking you,**

**Yours Faithfully,**

A handwritten signature in black ink that reads 'Rajneesh Kumar'.

**Rajneesh Kumar  
Company Secretary  
Membership No. A31230  
Email id – rajneesh.kumar@axisfinance.in**

**Encl: a/a**

**AXIS FINANCE LIMITED**

Regd. Office : Axis House, C-2 Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.  
Tel: 022 - 2425 2525 ; Fax: 022 - 4325 5732 ; Email: info@axisfinance.in ; Website: www.axisfinance.co.in ; CIN: U65921MH1995PLC212675

Independent Auditor's Report on the Financial Results of Axis Finance Limited Pursuant to the Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To  
The Board of Directors of  
Axis Finance Limited

Report on the audit of the Financial Results

#### Opinion

We have audited the accompanying statement of financial results of Axis Finance Limited (the "Company"), for the quarter ended June 30, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information of the Company for the quarter ended June 30, 2021.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter - Assessment of COVID 19 Impact

We draw attention to Note 3 to the accompanying Statement, which describes the management's assessment of uncertainties caused due to COVID 19 pandemic and its consequential impact on the Company's operations and estimates related to realization and impairment of assets, which are dependent on future developments regarding the severity and duration of the pandemic.

Our opinion is not modified in respect of this matter.

#### Management's Responsibilities for the Financial Results

The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statements, including the disclosures, and whether the Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

**JITENDRA  
HIRACHAND  
RANAWAT**

Digitally signed by JITENDRA  
HIRACHAND RANAWAT  
DN: cn=JITENDRA HIRACHAND  
RANAWAT, c=IN, o=Personal,  
email=jitendra.ranawat@srb.in  
Date: 2021.07.23 18:36:54 +05'30'

per Jitendra H. Ranawat

Partner

Membership No.: 103380

UDIN No.: 21103380AAAACT9871

Place: Mumbai

Date: July 23, 2021

# AXIS FINANCE LIMITED

## Balance Sheet as at June 30, 2021

(All amounts are in rupees lakhs, except per share data and as stated otherwise)

Particulars	As at June 30, 2021	As at June 30, 2020	As at March 31, 2021	As at March 31, 2020
	Audited	Unaudited	Audited	Audited
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	7,328.09	22,138.70	5,067.80	16,202.03
Bank Deposits other than Cash and cash equivalents	176.63	181.64	174.53	178.51
Trade Receivables	-	350.91	519.66	683.41
Loans	10,94,802.14	7,50,999.56	10,09,219.51	7,54,544.33
Investments	75,100.11	7,379.86	89,717.57	9,027.93
Other financial assets	5,468.72	61.02	219.44	86.72
<b>Sub-total-Financial Assets</b>	<b>11,82,875.69</b>	<b>7,81,111.69</b>	<b>11,04,918.51</b>	<b>7,80,722.93</b>
<b>Non-Financial Assets</b>				
Current Tax Assets (net)	4,292.22	3,870.68	5,022.08	4,396.54
Deferred Tax Assets (net)	7,957.20	8,024.56	7,574.59	6,619.93
Property, plant and equipment	214.39	214.29	198.08	219.61
Other Intangible Assets	1,552.81	1,361.09	1,448.00	1,408.36
Right-of-use assets	1,698.78	344.94	1,687.01	360.28
Other non-financial assets	452.21	238.46	356.71	237.96
<b>Sub-total-Non-Financial Assets</b>	<b>16,167.61</b>	<b>14,054.02</b>	<b>16,286.47</b>	<b>13,242.68</b>
<b>Total - Assets</b>	<b>11,99,043.30</b>	<b>7,95,165.71</b>	<b>11,21,204.98</b>	<b>7,93,965.61</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
Debt securities	7,77,782.13	5,49,870.21	7,88,898.01	3,80,677.80
Borrowings (Other than debt securities)	1,89,091.68	59,556.35	1,14,480.73	2,29,442.06
Subordinated Liabilities	69,532.82	52,304.97	59,990.04	52,916.72
Lease Liabilities	1,784.21	362.46	1,749.08	372.87
Other financial liabilities	6,964.03	4,077.62	7,954.18	3,536.24
<b>Sub-total-Financial liabilities</b>	<b>10,45,154.87</b>	<b>6,66,171.61</b>	<b>9,73,072.04</b>	<b>6,66,945.69</b>
<b>Non-Financial liabilities</b>				
Provisions	1,309.90	689.56	2,038.58	1,204.05
Other non-financial liabilities	1,480.63	1,514.16	1,846.31	1,358.61
<b>Sub-total-Non-Financial liabilities</b>	<b>2,790.53</b>	<b>2,203.72</b>	<b>3,884.89</b>	<b>2,562.66</b>
<b>Total-liabilities</b>	<b>10,47,945.40</b>	<b>6,68,375.33</b>	<b>9,76,956.93</b>	<b>6,69,508.35</b>
<b>EQUITY</b>				
Equity share capital	48,225.00	48,225.00	48,225.00	48,225.00
Other equity	1,02,872.90	78,565.38	96,023.05	76,232.26
<b>Total - Equity</b>	<b>1,51,097.90</b>	<b>1,26,790.38</b>	<b>1,44,248.05</b>	<b>1,24,457.26</b>
<b>Total - Liabilities and Equity</b>	<b>11,99,043.30</b>	<b>7,95,165.71</b>	<b>11,21,204.98</b>	<b>7,93,965.61</b>

## AXIS FINANCE LIMITED

### Statement of Profit and Loss for the quarter ended June 30, 2021

(All amounts are in rupees lakhs, except per share data and as stated otherwise)

Particulars	For the quarter ended June 30, 2021	For the quarter ended June 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
	Audited	Unaudited	Audited	Audited
<b>Revenue from operations</b>				
Interest Income	31,065.46	23,266.47	1,01,471.77	99,401.10
Net gain on fair value changes	172.22	4.70	1,299.69	143.07
Others	71.66	37.70	145.01	474.22
<b>Total Revenue from operations</b>	<b>31,309.34</b>	<b>23,308.87</b>	<b>1,02,916.47</b>	<b>1,00,018.39</b>
Other Income	-	-	-	31.90
<b>Total income</b>	<b>31,309.34</b>	<b>23,308.87</b>	<b>1,02,916.47</b>	<b>1,00,050.29</b>
<b>Expenses</b>				
Finance Costs	14,693.44	12,124.07	48,976.85	52,033.65
Impairment on financial instruments	2,644.56	5,340.55	12,121.14	14,083.03
Employee benefits expenses	2,732.18	1,643.17	8,890.50	5,530.70
Depreciation, amortization and impairment	197.57	122.43	581.25	401.19
Others expenses	1,958.27	876.00	6,113.92	3,979.02
<b>Total expenses</b>	<b>22,226.02</b>	<b>20,106.22</b>	<b>76,683.66</b>	<b>76,027.59</b>
<b>Profit before exceptional items and tax</b>	<b>9,083.32</b>	<b>3,202.65</b>	<b>26,232.81</b>	<b>24,022.70</b>
Exceptional Items	-	-	-	-
<b>Profit before taxes</b>	<b>9,083.32</b>	<b>3,202.65</b>	<b>26,232.81</b>	<b>24,022.70</b>
Tax expenses				
- Current Taxes	2,758.88	2,304.22	7,726.17	9,263.71
- Deferred Taxes	(381.76)	(1,404.01)	(955.38)	(1,590.36)
<b>Profit for the period</b>	<b>6,706.20</b>	<b>2,302.44</b>	<b>19,462.02</b>	<b>16,349.35</b>
<b>Other Comprehensive Income</b>				
A (i) Items that will not be reclassified to profit or loss				
(a) Re-measurements of net defined benefit plans	(3.37)	(2.49)	2.89	(44.66)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.85)	(0.63)	0.73	(11.24)
<b>Sub-total (A)</b>	<b>(2.52)</b>	<b>(1.86)</b>	<b>2.16</b>	<b>(33.42)</b>
B (i) Items that will be reclassified to profit or loss	-	-	-	-
<b>Sub-total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Comprehensive Income (A+B)</b>	<b>(2.52)</b>	<b>(1.86)</b>	<b>2.16</b>	<b>(33.42)</b>
<b>Total Comprehensive Income for the period</b>	<b>6,703.68</b>	<b>2,300.58</b>	<b>19,464.18</b>	<b>16,315.93</b>
<b>Paid-up Equity share capital (Face Value of ₹ 10 each)</b>	<b>48,225.00</b>	<b>48,225.00</b>	<b>48,225.00</b>	<b>48,225.00</b>
<b>Earnings per equity share (not annualised)</b>				
Basic (₹)	1.39	0.48	4.04	3.39
Diluted (₹)	1.39	0.48	4.04	3.39

Notes:

1. The above financial results have been prepared in the format specified in Division III of Schedule III of Companies Act, 2013 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019 and SEBI Circular no. SEBI/HO/DDHS/DDHS/CIR/P/2019/167 dated December 24, 2019 (the "Regulations") and in accordance with Indian Accounting Standards ("Ind AS") notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, 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. Any application guidance/clarification/directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/applicable.
2. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 23, 2021.
3. A national lockdown was declared by Government of India with effect from March 24, 2020 as a result of the outbreak of Novel Corona Virus (COVID-19), which was further extended in phases up to May 31, 2020. Subsequently, the lockdown has been lifted by the Government for certain activities in a phased manner outside specific containment zones but regional lockdowns/restrictions continued to be implemented in areas with a significant number of COVID-19 cases. The COVID-19 pandemic has resulted in significant decrease in the economic activities across the country and has also affected the Company's business operations due to such lockdown. The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's financial results/statements, will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us. The Company offered resolution plan to its customers, pursuant to RBI's guideline as per circular dated May 5, 2021 - Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) (together hereinafter referred as "RBI circulars"). Estimates and associated assumptions applied in preparing these financial results/statements, especially for determining the impairment allowances for the Company's Loans and Investments are based on regulatory guidelines and other emerging/forward looking factors on account of the pandemic. The Company believes that the factors considered are reasonable under the current circumstances. Though the lockdown has been lifted albeit with restrictions, operations and economic activities have not yet returned to normalcy. Given the dynamic nature of the pandemic situation, these estimates are subject to uncertainty and may be affected by severity and duration of the pandemic. In the event the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of financial assets, the financial position and performance of the Company. The Company holds adequate impairment allowance as at June 30, 2021 against potential impact of COVID-19 based on the information available at this point in time. The impairment allowance held by the Company is in excess of the RBI prescribed norms. Based on the internal assessment undertaken, the Company believes it has sufficient liquidity to honour its liabilities due over the next 12 months. The Company is also in compliance with the covenants stipulated by its lenders.
4. The figures of the period ended June 30, 2021 have been audited and figures of the period ended June 30, 2020 have been reviewed by statutory auditors. Figures for the full financial year ended March 31, 2021 and March 31, 2020 have been audited by the statutory auditors.
5. During the year ended March 31, 2021, the Company received the certified copy of order from National Company Law Tribunal ('NCLT') approving the amalgamation of Axis Private Equity Ltd. with the Company, appointed date being April 1, 2017. Subsequently the Company allotted 15,00,000 equity shares to the shareholders of Axis Private Equity Ltd. The amalgamation qualifies as a 'common control transaction' and has been accounted for using the Pooling of interest method as per Appendix C to Ind AS 103 - Business Combinations. Accordingly, the financial results for the earlier periods have been restated as if the business combination had occurred with effect from April 1, 2019 irrespective of the actual date of acquisition and are not comparable with those reported earlier, in so far as it relates to the amounts included in respect of above said amalgamation. Similarly, the value of paid up equity share capital has also been restated to make the Basic / Diluted Earnings per share comparable.

6. The company is engaged primarily in the business of financing and accordingly, there are no separate reportable segments as per Ind AS 108 - Operating Segment.
7. In terms of requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning ('IRACP') norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at June 30, 2021 and accordingly, no amount is required to be transferred to impairment reserve.
8. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules / interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
9. Disclosure pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 for the period ended June 30, 2021:-

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan**	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons*	1	600.92	-	68.00	52.82
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>600.92</b>	<b>-</b>	<b>68.00</b>	<b>52.82</b>

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

\*\*Amount mentioned in exposure to accounts is as of March 31, 2021 including interest accrued but not due.

10. Previous period / year figures have been regrouped / rearranged wherever necessary to conform to the current period/year figures.

For and on behalf of Board of Directors  
AXIS FINANCE LIMITED

**BIPIN KUMAR SARAF** Digitally signed by BIPIN KUMAR SARAF  
Date: 2021.07.23 17:08:50 +05'30'

Bipin Kumar Saraf  
Managing Director & CEO  
DIN: 06416744  
Place: Mumbai  
Date: July 23, 2021