

Security Name-7.90% PERPETUAL NCD, AFL
Series- AFL 06 /2021-22
Coupon Rate- 7.90% p.a.
Coupon Payment Frequency- Annually

Date- August 20, 2021
Private & Confidential
For Private Circulation Only



AXIS FINANCE LIMITED

(A public company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 (as amended))

CIN: U65921MH1995PLC212675, Permanent Account Number- AAACK3010F, RBI Registration Number- N-13.02001

Registered & Corporate Office: Ground Floor, Axis House, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025

Tel: 022-6226 0096 **Fax:** 022-4325 3085, **Website-** www.axisfinance.in

Chief Financial Officer: Mr. Amith Iyer, **Tel:** +91-22-6226 0020, **Email ID:** amith.iyer@axisfinance.in

Compliance Officer & Company Secretary- Rajneesh Kumar, **Tel:** +91-22-6226 0117, **Email ID:** Rajneesh.kumar@axisfinance.in

Promoter(s)- Our Parent / Promoter is Axis Bank Limited, a banking company incorporated under the Companies Act 1956 and validly existing under the provisions of Companies Act, 2013, Contact Person- Mr.Girish Koliyote, Tel- 079-26409322 / 66306161, Email ID: girish.koliyote@axisbank.com

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER IN FORM PAS-4

Part – A

DISCLOSURE DOCUMENT/PRIVATE PLACEMENT OFFER LETTER

(Pursuant to Section 42 of the Companies Act, 2013 (The “Act”) And Rule 14 (3) of the Companies (Prospectus and Allotment Of Securities) Second Amendment Rules, 2018))

ISSUE BY WAY OF PRIVATE PLACEMENT (THE “ISSUE”) OF 100 Tier I, perpetual, rated, listed, unsecured, redeemable, non-convertible debentures each having a face value of Rs. 1,00,00,000/- (Rupees One Crore only) of the aggregate nominal value of Rs. 100,00,00,000/- (Rupees One Hundred Crores only) plus green shoe option upto 100 Tier-1, perpetual, rated, listed, unsecured, redeemable, non-convertible debentures each having a face value of Rs. 1,00,00,000/- (Rupees One Crore only) of the aggregate nominal value of Rs. 100,00,00,000/- (Rupees One Hundred Crores only) (“Debentures”)

DOCUMENT CONTAINING DISCLOSURE AS PER SCHEDULE – II TO THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED FROM TIME TO TIME (“DEBT LISTING REGULATIONS”), SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED FROM TIME TO TIME (“LISTING REGULATIONS”), OPERATIONAL CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SEBI VIDE CIRCULAR NO. SEBI/HO/DDHS/P/CIR/2021/613 DATED AUGUST 10, 2021, MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 SPECIFICALLY PERTAINING TO ISSUE OF PERPETUAL DEBT INSTRUMENT AND FORM NO. PAS - 4 PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 (“ACT”) READ WITH COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, (“PAS RULES”), AS AMENDED FROM TIME TO TIME.

The Company shall not utilise monies raised through the proposed Private Placement unless allotment is made and the Return of Allotment is filed with the jurisdictional Registrar of Companies (“ROC”) within the stipulated time prescribed under the Act. Any application by a person to whom the Offer Letter has not been sent by the Company shall be rejected without assigning any reason. The Private Placement Offer and application does not carry any right of renunciation. The Issue described under this Offer Letter has been authorised by the Company through resolutions passed by the shareholders of the Company

on 20th July, 2020 and the board of directors ("Board") of the Company with the Board Resolution dated 16th April, 2021 and which is subject to the approval of the shareholders of the Company in the ensuing 26th Annual General Meeting and the memorandum of association and articles of association of the Company (collectively, the "Constitutional Documents"). The Issue shall be subject to the provisions of the Act, the PAS Rules, other rules notified pursuant to the Act, the Constitutional Documents, Part – B of the Offer Letter i.e. the application form to be filled by the prospective eligible investors and the terms and conditions of the Issue as may be incorporated in the debenture trust deed executed by the Company in relation to the Issue.

DISCLAIMERS

THIS OFFER LETTER IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS AND SHOULD NOT BE CONSTRUED TO BE A PROSPECTUS OR A STATEMENT IN LIEU OF PROSPECTUS UNDER THE ACT. THE ISSUE IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. IT IS NOT INTENDED TO BE CIRCULATED TO ANY PERSONS OTHER THAN THE INVESTORS SPECIFICALLY APPROACHED WHO ARE ELIGIBLE TO APPLY FOR THIS PRIVATE PLACEMENT OF DEBENTURES, WHICH SHALL NOT EXCEED SUCH NUMBERS AS HAS BEEN PRESCRIBED UNDER SECTION 42 OF THE ACT READ WITH RULE 14(2)(B) OF THE PAS RULES. THIS OFFER LETTER IS ONLY ISSUED TO THE ADDRESSEE. HOWEVER, MULTIPLE COPIES GIVEN TO THE SAME ENTITY SHALL CONSTITUTE A SINGLE OFFER LETTER AND SHALL BE TREATED AS SUCH. IT DOES NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE DEBENTURES ISSUED TO THE PUBLIC IN GENERAL.

GENERAL RISKS

As the Issue is being made on private placement basis, this Offer Letter has not been submitted, cleared or approved by SEBI. The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Offer Letter.

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of "Risk Factors" contained under Section 3 of this Offer Letter. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

COMPANY'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Letter (including the documents incorporated by reference herein, if any) contains all information with regard to the Company and the Issue, that the information contained in this Offer Letter is true and correct in all material aspects and is not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other material facts, the omission of which makes this Offer Letter as a whole or any of such information or the expression of any such opinions or intentions misleading in any respect.

CREDIT RATING

The Debentures have been rated as 'CRISIL AAA/Stable' by CRISIL Ratings Limited vide their letter bearing reference no. RL/ENAMF/275295/PBOND/0821/15083/95922660 dated 03.08.2021 (Terms & conditions of the issue are provided in Annexure A and credit rating letter is provided as Annexure J). The said rating is not a recommendation to buy, sell or hold the Debentures and Investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning credit rating agency and each rating should be evaluated independently of any other rating. The rating obtained are subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc.

LISTING

The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) segment of the BSE Limited ("BSE").

ELIGIBLE INVESTORS

Qualified Institutional Buyers (QIBs), as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

ISSUE SCHEDULE			
ISSUE OPENING DATE 24 th August 2021	ISSUE CLOSING DATE 24 th August, 2021	PAY-IN DATE 25 th August, 2021	DEEMED DATE OF ALLOTMENT 25 th August, 2021
REGISTRAR: LINK IN TIME		DEBENTURE TRUSTEE: CATALYST TRUSTEESHIP LIMITED	
Office: C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel: +91 22 49186000 Fax: +91 22 49186060 Email: mumbai@linkintime.co.in Website: www.linkintime.co.in 		Office: Windsor, 6 th Floor, Office No. 604, C.S.T.Road, Kalina, Santacruz (East), Mumbai - 400098 Tel: 22 4922 0555 Fax: 22 4922 0505 Email: umesh.salvi@ctltrustee.com Website: www.catalysttrustee.com 	
Credit Rating Agency: CRISIL Ratings Limited Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400 076 Contact Person : Mr. Krishnan Sitaraman Tel: +91 22 33423000 Fax: 91-22-3342-3050 Email: crisilratingdesk@crisil.com Website: www.crisilratings.com <div>   </div>		ARRNAGER: ICICI Securities Primary Dealership Ltd. Office: ICICI Centre H T Parekh Marg Churchgate Mumbai – 400 020 Tel: (022) 22882460/70 Fax: 91-22-22882312 Website : www.icicisecuritiespd.com Contact Person : Mr. Saurabh Batra 	

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Offer Letter contains all information with regard to the Issuer and the issue, which is material in the context of the issue, that the information contained in the Offer Letter is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

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This Offer Letter shall be read in conjunction with the Debenture Trust Deed dated August 20, 2021 and the other Transaction Documents and it is agreed between the Debenture Trustee and the Company that in case of any inconsistency or conflict between this Offer Letter and the Debenture Trust Deed, the provisions of the Debenture Trust Deed shall prevail and override the provisions of this Offer Letter.

1. GENERAL INFORMATION

a.	Name of the Company	Axis Finance Limited
b.	Address of the Company	<p>Registered Office: Axis House, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025</p> <p>Corporate Office: Ground Floor, South Wing, Axis House, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025</p>
c.	Website and other contact details of the Company	<p>Contact Person: Mr. Amith Iyer, CFO Tel: : +91-22-6226 0096 Fax: +91-22-4325 3085 Email ID: amith.iyer@axisfinance.in</p> <p>Compliance Officer: Mr. Rajneesh Kumar, Company Secretary Tel: +91-22-6226 0117 Fax: +91-22-4325 3085 Email: rajneesh.kumar@axisfinance.in</p> <p>Website: www.axisfinance.in</p>
d.	Date of incorporation of the company;	April 27, 1995
e.	Corporate Identification Number	U65921MH1995PLC212675
f.	Auditors	<p>Name- M/s S.R.Batlboi & Co. LLP Address-12th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400028 ICAI Firm Registration No. 301003E/E300005 Phone No.: +91 22 6819 8000</p>

g.	Debenture Trustee	Name-Catalyst Trusteeship Limited Address- Windsor, 6th Floor, Office No. 604, C.S.T.Road, Kalina, Santacruz (East), Mumbai - 400098 Tel: 22 4922 0555 Fax: 22 4922 0505 Email: umesh.salvi@ctltrustee.com Website: www.catalysttrustee.com
h.	Registrar to the Issue	Name- Link Intime India Private Limited Address- C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel: +91 22 49186000 Fax: +91 22 49186060 Email: mumbai@linkintime.co.in Website: www.linkintime.co.in
i.	Credit Rating Agencie(s) for the Issue	Rating Agency- Crisil Ratings Limited Address- CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400076 IN Rating Assigned- 'CRISIL AAA/Stable'
j.	Arrangers, if any, of the instrument	ICICI Securities Primary Dealership Ltd. ICICI Centre, H T Parekh Marg, Churchgate, Mumbai – 400 020 Tel: (022) 22882460/70 Fax: 91-22-22882312 Website: www.icicisecuritiespd.com Contact Person : Mr. Saurabh Batra
h.	Details of Promoter of the Issuer	Axis Bank Limited CIN No.: L65110GJ1993PLC020769 Date of Incorporation: 03/12/1993 Registered Address: TRISHUL 3RD FLOOR OPP SAMARTHESHWAR TEMPLE LAW GARDEN ELLISBRIDGE AHMEDABAD GJ 380006 IN Email Id: girish.koliyote@axisbank.com

2. BRIEF SUMMARY OF THE BUSINESS ACTIVITIES OF THE ISSUER AND ITS SUBSIDIARIES IF ANY

Business Overview

The Company was incorporated as Kalpataru Hire Purchase & Leasing Private Limited on 27-04-1995. The name of Company was later changed to Enam Finance Private Limited (EFPL) vide certificate of incorporation dated 24-06-2008. As part of the scheme of arrangement, wherein certain business activities of Enam Group were acquired by Axis Bank Group, accordingly, with effect from 20-10-2012, Enam Securities Private Limited (holding company of EFPL) was merged into Axis Sales and Securities Limited, a wholly owned subsidiary of Axis Bank Limited. The name of the merged entity was thereafter changed to Axis Capital Limited.

Further, giving legal effect to the scheme of arrangement, the Board of Directors of the EFPL in their meeting held on 20-10-2012 approved the transfer of shares of EFPL held by Axis Capital Limited to Axis Bank Limited. In order to reflect the change in ownership and control the name of the Company was changed from EFPL to Axis Finance Private Limited vide certificate of incorporation dated 26-03-2013. The Company was later converted into Public company and to its present name vide a fresh Certificate

of Incorporation issued on 10-05-2013.

The Company is a systemically important non-deposit accepting non-banking financial company (NBFC-ND-SI) and is registered with the Reserve Bank of India. The Company is a wholly owned subsidiary of Axis Bank Limited.

As on March 31, 2021, the net-worth of the Company was Rs. 1442.48 Crores. The Company does not have any subsidiaries.

Parent / Promoter's Overview:

Axis Bank Limited: Axis Bank is the third largest private sector bank in India. The Bank offers the entire spectrum of financial services to customer segments covering Large and Mid-Corporates, MSME, Agriculture and Retail Businesses.

The Bank has a large footprint of 4,594 domestic branches (including extension counters) with 11,333 ATMs & 5,710 cash recyclers spread across the country as on 31st March, 2021. The Bank has 6 Virtual Centres and has over 1500 Virtual Relationship Managers as on 31st March 2021. The Overseas operations of the Bank are spread over eight international offices with branches at Singapore, Dubai (at DIFC) and GIFT City-IBU; representative offices at Dhaka, Dubai, Abu Dhabi, Sharjah and an Overseas subsidiary at London, UK. The international offices focus on Corporate Lending, Trade Finance, Syndication, Investment Banking and Liability Businesses.

Axis Bank is one of the first new generation private sector banks to have begun operations in 1994. The Bank was promoted in 1993, jointly by Specified Undertaking of Unit Trust of India (SUUTI) (then known as Unit Trust of India), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), National Insurance Company Ltd., The New India Assurance Company Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Ltd. The share holding of Unit Trust of India was subsequently transferred to SUUTI, an entity established in 2003.

With a balance sheet size of Rs. 9,96,118 crores as on 31st March 2021, Axis Bank has achieved consistent growth and with a 5 year CAGR (2015-16 to 2020-21) of 13% each in Total Assets & Advances and 15% in Deposits.

Product Profile:

The Company as a Non-Banking Finance Company is positioned to offer products in the Retail as well as Corporate Banking segments. A brief on the products offered by is as below:

Wholesale Lending Solutions

Corporate Loans

- Primary focus is on the large groups and their eco-system, with cash flow backed models for the targeted yield
- The objective of structured lending is to provide efficient capital structures, giving the desired flexibility to manage cash flows and long-term growth prospects of such companies. We provide tailor-made solutions to get finance in a way that best fits specific financial needs of clients. Our financing solutions cater to clients across multiple industries and asset classes.
- Our services include:
 - Acquisition funding
 - Bridge financing
 - Mezzanine debt solutions
 - Equity buyouts
 - Family settlements

Further, we target clientele for Op. Co. lending with credit rating of A and above for short-to-medium-term lending

Collateralised Loans

We offer a wide range of collateralised loans solutions, including non-cyclic sector loans, cash flow backed loans and lease rental discounting.

Non-cyclical sectors

- Focus area includes education (K-12), small hospitals, healthcare
- Customised transactions in terms of tenure, type of facility Rupee Term Loan, Overdraft

Cash flow backed

- Loan against cash flow of operating companies within the Group
- Source of repayment could be through dividends, royalty, and so on
- Secured by hard assets, along with cash flows

Lease rental discounting (LRD)

- Focus on commercial office property
- Differentiated product offering by customising to suit the situational requirements of the borrower

Real Estate Financing

- We offer comprehensive financial assistance to real estate players, typically for last mile and inventory funding. Funding against inventory of occupancy certificate received for residential development
- Funding to land owners with proxy exposure to top developers of the select micro markets
- Bridge funding/ pre-LRD funding to commercial real estate players with completed projects, identified tenants and planned exit through conversion of AFL loan to LRD facility

Retail Lending Solutions

Mortgage/LAP

Under the retail mortgage segment, we offer funding against residential and commercial properties, for all categories of customers with EMI as well as non-EMI structures. We also provide micro mortgage loans for multiple purposes.

Consumer finance

Consumer finance is an unsecured loan facility extended to salaried and self-employed segment for the purchase of consumer durables (mobile phones, consumer electronics) and lifestyle products (the home improvement and furnishings space, fitness equipment products and more). These are low ticket-size loans that run for a short tenure. The loans provide a no-extra-cost or low-cost EMI facility to customers to purchase products of major brands. The focus will be to leverage the Axis Group databanks to bring affordable and attractive offers through the OEM tie-ups

Business Loans

These are unsecured loans extended to the underserved self-employed segment, designed to cover various expenditures in a business. These borrowers have a strong business with cash collections, but are not formally into banking and/ or do not have adequate credit history. There is no need for borrowers to mortgage any asset, while availing such loans. These are small ticket size, granular loans.

Personal Loans

Personal loans are unsecured loans, extended to the salaried customers. These are mid-ticket-size loans that run for tenures up to five years. Personal loans enable customers to meet their urgent personal finance needs.

Project cost and means of financing, in case of funding of new projects

Not Applicable

BRIEF PARTICULARS OF THE MANAGEMENT OF THE COMPANY

The brief profile of the Board of Directors is as under:

Mr. Amitabh Chaudhry, is a B. Tech in (Electronic & Electricals) from the Birla Institute of Technology & Science, Pilani and an alumnus of Indian Institute of Management, Ahmedabad. He is currently the Managing Director & CEO of Axis Bank Limited. Mr. Chaudhry started his career in the Corporate Banking with Bank of America in 1987, where he worked in diverse roles ranging from Country Finance Officer, Head of Wholesale and GCMG Finance in Asia Division and thereafter as Managing Director and Head Technology Investment Banking, Asia. Shri Chaudhry was also associated with CALYON Bank (formerly Credit Lyonnais Securities Asia (CLSA), as its Managing Director, Head South East Asian Investment Banking and Head Technology Investment Banking. Prior to joining HDFC Life, he joined Infosys BPO Ltd. in 2003 and was elevated as its Managing Director & CEO in 2006. He was also Head - Independent Validation & Testing Unit (IVS) of Infosys Technologies Ltd. Shri Amitabh Chaudhry, was the Managing Director & CEO of HDFC Standard Life Insurance Company Ltd ("HDFC Life"). He was associated with HDFC Life since January 2010.

Mr. Bipin Kumar Saraf is a Rank Holder Chartered Accountant and Cost Accountant and holds a Bachelor's degree in Commerce. He has more than 20 years of experience in the areas of Finance and Banking. Before joining Axis Bank Limited, Mr. Saraf was with IFCI Limited from 1995 to 2003. He commenced his career with IFCI Limited and was responsible for handling the portfolio of large and medium corporates belonging to various sectors including Steel, Power, Textile, Petrochemicals, etc. He joined the Capital Market Department of Axis Bank Limited in 2003 and was in-charge of the Corporate & Financial Advisory Portfolio in the Eastern Zone with the primary responsibility of undertaking project advisory & appraisal assignments, corporate restructuring and syndication of funds for various corporate clients. Subsequent to that he was responsible for the Structured Products business under the Capital Markets Department of Axis Bank Limited. During his last stint with Axis Bank he was Head of the Global Debt Syndication Business (International & Domestic). He has been heading Axis Finance Ltd as the MD & CEO since 8 years and has been instrumental in setting up this wholly owned subsidiary NBFC under Axis Bank. To his credit, Axis Finance Limited (AFL) under his tenure has evolved as one of the fastest growing NBFCs with a balance sheet size of above Rs. 3,000 crores and a prime focus on Wholesale and Retail Lending. AFL under his tenure has secured the Highest Credit Rating CRISIL & India Ratings), exhibited robust operating parameters and is well poised to grow in future years.

Mrs. Madhu Dubhashi is an Economics (Honours) graduate from Delhi University and a post graduate in Business Administration from Indian Institute of Management, Ahmedabad (1971-73). She has been associated with the financial markets for over 41 years with wide experience, including assessment of viability of projects at ICICI Ltd., and managing of IPOs and FOOs during her tenures with Standard Chartered Bank, Investment Banking Division and J M financial & Investment Consultancy Services Ltd. She has also been instrumental in setting up a dedicated centre for financial analysis of companies rated by CRISIL in her capacity as CEO of Global Data Services of India, erstwhile subsidiary of CRISIL Ratings Ltd. She is currently the Principal Partner at INNOVEN Business Consultancy. Mrs. Dubhashi is on the boards of several well-known companies as an Independent Director.

Mr. V. R. Kaundinya is a Graduate in Agriculture from AP Agricultural University, Hyderabad. He holds an MBA degree with specialization in Agriculture from the Indian Institute of Management, Ahmedabad.

Mr. Kaundinya has worked extensively in the areas of productivity enhancement of farmers and improvement of their profitability through the use of high quality inputs. He has also worked on the development of seed production areas, contract farming systems in the seed / crop production areas in India and abroad. He was involved in a project that was aimed at the elimination of child labour in cotton seed farmers' fields in Andhra Pradesh. Mr. Kaundinya was a member of the Dr. Swaminathan Committee to develop the Biotech Policy in India. He held various leadership positions in industry associations like the Indian Crop Protection Association, Association of Seed Industry and Crop Biotech Association. He has developed case studies and taught Agricultural Marketing and Rural Development classes at the Indian Institute of Management, Ahmedabad.

Mr. Babu Rao Busi, holds a bachelors degree in engineering and is an alumni of Indian Institute of Management, Ahmedabad. Mr. Babu Rao has more than 29 years of experience in the area of Finance, Capital Markets and Fund Management in UTI Mutual Fund. He retired as the CEO of the Specified Undertaking of UTI (SUUTI). During his stint with UTI, he has handled various assignments and extensively worked in the areas of Project Finance, Investment Management, Offshore Funds, Venture Capital and Private Equity Funds, resolution of stressed assets and investor relations.

Mr. Deepak Maheshwari is a B.Com (University Topper) from the University of Rajasthan and CAIIB from the Indian Institute of Banker and is currently a Group Executive and Chief Credit Officer of the Bank since January, 2019 and is responsible for credit underwriting, policy and monitoring. He joined Axis Bank after spending two decades in HDFC Bank where he was Group Head of the Wholesale Credit function, responsible for asset quality, sanctions, policy and monitoring of the entire Wholesale credit portfolio of that Bank. Prior to that he had spent another two decades in SBI in various Credit and Management functions, with his last major posting being as Vice President (Credit) SBI (Canada), Toronto.

Mr. Biju Pillai joined Axis Finance as Chief Business Officer – Retail Business in September 2019 and was appointed as Whole time Director in November 2019. He has 25 years of wide ranging experience handling multiple functions and roles covering numerous product categories in Consumer lending, Rural lending and Business banking businesses. He supervises Retail Business which includes Sales & Distribution, Product and Policy Formulation, Underwriting & Collections, Marketing & Risk Analytics. He also looks into the IT strategy and Implementation for the company. Before joining Axis Finance, he worked in various organisations including Anagram Finance, Bank of America, HDFC Bank and IDFC Bank. He has built some of the retail businesses from scratch during his tenure in HDFC Bank and IDFC Bank. He has also been instrumental in launching new business lines such as Gold Loans, Small Business Working Capital (EEG) during his stint in HDFC Bank. Mr. Pillai has a degree in Textile Engineering from M S University, Baroda and is a post graduate in Management from Gujarat University.

Details of the current directors of the Company as on August 19, 2021:

NAME, DESIGNATION AND DIN	AGE	ADDRESS	DIRECTOR OF THE COMPANY SINCE	DETAILS OF OTHER DIRECTORSHIP
Mr. Amitabh Chaudhry Designation – Director DIN – 00531120	55 Years	Flat No. 4301, 43 rd Floor, Planet Godrej, Tower 3 Keshav Rao Khadye Marg, Near Jacob Circle, Mahalaxmi, Mumbai -400011	January 17, 2019	- Axis Bank Ltd - Axis Capital Ltd - Axis Asset Management Company Limited

NAME, DESIGNATION AND DIN	AGE	ADDRESS	DIRECTOR OF THE COMPANY SINCE	DETAILS OF OTHER DIRECTORSHIP
Mr. Bipin Saraf Designation – MD & CEO DIN- 06416744	49 Years	Flat No. 42, 4 th Floor, Meherdad Building, 64 Cuffe Parade, Mumbai – 400 005	October 20, 2012	- Nil.
Mrs. Madhu Dubhashi Designation – Director (Independent) DIN- 00036846	70 Years	B 29, Gate 3, Abhimanshree Society, NCL Pashan Road, Pune 411 008	February 26, 2015	- Tube Investments of India Ltd. - Majesco Limited - Pudumjee Paper Products Ltd - JM Financial Trustee Company Private Limited - Recommender Labs Pvt Ltd - Sanghvi Movers Limited - Clean Science and Technology Limited - Tega Industries Ltd
Mr. V.R. Kaundinya Designation – Director (Independent) DIN- 00043067	65 Years	Flat No. 146, Srila Heights, East Marredpally, Secunderabad - 500026	February 26, 2015	- Tilvila Horticulture Farms Private Limited - Tilvila Agri Solutions Pvt Ltd. - Syngenta India Ltd. - Bruhat Energy Solutions and Technologies Pvt Limited - Agrirain Agro Industries India Private Limited - Vasudhaika Software Private Limited - Fertis India Private Limited - IKP Centre for Advancement in Agricultural Practice - Klorofil Biologics LLP - Cxwai Tech India Private Limited - NCDEX Institute Of Commodity Markets And Research
Mr. Deepak Maheshwari Designation –	66 years	A 5602, Omkar 1973, Pandurang Budhkar Marg, Worli, Mumbai – 400030	June 26, 2019	- Nil

NAME, DESIGNATION AND DIN	AGE	ADDRESS	DIRECTOR OF THE COMPANY SINCE	DETAILS OF OTHER DIRECTORSHIP
Director DIN: 08163253				
Mr. Biju Radhakrishnan Pillai Designation – Whole time Director DIN – 08604963	53 Years	1901-ODYSSEY1, Orchard Avenue Road, Hiranandani Gardens, Powai Mumbai 400076	November 07, 2019	- NIL
Mr. Babu Rao Busi Designation - Additional (Independent) Director	62 Years	16 / 63, MHB Colony Reclamation, Bandra West, Mumbai - 400050	April 16, 2021	- UTI Infrastructure Technology & Services Limited - Axis Securities Limited - Genbanext Technologies Pvt Ltd

Note: None of the current directors of the company is appearing in the RBI defaulter list and/or ECGC default list.

Details of Change in Directors over the last 3 years on August 19, 2021

Name of Director	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Biju Radhakrishnan Pillai DIN: 08604963	07.11.2019	NA	Appointed as Whole time Director
Mr. Deepak Maheshwari DIN: 08163253	26.06.2019	NA	Appointed as Non-Executive Director
Mr. Cyril Anand DIN: 07489389	11.07.2019	12.04.2016	Resigned as Director
Mr. Pralay Mondal	Ceased to be Director from 14.09.2020	18.04.2019	Resigned as Director

Name of Director	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
DIN: 00117994			
Mr. Rajesh Kumar Dahiya DIN: 07508488	Ceased to be Director from 18.03.2019	10.07.2018	Resigned as Director
Mr. Amitabh Chaudhry DIN: 00531120	17.01.2019	NA	Appointed as Chairman (Non-Executive Director)
Mr. Srinivasan Varadarajan DIN: 00033882	Ceased to be Director from 20.12.2018	20.10.2012	Resigned as Director
Mr. Jairam Sridharan DIN – 05165390	Ceased to be director from 05.03.2020	03.10.2017	Resigned as Director
Mr. Cyril Anand Madireddi DIN – 07489389	Ceased to be director from 11.07.2019	12.04.2016	Resigned as Director
Mr. K.N. Prithviraj DIN – 00115317	28.07.2021	NA	Ceased to be an Independent Director
Mr. Babu Rao Busi DIN – 00425793	16.04.2021	NA	Appointed as Additional (Independent) Director

3. MANAGEMENT'S PERCEPTION OF RISK FACTORS

Every business carries inherent risks and uncertainties that can affect financial conditions, results of operations and prospects. Investors should carefully consider all the information in this Offer Letter, including the risks and uncertainties described below, as well as the financial statements contained in this Offer Letter, before making an investment in the Debentures. The Company believes that the following risk factors may affect its ability to fulfil its obligations under the Debentures issued under the Debenture Documents. All of these factors are contingencies which may or may not occur and the Company is not in a position to express a view on the likelihood of any such contingency occurring.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where such implications are not quantifiable and hence any quantification of the underlying risks has not been disclosed in such risk factors. You should not invest in the Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your own tax, financial and legal advisors about the particular consequences of an investment in the Debentures. Unless otherwise stated, our financial information used in this section is derived from our audited unconsolidated financial information, prepared in accordance with accounting standards generally accepted in India.

Risks relating to the Issue:

The following are some of the risks envisaged by the Company's management. Investors should consider the same carefully for evaluating the Issuer and its business before making any investment decision. Unless the context requires otherwise, the risk factors described below apply to the Issuer only. If any one of the risks occur, the Company's business, financial conditions and results of operations could suffer and therefore the value of the Issuer's securities could decline.

The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures issued under this Offer Letter, but the inability of the Issuer, as the case may be, to pay necessary amounts, on or in connection with any Debentures may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Debentures are exhaustive. Investors should also read the detailed information set out elsewhere in this Offer Letter and reach their own views prior to making any investment decision.

Risks relating to the Company

1. Interest Rate Risk

The Company's business is largely dependent on interest income from its operations. The Company is exposed to interest rate risk principally as a result of lending to customers at interest rates and in amounts and for periods, which may differ from its funding sources (institutional / bank borrowings and debt offerings). The Company seeks to match its interest rate positions to minimize interest rate risk. Despite these efforts, there can be no assurance that significant interest rate movements will not have an effect on its results of operations. Interest rates are highly sensitive to many factors beyond its control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Due to these factors interest rates in India have historically experienced a relatively high degree of volatility. Nevertheless, the endeavor of the Company will be to keep the interest rate risk at minimum levels by proactively synchronizing resource securing and lending activities on an ongoing basis.

2. Access to Capital Markets and Commercial Borrowings

The Company's growth will depend on its continued ability to access funds at competitive rates. With the growth of its business, the Company is increasingly reliant on funding from the debt capital markets and commercial borrowings. The market for such funds is competitive and its ability to obtain funds at competitive rates will depend on various factors, including its ability to maintain its credit ratings. While its borrowing costs have been competitive in the past due to its credit rating and the quality of its asset portfolio, if the Company is unable to access funds at an effective cost that is comparable to or lower than its competitors, the Company may not be able to offer competitive interest rates for its loans. This may adversely impact its business and its future financial performance. The value of its collateral may decrease or the Company may experience delays in enforcing its collateral when its customers default on their obligations, which may result in failure to recover the expected value of collateral and adversely affect its financial performance.

The developments in the international markets affect the Indian economy including the financial liquidity position. Our Company is exposed to the risk of liquidity in the financial markets. Changes in economic and financial conditions could make it difficult for the Company to access funds at competitive rates. Being an NBFC, we also face certain restrictions to raise money from international markets which are relatively cheaper sources of money and this further constrains our ability to raise cheaper funds.

3. Failure to recover the expected value of collateral when borrowers default on their obligations to Company may adversely affect its financial performance.

The Company cannot guarantee that it will be able to realize the full value of its collateral, due to, among other things, defects in the perfection of collateral, delays on its part in taking immediate action in bankruptcy foreclosure proceedings, stock market downturns, claims of other lenders, legal or judicial restraint and fraudulent transfers by borrowers. In the event a specialized regulatory agency gains jurisdiction over the borrower, creditor actions can be further delayed. In addition, to put in place an institutional mechanism for the timely and transparent restructuring of corporate debt, the RBI has devised a corporate debt restructuring system. Any failure to recover the expected value of collateral security could expose the Company to a potential loss. Apart from the RBI guidelines, the Company may be a part of a syndicate of lenders, the majority of whom elect to pursue a different course of action than the Company would have chosen. Any such unexpected loss could adversely affect business, prospects, results of operations and financial condition.

4. Asset-Liability mismatches in the short term, which could affect company's liquidity position.

The difference between the value of assets and liabilities maturing in any time period category provides the measure to which we are exposed to the liquidity risk. As is typical for several NBFCs, a portion of our funding requirements is met through short-term funding sources, i.e. working capital demand loans, cash credit, short term loans and commercial papers. However, some portion of our assets has medium or long-term maturities. As the Company grows its business, the proportion of medium and long-term assets in the portfolio is expected to grow. In the event that the existing and committed credit facilities are withdrawn or are not available to the Company, funding mismatches may be created and it could have an adverse effect on our business and our future financial performance.

5. Our inability to control the number and value of NPAs in our portfolio could adversely affect our business and results of operations.

The Company's inability to control or reduce the number and value of its NPAs may lead to deterioration of the quality of its loan portfolio and may severely impact its business. While the Company's total provisioning against the NPAs at present may be adequate to cover all the identified losses in our loan portfolio, there may not be any assurance that in future the provisioning, though compliant with regulatory requirements, will be sufficient to cover all anticipated losses. Further, the Company may not be able to meet its recovery targets set for the particular financial year due to the intense competition witnessed at both global and domestic levels. In such circumstances, there could be an increase in the number and value of NPAs which can impact the Company.

6. System failures, infrastructure bottlenecks and security breaches in computer systems may adversely affect our business.

Our businesses are highly dependent on our ability to process, on a daily basis, a large number of increasingly complex transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services. If any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our

businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security.

7. Our indebtedness and restrictive covenants imposed by our financing agreements could restrict our ability to conduct our business and operations.

Our financing agreements require us to maintain certain security margins. Should we breach any financial or other covenants contained in any of our financing agreements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Under the terms of some of the credit lines, the Company is required to obtain the prior written consent of the concerned lender prior to the Company entering into any scheme of expansion, merger, amalgamation, compromise or reconstruction or selling, leasing, transferring all or a substantial portion of its fixed and other assets; making any change in ownership or control or constitution of our Company, or in the shareholding or management or majority of directors, or in the nature of business of our Company; or making amendments in the Company's MoA and Articles. This may restrict/ delay some of the actions / initiatives that our Company may like to take from time to time.

8. We may not get the benefits of being Axis Group Company in case of any change of control.

In case of any change of control due to any event such as transfer of shares by our Promoter, preferential allotment to any investor, our ability to leverage the "AXIS" brand may get affected and the benefits of being an AXIS company including leveraging of business from other AXIS companies may not be available to us and consequently, could adversely impact our business operations and profitability.

9. We are exposed to various operational risks including the risk of fraud and other misconduct by employees or outsiders.

Like other financial intermediaries, we are also exposed to various operational risks which include the risk of fraud or misconduct by our employees or even an outsider, unauthorized transactions by employees or third parties, misreporting and non-compliance of various statutory and legal requirements and operational errors. It may not be always possible to deter employees from the misconduct or the precautions we take to detect and prevent these activities may not be effective in all cases. Any such instances of employee misconduct or fraud, the improper use or disclosure of confidential information, could result in regulatory and legal proceedings and may harm our reputation and also our operations.

10. We may not be able to attract or retain talented professionals required for our business.

The complexity of our business operations requires highly skilled and experienced manpower. Such highly skilled personnel give us a competitive edge. Further the successful implementation of our growth plans would largely depend on the availability of such skilled manpower and our ability to attract such qualified manpower. We may lose many business opportunities and our business would suffer if such required manpower is not available on time. Though we have appropriate human resource policies in place, we may face the risk of losing our key management personnel due to reasons beyond our control and we may not be able to replace them in a satisfactory and timely manner which may adversely affect our business and our future financial performance.

11. The Company faces increasing competition from established banks and NBFCs. The successful implementation of our growth plans depends on our ability to face the competition.

The Company's main competitors are established commercial banks and NBFCs. Over the past few years, the financing area has seen the entry of banks, both nationalized as well as foreign. Banks have access to low cost funds which enables them to enjoy higher margins and / or offer finance at lower rates. NBFCs do not have access to large quantities of low cost deposits, a factor which can render them less competitive. The Company also faces increased competition from new NBFCs foraying into this space and some of which have been quite aggressive in their pricing to garner market share.

12. We may have a high concentration of loans to certain customers or group of customers. If a substantial portion of these loans becomes non-performing, our business and financial performance could be affected.

Our business of lending with or without securities exposes us to the risk of third parties that owe us money. Our loan portfolio and non-performing asset portfolio has, or may in the future, have a high concentration in certain customers or groups of customers. These parties may default on their obligations to us due to bankruptcy, lack of liquidity, operational failure, breach of contract, government or other regulatory intervention and other reasons including inability to adapt to changes in the macro business environment. Historically, borrowers or borrower groups have been adversely affected by economic conditions in varying degrees. Credit losses due to financial difficulties of these borrower's / borrower groups in the future could adversely affect our business and our financial performance.

Risks Relating to the Utilization of Issue Proceeds

13. Our management will have significant flexibility in applying proceeds of the Issue.

The funds raised through this Issue, after meeting the expenditures of and related to the Issue, will be used for our various activities, including but not restricted to, lending and investments, to repay our existing loans, our business operations including capital expenditure and working capital requirements.

The Main Objects clause of the Memorandum of Association of the Company permits the Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which the Company has been carrying on till date.

The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board.

Further as per the provisions of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for this Issue.

Risks Relating to the Debentures/Non-Convertible Securities of the Issuer on the stock exchanges

14. The Debentures are perpetual in nature.
The Debentures are perpetual unless the Issuer / Company elects to redeem the securities as permitted under the brief terms and conditions below. Accordingly, the Debentures have no fixed final redemption date. In addition, holders of the Debentures have no right to call for the redemption

of the Debentures, although they may launch proceedings against the Issuer in the event of non-payment and / or insolvency of the Company or winding-up.

15. There may be no active market for the Debentures on the platform of the Stock Exchanges. As a result, the liquidity and market prices of the Debentures may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the Debentures will develop. If an active market for the Debentures fails to develop or be sustained, the liquidity and market prices of the Debentures may be adversely affected. The market price of the Debentures would depend on various factors, *inter alia*, including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iv) general economic conditions, and, (v) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the Debentures, which may trade at a discount to the price at which you purchase the Debentures and/or be relatively illiquid.

16. Payments to be made on the Debentures will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the Debentures.

The Debentures are unsecured and are subordinated to the claims of all other senior or secured creditors. The Debentures are senior only to share capital and any other securities at par with share capital of the Company.

The Debentures will be subordinated to certain liabilities preferred by law such as the claims of the Govt on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, the assets of Borrower will be available to pay obligations on the Debentures only after all of those liabilities that rank senior to these Debentures have been paid as per Section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the Debentures.

17. There is no assurance that the Debentures issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

In accordance with applicable law and practice, permissions for listing and trading of the Debentures issued pursuant to this Issue will not be granted until after the Debentures have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the stock exchanges. There could be a failure or delay in listing the Debentures on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the Debentures is not granted by the stock exchanges, our Company will forthwith repay, with interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to the Offer Document. There is no assurance that the Debentures issued pursuant to this Issue will be listed on stock exchanges in a timely manner, or at all.

18. The Debenture Holders may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the Debentures.

Our ability to pay interest accrued on the Debentures and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors *inter alia* including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount

outstanding from time to time on the Debentures and/or the interest accrued thereon in a timely manner or at all.

19. Changes in general interest rates in the economy may affect the price of our Debentures.

All securities where a fixed rate of interest is offered, such as our Debentures, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and /or a growing economy, are likely to have a negative effect on the price of our Debentures.

20. We are not required to maintain any Debenture Redemption Reserve (DRR) for the Debentures issued under this Offer Letter.

No Debenture Redemption Reserve is being created for the issue of Debentures in pursuance of this document since creation of Debenture Redemption Reserve is not required for the proposed issue of Debentures by the Issuer as per Rule 18(7) of the Companies (Share Capital & Debentures) Rules 2014, as they are privately placed debentures issued by a non-banking financial company.

21. Any downgrading in credit rating of our Debentures may affect the value of Debentures and thus our ability to raise further debts.

The Debentures are rated 'CRISIL AAA/Stable' by CRISIL Ratings Limited and 'IND AAA/Stable' by India Ratings & Research Private Ltd. The Issuer cannot guarantee that the rating will not be downgraded. Such a downgrade in the above credit rating may lower the value of the Debentures and may also affect the Issuer's ability to raise further debt.

External Risk Factors

1. Our business may be adversely impacted by COVID 19.

Since the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak are unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company.

2. Our business may be adversely impacted by natural calamities or unfavorable climatic changes.

An earthquake or other natural calamities / disaster could disrupt operations or impair critical systems. Any of these disruptions or other events outside of our control could affect our business negatively, harming our operating results and consequently the price of our Debentures.

3. We are subject to regulatory and legal risk which may adversely affect our business.

The operations of an NBFC are subject to regulations framed by the RBI and other authorities including regulations relating to foreign investment in India. The Company is required to maintain a CRAR of 15%, besides complying with other prudential norms.

We are also subject to changes in Indian laws, regulations and accounting principles. There can be no assurance that the laws governing the Indian financial services sector will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not affect our business and future financial performance.

4. Any downgrading of India's sovereign rating by an international rating agency (ies) may affect our business and our liquidity to a great extent.

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial performance and our ability to obtain financing to fund our growth on favourable terms, or at all.

5. Civil unrest, terrorist attacks and war could affect our business.

Terrorist attacks and other acts of violence, war or conflicts, particularly those involving India, as well as the United States of America, the United Kingdom, Singapore and the European Union, may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect our business and profitability. India has from time to time experienced, and continues to experience, social and civil unrest, terrorist attacks and hostilities with neighboring countries. Also, some of India's neighboring countries have experienced, or are currently experiencing internal unrest. This, in turn, could have a material adverse effect on the market for securities including the Debentures. The consequences of any armed conflicts are unpredictable, and we may not be able to foresee events that could have an adverse effect on our business and the price and yield of the Debentures.

4. DETAILS OF DEFAULT

Statutory Dues	Nil
Debentures and Interests thereon	Nil
Deposits and interest thereon	Nil
Loan from any bank or financial institution and interest thereon	Nil
Annual filing of the Company under the Companies Act, 2013 or the Rules made thereunder	Nil

5. PARTICULARS OF THE OFFER

a.	Financial Position of the Company for the last three financial year	Please refer Annexure D of this Offer Letter
b.	Date of passing of board resolution	The board resolution dated 16 th April 2021 (Extract of the certified copy of the board resolution dated 16 th April 2021 has been annexed in Annexure H)
c.	Date of passing of resolution in the general meeting, authorizing the offer of securities	20 th July, 2021 (Extract of the certified copy of the resolution has been annexed in Annexure I)
d.	Kinds of securities offered (i.e. whether share or debenture) and class of security	Fully paid Unsecured, Tier I, Perpetual, Redeemable, Non-Convertible Debentures

e.	Total number of securities to be issued	Series 6/2021-22, 100 Debentures plus 100 Debentures under Green Shoe Option
f.	Price at which the security is being offered including the premium, if any, alongwith justification of the price	Face Value: INR 1,00,00,000 Issue Price: INR. 1,00,00,000 Justification: Not Applicable Premium: None
g.	Name and address of the valuer who performed valuation of the security offered	Not Applicable
h.	Relevant Date with reference to which the price has been arrived at	Not Applicable
i.	Class or Classes of persons to whom allotment is proposed to be made	Investors permissible under Companies Act, 2013 and applying through Electronic Book Mechanism Platform provided by BSE
j.	Proposed Time within which allotment shall be completed	In accordance with the provisions stated under the Companies Act, 2013 and the SEBI Regulations
k.	Change in control, if any in the Company would occur consequent to the Private Placement	Nil
l.	Number of persons to whom allotment on Private Placement basis has already been made during the year in terms of number of securities as well as price	Secured Debentures - In FY 2021-22, the Company has allotted (in 04 series) in aggregate 10,240 Secured, Redeemable, Non-Convertible Debentures bearing face value of INR 10,00,000 per debenture to eligible allottees. Un-secured / Subordinated Debentures - In FY 2021-22, the Company has allotted (AFL_Sr 03) in aggregate 1000 Subordinated Unsecured (Tier II) Redeemable debentures bearing face value of INR 10,00,000 per debenture to eligible allottees.
m.	The Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable
On.	Amount which the company intends to raise by way of securities	Rs. 100,00,00,000/- (Rupees One Hundred Crores only) plus green shoe of Rs. 100,00,00,000/- (Rupees One Hundred Crores only)
o.	Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment	Please refer to Annexure A (Terms and Conditions of this Issue) of this Offer Letter

p.	Proposed time schedule for which the offer letter is valid	Issue Opening Date: August 24, 2021 Issue Closing Date: August 24, 2021
q.	Purposes and objects of the offer	<p>The object of the Issue is to augment long-term resources of the Company in its line of business and business operations including for capital expenditure, working capital requirements, augmenting tier 1 etc.</p> <p>The expenses of the present issue would also be met from the proceeds of the Issue. The Main Object Clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the present issue and also the activities, which the Company has been carrying on till date.</p> <p>Interim Use of Proceeds The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities.</p>
r.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	NIL
s.	Principle terms of assets charged as security, if applicable	NA.
t.	Details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	NIL
U	Pre-issue and Post-issue Shareholding Pattern of the Company	Please refer Annexure F of this Offer Letter

Terms of Issue of Perpetual Debt Instrument (PDI) for being eligible for inclusion in Tier I as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016:

Sr. No.	Terms of Issue	
1.	Currency	Indian Rupees

2.	Amount	In the aggregate of up to Rs. 100,00,00,000 (Rupees One Hundred Crores only) with green shoe option of Rs.100,00,00,000 (Rupees One Hundred Crores) to be issued in one tranche comprising of one or more Series of the aggregate nominal value
3.	Limits	The issuance Debentures is within the prescribed limits as per RBI RDI Directions
4.	Maturity Period	Perpetual
5.	Rate of Interest	7.90% p.a.
6.	Call Option	<p>Debentures shall have a call option which may be exercised by the Company any time after the end of 10 years from the Deemed Date of Allotment of the Debentures, subject to provision of prior written notice to the holders of the Debentures and the Debenture Trustees at least twenty-one (21) days before the date from which such right is exercisable.</p> <p>Call option shall be exercised only with the prior approval of RBI. While considering the proposals for exercising the call option the RBI would, among other things, take into consideration the CRAR position of the Issuer both at the time of exercise of the Call Option and after the exercise of the Call Option.</p>
7.	Step-up Option	100 bps (After the lapse of ten years from the date of allotment, if the Call Option is not exercised by the Issuer).
8.	Lock-In Clause	<p>(a) These Unsecured Debentures shall be subjected to a lock-in clause in terms of which the Issuer may defer the payment of interest, if:</p> <ol style="list-style-type: none"> the CRAR of the Issuer is below the minimum regulatory requirement prescribed by the RBI; or the impact of such payment results in CRAR of the Issuer falling below or remaining below the minimum regulatory requirement prescribed by the RBI; <p>(b) However, the Issuer may pay interest with the prior approval of the RBI when the impact of such payment may result in net loss or increase the net loss, provided the CRAR remains above the regulatory norm.</p> <p>(c) The interest shall not be cumulative except in cases as in (a) above.</p> <p>All instances of invocation of the lock- in clause shall be notified by the issuing NBFCs – ND – SI to the Regional Office of Department of Non – Banking Supervision of the Reserve Bank of India in whose jurisdiction NBFC is registered</p>
9.	Seniority of Claim	<p>The claim of the investor in the Debentures issued as Perpetual Debt Instrument (PDI) shall be:</p> <ol style="list-style-type: none"> Superior to the claims of investors in equity share; and

		b) Subordinated to the claims of all other creditors.
10.	Discount	NA
11.	Other Conditions	<p>(a) The Debentures issued under this Offer Letter shall be fully paid-up, unsecured, and free of any restrictive clauses and the issue of Debentures and the terms and conditions applicable thereto shall be compliant with the provisions of Companies Act and all other laws for the time being in force including the rules, regulations, directions and guidelines issued by the applicable regulatory authorities.</p> <p>(b) Subject to compliance with extant FEMA Regulations, the Company shall obtain prior approval of the Reserve Bank of India, on a case-by-case basis, for investment by FIIs / NRIs in PDI to be raised by the Issuer.</p> <p>(c) The Company, shall comply with the terms and conditions, if any, stipulated by SEBI/other regulatory authorities in regard to issue of the Debentures.</p>

6. MODE OF PAYMENT FOR SUBSCRIPTION & BIDDING DETAILS

The Applicants shall pay the subscription amount through any one of the below modes -

- NEFT/RTGS
- Cheque
- Demand Draft
- Other Banking Channels

DETAILS OF BIDDING:

- Mode of Bidding: Open Bidding
- Mode of Yield allotment: : Uniform Yield
- Manner of Funds Pay-in: Through Clearing Corporation of BSE (ICCL)
- Bid Opening and Closing Date: August 24, 2021
- Minimum Bid Lot: The minimum application lot shall be INR 1,00,00,000 (Indian Rupees One Crore) and in the multiples of INR 1,00,00,000 (Indian Rupees One Crore) thereafter.
- Settlement Cycle- T+1

7. DISCLOSURES PERTAINING TO WILFUL DEFAULT (IF ANY)

- (a) Name of the bank declaring the entity as a wilful defaulter; NIL
- (b) The year in which the entity is declared as a wilful defaulter; NIL
- (c) Outstanding amount when the entity is declared as a wilful defaulter; NIL
- (d) Name of the entity declared as a wilful defaulter; NIL
- (e) Steps taken, if any, for the removal from the list of wilful defaulters; NIL
- (f) Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions; NIL
- (g) Any other disclosure as specified by the Board. : NIL

8. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.

i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons	NIL
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	Our parent is Axis Bank Limited which is a banking entity. As on date, considering the size of operations of Axis Bank Limited, there are no tax litigations resulting in material liabilities. Further there are no cases either individually or in the aggregate, that would have a material adverse effect on the financial condition, results of operations or cash flows of Axis Bank Limited.
iii.	Remuneration of directors (during the current year and last three financial years)	Please refer to Annexure B (<i>Remuneration of the Directors during the Current Year and the Last Three Financial Years</i>) of this Offer Letter.
iv.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided	Please refer to Annexure C (<i>Related Party Transactions entered during the Last Three Financial Years</i>) of this Offer Letter.
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark	NIL
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries	NIL
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company	NIL

b. Procedure and time schedule for allotment and issue of Debentures

Issue Set up Date on EBP	20 th August, 2021
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Issue Open Date	24th August 2021
Issue Close Date	24th August, 2021
Pay-In Date	25th August, 2021
Deemed Date Of Allotment	25th August, 2021

Procedure:

Link to BSE's

Circular: <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20210816-32>

c. Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration -Provided as per **Annexure K**.

9. DISCLOSURE IN TERMS OF SEBI CIRCULAR NO. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 DATED NOVEMBER 03, 2020

"Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.";

Terms and conditions of Debenture trustee agreement including fees charged by Debenture Trustee

The Issuer has executed the Debenture Trustee Appointment Agreement (DTAA) with the Debenture Trustee on August 20, 2021.

Service charges of Debenture Trustee As mentioned in their consent letter bearing reference no. CL/MUM/21-22/DEB/350 dated 9th August, 2021.

Process of Due Diligence carried out by Debenture Trustee- Not applicable- As this issue is of unsecured debt securities by the Issuer, no security is proposed to be created by the Issuer.

10 FINANCIAL POSITION OF THE COMPANY

(a) Capital structure of the Company

Details of Share Capital as on June 30, 2021:

Share Capital (Rs.)	482,25,00,000
Authorized Share Capital (Rs.)	10,00,00,00,000
Issued, Subscribed and Paid-up Share Capital (Rs.)	482,25,00,000

(ii) Paid up Capital

Particulars	Amount (Rs)
a. After the offer	482,25,00,000
b. After conversion of convertible instruments, if applicable	NA
c. Share premium account (before and after the offer)	NA

(iii) Change in capital structure as on June 30, 2021 during the last 3 years:

Date of Change (AGM/EGM)	Rs.	Particulars
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April 25, 2013	3,000,000,000	Increase in Authorised Share Capital from Rs. 500,000,000 to Rs. 3,000,000,000
February 26, 2015	3,300,000,000	Increase in Authorised Share Capital from Rs. 3,000,000,000 to 3,300,000,000
October 28, 2015	10,000,000,000	Increase in Authorised Share Capital from Rs. 3,300,000,000 to Rs. 10,000,000,000

(iv) Equity Share Capital history of the Company as on June 30, 2021 and last 3 Years

Date of Allotment	No of Equity Shares	Face Value (INR)	Issue Price (INR)	Consideration (Cash, other than cash)	Nature of Allotment	Cumulative		
						No of equity shares	Equity Share Capital (INR)	Equity share Premium
11.09.2020	15,00,000	10	10	Refer Note below	Refer Note below	48,22,50,000	482,25,00,000	0
28.02.2018	6,25,00,000	10	20	Cash	Rights Issue	48,07,50,000	480,75,00,000	625,000,000
27.06.2016	5,00,00,000	10	20	Cash	Rights Issue	41,82,50,000	418,25,00,000	500,000,000
17.11.201	5,00,00,000	10	20	Cash	Rights	36,82,50,000	368,25,00,000	500,000,000
01.01.201	6,25,00,000	10	16	Cash	Rights	31,82,50,000	318,25,00,000	375,000,000
27.05.2013	25,00,00,000	10	10	Cash	Preferential	25,57,50,000	255,75,00,000	0
08.02.2013	20,00,000	10	200	Cash	Conversion of Preference	57,50,000	5,75,00,000	38,00,00,000

Note : (1) Allotment of 15,00,000 Equity Shares of Rs. 10 each at par aggregating to 1,50,00,000 to the shareholders of the Axis Private Equity Limited pursuant to the order dated 27th February 2020 passed by the Hon'ble National Company Law Tribunal, Mumbai bench approving the Scheme of Amalgamation between the Company (as Transferee Company) and Axis Private Equity Limited (as Transferor Company); (2) the equity shares issued and allotted as aforesaid shall rank pari-passu in all respects (including dividend) with the existing equity shares in the Company.

(v) Details of any Acquisition or Amalgamation in the last 1 year:

The Scheme of Amalgamation between Axis Finance Limited and Axis Private Equity Limited (Transferor Company, One of the Group Company) has been approved by the Hon'ble NCLT, Mumbai vide its order dated 27th February 2020 (certified true of the same was made available on 24 July 2020).

Subsequently, the Order of NCLT was filed with the Registrar of Companies (ROC), Maharashtra Mumbai and ROC has approved the Scheme of Amalgamation on September 02, 2020.

(vi) Details of any Reorganization or Reconstruction in the last 1 year: -

Type of Event	Date of	Date of	Details
Nil	Nil	Nil	Nil

(vii) Details of Promoter Holding in the Company as on August 19, 2021:-

Sr. No	Particulars	Total no of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity
1.	Axis Bank Limited	48,22,50,000 *	48,22,50,000	100%

Notes- (1) *Includes 65 shares held by the nominees of Axis Bank Limited.

(2) None of the Shares are pledged or encumbered by the promoters.

(viii) Details of the shareholding of the Company as on August 19, 2021: -

Sr. No	Particulars	Total no of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity
1.	Axis Bank Limited	48,22,50,000 *	48,22,50,000	100%

Notes- (1) *Includes 65 shares held by the nominees of Axis Bank Limited.

(2) None of the Shares are pledged or encumbered by the promoters.

(ix) List of top 10 holders of equity shares of the Company as on August 19, 2021:

Sr No	Name of the shareholders	Total Number of Equity	No of shares in demat form	Total Shareholding as % of total no of equity
1.	Axis Bank Limited	48,22,50,000 *	48,22,50,000	100%

Notes- (1) *Includes 65 shares held by the nominees of Axis Bank Limited.

(2) None of the Shares are pledged or encumbered by the promoters.

(b) Following details regarding the auditors of the Company: -

Name: S.R.Batliboi & Co. LLP

Addresses: 12 Floor The Ruby, 29, Senapati Bapat Marg, Dadar West, Mumbai - 400028

Contact Person: Jitendra H. Ranawat

Tel: +91 22 6819 0000

Fax: +91 22 6192 1000

Email: srbc@srb.in

- Details of change in auditor since last three years:

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
S.R.Batliboi & Co. LLP	12th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar (West), Mumbai - 400028	July 10, 2018	-	No change in Auditor during 3 years.

- (c) **Profits of the Company, before and after making provisions for tax, for the three financial years immediately preceding the date of circulation of offer document:**

(in crores)

Particulars	FY 21	FY 20	FY 19
Profit before provision for tax	262.33	240.45	325.41
Less: provision for tax	67.71	76.73	114.86
Profit after provision for tax	194.62	163.71	210.55

- (d) **Dividends declared by the Company in respect of the said three financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)**

Particulars	FY 21	FY 20	FY 19
Dividend Paid Rs. in Crs	NIL	144.89	NIL
Interest Coverage Ratio	0.65	1.46	1.65

- (e) **Gross Debt/ Equity Ratio of the Company:-**

As per IGAAP

*Before the issue of debt securities (considering the debt position & net worth as on 31.07.2021)	6.21
**After the issue of debt securities (considering 200 Cr. Debt addition to 31.07.2021 position & net worth as on 31.07.2021)	6.42

- (f) Summary of financial position of the Company as in the three audited balance sheets immediately preceding the date of circulation of Offer Letter- Please refer to **Annexure D** (Summary of Financial Position of the Company during the Last Three Financial Years) of this Offer Letter.
- (g) Audited Cash Flow Statements for the three years immediately preceding the date of circulation of the offer letter- Please refer to **Annexure E** (Audited Cash Flow Statements for the Last Three Financial Years) of this Offer Letter.
- (h) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company: None
- (i) Illustration of Cash Flows from the Debentures- Please refer to **Annexure K** of this Offer Letter.
- (j) Details of borrowings of the Company, as on June 30, 2021- Please refer to **Annexure G** of this Offer Letter.

- The amount of corporate guarantee issued by the Issuer along with name of the Counterparty (like name of the subsidiary, JV, entity, group company, etc) on behalf of whom it has been issued: **NIL**
- Details of rest of borrowing as on June 30, 2021: **NIL**

Name of Party (in case of facility)/ Name of Instrument	Type of facility/ Instrument	Amount sanctioned/ issued	Principal Amount outstanding	Date of Repayment/ Schedule	Credit Rating	Secured/ Unsecured	Security

- Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years:

As of June 30, 2021, there was no default /s and/or delay in payments of interest and principal of any kind of term loans, debt securities.

- Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option: **NIL**

- (k) Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the Investor's decision to invest / continue to invest in the debt securities

There is no material event / development or change at the time of issuance of this document which may affect the Issue or the Investors' decision to invest / continue to invest in the debt securities. Please also refer to the Risk Factors.

- (l) The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given his consent to the Issuer for his appointment under regulation 4 (4) and in all the subsequent periodical communications sent to the holders of debt securities:

The Company has appointed Catalyst Trusteeship Limited as the Debenture Trustee to the Issue. Catalyst Trusteeship Limited has given consent to act as the Debenture Trustee on behalf of the Debenture holders. A copy of the consent letter is enclosed as **Annexure J**

- (m) The detailed rating rationale (s) adopted (not older than one year on the date of opening of the issue)/ credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed:

The Company has obtained credit rating from the following agency, of which the proposed issue forms a part:

Instrument	Rating Agency	Rating Assigned	Amount Rated (Face Value) In Rs. Cr.	Rating Rationale
Perpetual NCD	CRISIL	CRISIL AAA/STABLE	300	https://www.crisil.com/mnt/winshare/Ratings/RatingList/RatingDocs/AxisFinanceLimited_August%2003,%202021_RR_275295.html

- (n) If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the Investor along with timelines), the same shall be disclosed in the offer document:

Not Applicable. There is no guarantee/letter of comfort stipulated as security.

- (o) Names of all the recognized stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange:

The Debentures are proposed to be listed on the BSE Limited.

- (p) Key Operational and Financial Parameters for the last three audited years*

*on consolidated basis (wherever available) else on standalone basis (₹ in crore)

Parameters	FY2020-2021	FY2019-2020	FY 2018-2019
Balance Sheet			
Net Fixed assets	16.46	16.28	14.41
Current assets	3,242.02	4,291.28	4,688.05
Non-current assets	7953.57	3,632.09	3,438.12
Total assets	11212.05	7,939.66	8,126.18
Non-Current Liabilities (including maturities of long-term borrowings and shortterm borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net) Other non-current liabilities	5,031.81	2,803.09	2,373.94
Current Liabilities (including maturities of long-term borrowings) Financial (borrowings, trade payables, and other financial liabilities)	4,737.75	3,891.99	4,531.85

Provisions			
Current tax liabilities (net)			
Other current liabilities			
Equity (equity and other equity)	1442.48	1,244.57	1,220.39
Total equity and liabilities	11212.05	7,939.66	8,126.18
Profit and Loss			
Total revenue			
From operations	1,029.16	1,000.50	894.34
Other income			0.89
Total Expenses	766.84	760.28	569.82
Total comprehensive income			
Profit / loss	194.64	163.16	210.54
Other comprehensive income	0.02	(0.33)	(0.01)
Profit / loss after tax	194.62	163.49	210.55
Earnings per equity share: (a) basic; and (b) diluted			
Continuing operations	4.04	3.39	4.38
Discontinued operations			
Total Continuing and discontinued operations			
Cash Flow			
Net cash generated from operating activities	665.52	290.25	104.84
Net cash used in / generated from investing activities	(775.24)	16.10	(106.06)
Net cash used in financing activities	(1.62)	(145.24)	-
Cash and cash equivalents	50.68	162.02	0.91
Balance as per statement of cash flows	50.68	162.02	0.91
Additional information			
Net worth	1,442.48	1,244.57	1,220.39
Cash and Cash Equivalents	50.68	162.02	90.62
Current Investments	761.07	0.03	-
Assets Under Management	10,989.37	7,635.72	8,025.57
Off Balance Sheet Assets	-	-	-

Total Debts to Total assets	0.86	0.84	0.83
Debt Service Coverage Ratios	7.87%	11.53%	12.32
Interest Income	1,014.72	994.01	888.19
Interest Expense	489.77	520.34	499.64
Interest service coverage ratio	1.54	1.46	2.14
Provisioning & Write-offs	121.21	140.83	21.58
Bad debts to Account receivable ratio	-	-	-
Gross NPA (%)	2.85%	4.49%	0.38%
Net NPA (%)	1.86%	3.18%	0.19%
Tier I Capital Adequacy Ratio (%)	13.05	15.02	14.31
Tier II Capital Adequacy Ratio (%)	6.50	7.99	6.78

(r) Debt Equity Ratio of the Company:

Debt to equity ratio	
*Before the issue of debt securities (considering the debt position & net worth as on 31.07.2021)	6.21
**After the issue of debt securities (considering 200 Cr. Debt addition to 31.07.2021 position & net worth as on 31.07.2021)	6.42

*considering the full amount of the issue including green shoe option

(s) Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability:

(t) Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash:

Debt Securities	in whole or part,	at a premium or discount	in pursuance of an option or not
NIL			

11 OTHER DETAILS

- (i) Silent Feature of Perpetual Debt Instrument as per "Master Direction DNBR. PD. 008/03.10.119/2016-17" dated 01st September, 2016, updated as on February 17, 2020.
In terms of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, in connection with "Enhancement of NBFCs' capital raising option for capital adequacy purposes" following are some of the terms and conditions applicable to Perpetual Debt Instruments (PDI) for being eligible for inclusion in Tier I capital:

- a. Maturity period of PDIs shall be perpetual.
- b. However, the Company shall have 'call option' subject to strict compliance with each of the following conditions:
 - i. that the instrument has run for a minimum period of ten years from the date of allotment of the Debentures and
 - ii. Call option shall be exercised only with the prior approval of RBI.
While considering the proposals for exercising the call option the RBI would, among other things, take into consideration the CRAR position of the Issuer both at the time of exercise of the call option and after the exercise of the call option.
- c. PDIs shall be subjected to a lock-in clause in terms of which the Company may defer the payment of interest, if
 - i. the CRAR of the Company is below the minimum regulatory requirement prescribed by RBI; or
 - ii. the impact of such payment results in capital to risk assets ratio (CRAR) of the Company falling below or remaining below the minimum regulatory requirement prescribed by the RBI;
- d. However, the Company may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided the CRAR remains above the regulatory norm.
- e. The interest shall not be cumulative except in cases as in (c).
- f. The claims of the investors in PDI shall be:
 - i. superior to the claims of investors in equity shares; and
 - ii. subordinated to the claims of all other creditors.
- g. PDI shall be unsecured and free of any restrictive clauses.
- h. Call option price shall be at Face Value.

(ii) DRR creation - relevant regulations and applicability:

This being a private placement of Debentures the Issuer is not required to create a DRR. However, the Issuer shall create a DRR, if required under Applicable Law, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by the central government or any government agency or corporation having authority under law in respect of creation of DRR, the Issuer shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Holders or the Debenture Trustee and shall also cause the same to be registered, where necessary

(iii) Setting up of Recovery Expense Fund - relevant regulations and applicability

The Company has set up a Recovery Expense Fund by duly depositing a sum of INR 25,00,000 (Rupees Twenty-Five Lakhs Only) in account number BSEALF10819 maintained with HDFC Bank Ltd, Fort Branch in favour of BSE on March 1, 2021. The Company hereby agrees and undertakes to deposit with BSE such additional amount as may be required as per the provisions of the Act and the guidelines and circulars issued and notified by the SEBI from time to time.

(iv) Issue/instrument specific regulations - relevant details (Companies Act, RBI guidelines, etc):

This Issue of Debentures is subject to the provisions of the Companies Act, the MoA and Articles, the terms of this Offer Letter, and the Application Form. Over and above such terms and conditions, the Debentures shall also be subject to other terms and conditions as may be incorporated in the Debentures Documents/ Letters of Allotment/ Debenture Certificates, guidelines, notifications, regulations relating to the issue of debentures, including the applicable SEBI regulations / guidelines / circulars and the RBI directions, as amended from time to time.

(v) Right of the Company to Purchase, Consolidate, Re-sell and Re-issue Debentures:

a) Purchase and Resale of Debentures:

The Company may, subject to Applicable Law at any time and from time to time, at its sole and absolute discretion purchase some or all of the Debentures held by the Debenture Holders at any time prior to the specified date(s) of redemption / put / call as specified in

the relevant offer document. Such buy-back of Debentures may be at par or at discount / premium to the face value at the sole discretion of the Company. The Debentures so purchased may, at the option of the Company, be cancelled, consolidated, held or resold in accordance with the provisions of the Applicable Law.

b) Reissue of Debentures:

The Company shall have a right to repurchase the said Debentures or any of the Series of the Debentures and cancel or re-issue them from time to time in accordance with the provisions of the Act and Applicable Law. Upon such re-issue the person entitled to the Debentures shall have and shall be deemed always to have had, the same rights and priorities as if the Debentures had never been redeemed.

(vi) Succession:

In the event of demise of a Debenture Holder, the Company will recognize the executor or administrator of the demised Debenture Holder or the holder of succession certificate or other legal representative of the demised Debenture Holder as the registered holder of such Debentures, if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter and delivers a copy of the same to the Company. The Company may, in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the demised Debenture Holder on production of sufficient documentary proof or indemnity. In case a person other than individual holds the Debentures, the rights in the Debentures shall vest with the successor acquiring interest therein, including liquidator or any such person appointed as per the Applicable Law.

(vii) Effect of Holidays

Should any of the Due date(s), as defined above or elsewhere in this Offer Letter or in any respective tranche offer document, fall on a non-Business Day, the next Business Day shall be considered as the effective date for the purpose of coupon/interest payment and the previous Business Day shall be considered as the effective date for the purpose of payment of redemption proceeds. However, in case any such payment falls on a holiday, the amount of that payment and the amounts and dates of all future payments shall remain as originally stipulated at the time of issuing the Debentures.

All interest & redemption calculations shall be made upto 1 (one) Business Day prior to the date of actual payment.

(viii) Application process

Who can apply?

This Offer Letter and the contents hereof are restricted to only the intended recipient(s) who have been addressed directly through a communication by or on behalf of the Company, and only such recipients are eligible to apply for the Debentures.

The categories of Investors eligible to invest in the Debentures, when addressed directly, include a) Qualified Institutional Buyers (QIBs), as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, and any non-QIB investor including arranger(s), who are eligible to participate in the issue through an Electronic Book Mechanism of BSE (BSE BOND – EBP).

How to apply?

Applications for the Debentures must be made by Investors in the Application Form, and must be completed in block letters in English. Application Forms must be accompanied by either a demand draft or cheque or electronic transfer drawn or made payable at par in favour of Axis Finance Limited and should be crossed "account payee only". The full amount of the face value of the Debentures applied for has to be paid along with the delivery of the fully completed and executed Application Form. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in each Pricing Supplement. The applications not completed in the said manner are liable to be rejected. The Application Forms duly completed accompanied by account payee cheques/drafts/application money/transfer instructions from the respective Investor's account to the account of the Issuer, shall be submitted at the registered office. Cheques/demand drafts/electronic transfers may be drawn on any scheduled bank and payable at Mumbai. Returned cheques are not liable to be presented again for collection, and the accompanying Application Forms are liable to be rejected. In case the returned cheques are presented again the necessary charges, if any, are liable to be debited to the Investor. The Company assumes no responsibility for any applications/cheques/demand drafts lost in mail or in transit. Investors are required to submit certified true copies of the following documents, along with the subscription form, as applicable:

- Memorandum and articles of association/constitutional documents/bye-laws/trust deed
- Government notification/ Certificate of incorporation;
- Board resolution / letter authorizing the investment along with operating instructions;
- Certified true copy of the power of attorney, wherever applicable;
- Specimen signature of the authorised signatories, duly certified by an appropriate authority
- Copy of the PAN card;
- Form 15AA granting exemption from tax deductible at source on interest;
- Form 15H for claiming exemption from tax deductible at source on interest on application money, if any;
- Order under Section 197 of the IT Act;
- Order under Section 10 of the IT Act.

The officials should sign the Application Form under their official designations.

The payment to be made for subscription of the Debentures shall be made from the bank account of the person subscribing to such Debentures and in case the Debentures are to be held/ subscribed by joint holders then the payment shall be made from the bank account of the person whose name first appears in the Application Form.

Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority, as the case may be, along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or

authority should be notified to the Issuer or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

Application by Mutual Funds

In case of applications made by mutual funds, only through an asset management company a separate application must be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the asset management company/ trustees/ custodian clearly indicate their intention as to the scheme for which the application has been made.

Right to Accept or Reject Applications

The Company is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application Forms that are not complete in all respects shall be rejected at the sole and absolute discretion of the Company, and would not be paid any interest on the application money. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Interest on application money will be paid from the date of realisation of the cheque(s)/ demand drafts(s) till one day prior to the date of refund. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

1. Number of Debentures applied for is less than the minimum application size;
2. Bank account details not given;
3. Details for issue of Debentures in electronic/ dematerialised form not given;
4. PAN/GIR and IT Circle/Ward/District not given;
5. In case of applications under Power of Attorney by limited companies, corporate bodies, etc. relevant documents not submitted;

In the event, if any Debentures applied for is not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Issue Program

The Debentures issued under this Disclosure Document shall be issued through the Electronic Book Mechanism and the Issuer shall accordingly notify the details of each such issuance of Debentures as per the Chapter VI of the Operational Guidelines issued by the Securities and Exchange Board of India dated August 10, 2021 through one of the EBPs. Accordingly, the Issuer shall receive bids (during such hours of business as may be specified by the Issuer in this Information Memorandum or such other time as may be notified by the Issuer through the relevant EBP) from the eligible applicants through the relevant EBP. At the sole discretion of the Issuer, the bids of the eligible applicants may be accepted by the Issuer and such applicants of successful bids shall be allotted Debentures as per the terms of the Disclosure Documents.

Please refer **Annexure A** of this Offer Letter for detailed Issue Program.

The manner of funds pay-in so chosen and details thereof:

- Fund Payin by Investor to be done on T+1 where T is the Issue Day.
- Pay in shall be done through Clearing Corporation of BSE, i.e. Indian Clearing Corporation Limited "ICCL"

Procedure and time of schedule for Allotment

On the Debentures being subscribed under this Issue, the Debentures would be Allotted by the Board. The Company will credit the Depository Participant account of the allottee, in favour of the allottees or send a refund letter along with refund amount, in accordance with the provisions hereunder and the Debenture Documents.

Basis of Allotment

The Company has the sole and absolute right to Allot the Debentures to any applicant.

Issue of Debentures

After completion of all legal formalities the Company shall credit the depository account of the allottee within 2 (two) trading days from the date of allotment.

Designated Account

If the Issuer is not able to allot the Debentures within 60 (sixty) days of receipt of application money, it shall repay the application money to the subscribers within 15 (fifteen) days from the date of completion of 60 (sixty) days and if the Issuer fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest at the rate of 12% (twelve per cent.) per annum from the expiry of the 60th (sixtieth) day:

Provided that monies received on application under this section shall be kept in the Account with the Designated Bank and till the allotment of Debentures shall not be utilised for any purpose other than—

- (a) for adjustment against allotment of Debentures; or
- (b) for the repayment of monies where the Issuer is unable to allot the Debentures.

Dispatch of Refund Orders

The Company shall ensure dispatch of refund orders, if any, by registered post.

Loss of Interest Cheques / Refund Cheques

Loss of interest cheques/refund cheques should be intimated to the Company along with request for issue of duplicate instrument. The issue of duplicate in this regard shall be governed by Applicable Law and any other conditions as may be prescribed by the Company.

Payment Mechanism:

Subscription should be as per the final allocation made to the successful bidder as notified by the Issuer. Successful bidders should do the funds pay-in to the following bank account of clearing corporation of BSE i.e. ICCL (“Designated Bank Account”);

Bank Name : ICICI Bank Limited

IFSC Code : ICIC0000106

Current A/c No : ICCLEB

Beneficiary Name : INDIAN CLEARING CORPORATION LTD

Successful bidders must do the funds pay-in to the Designated Bank Account on or before 10:30 a.m. on the Pay-in Date ("Pay-in Time"). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE BOND - EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE BOND - EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back.

Note: In case of failure of any successful bidder to complete the funds pay-in by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to the successful bidder. Funds pay-out would be made by BSE to the bank account of the Issuer registered on the BSE BOND-EBP Platform.

Real Time Gross Settlement / National Electronic Fund Transfer/ cheque / demand draft will be accepted. The Issuer assumes no responsibility for any applications lost in mail.

Applications should be for the number of Debentures applied by the Applicant. Applications not completed in the said manner are liable to be rejected. The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-tax Act, 1961 or where the same has not been allotted, the GIR No. and the

Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the IT Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" nor in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose.

Application forms without this information will be considered incomplete and are liable to be rejected.

All applicants are requested to tick the relevant column "Category of Investor" in the application form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

Computation of interest

Interest for each of the relevant Interest Periods shall be computed on the basis of actual number of days elapsed in a year of 365 (three hundred and sixty five) days or 366 days (three hundred and sixty six days) in case of a leap year.

Interest at the applicable Interest rate will be paid only to the beneficiaries as per the beneficiary list provided by the Depository as on the Record Date. Interest on the Debentures shall be payable on the relevant Interest Payment Date for the respective options of Debentures, and if

such day is not a Business Day, then the Business Day immediately after such day provided that the Interest shall be calculated till the last day of the relevant Interest Period.

In the case of joint holders of Debentures, Interest shall be payable to the first named Debenture Holder.

In the case of redemption of any of the Debentures on a day other than an Interest Payment Date, accrued Interest on the Debentures for such broken period shall be paid on a pro-rata basis.

Pursuant to the SEBI circular bearing number CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI Circular No. CIR/IMD/DF1/122/2016 dated November 11, 2016, if the due date in respect of redemption of the Debentures, liquidated damages, fees and all other monies payable under these presents falls on a day other than a Business Day, then such amounts as due and payable on such day, would be paid on the previous Business Day (which shall be a day when the money market is functioning in Mumbai) without any interest for the period outstanding. In case the interest payment date falls on a day other than a Business day then the interest shall be paid on the succeeding Business Day, (which shall be a day when the money market is functioning in Mumbai) however the future coupon payment dates would be as per the schedule originally stipulated in the Offer Letter.

All payments made by the Issuer to any Debenture Holder are exclusive of all taxes, other than any taxes on income which income taxes may be deducted at source as per the IT Act or any other statutory modification or re-enactment thereof, and such sums shall be credited / deposited as per the provisions of IT Act.

Redemption

Each Options of the Debentures will be redeemed on their respective Final Maturity Dates.

Payment on redemption

Payment of the redemption amount of the Debentures will be made by the Company to the beneficiaries as per the beneficiary list provided by the Depositories as on the Record Date. The Debentures shall be taken as discharged on payment of the Outstanding Amounts of the Debentures by the Company to the beneficiaries as per the beneficiary list. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holders. On such payment being made, the Company will inform the Depository and accordingly the account of the Debenture Holders with Depositories will be adjusted. The Company's liability to the Debenture Holder for each options of Debentures in respect of all their rights including for payment or otherwise shall cease and stand extinguished after the respective Final Maturity Date. Upon dispatching the payment instrument towards payment of the Outstanding Amounts of the Debentures as specified above in respect of the Debentures, the liability of the Company shall stand extinguished. Further, the Issuer will not be liable to pay any interest or compensation from such date of redemption.

Mode of Transfer

The Debentures shall be freely transferable to all classes of eligible investors subject to compliance with Applicable Laws. The Debentures shall be transferred and/or transmitted in accordance with applicable provisions of the Companies Act and other Applicable Laws.

Transfer of Debentures (being in dematerialised form) would be in accordance to the rules/ procedures as prescribed by the Depositories.

Rights of Debenture Holders

The Debentures Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under any Applicable Law including the Companies Act and the Debenture Documents. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Company.

Modification of Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of majority debenture holders, or where such rights, terms, privileges etc. pertain to only a specific Option of Debentures and not all Debentures, of majority debenture holders holding Debenture of such Options, or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture Holders (or the Debenture Holders of a particular Options, as the case may be), carried by a majority consisting of not less than three-fourths of the persons voting there upon a show of hands or, if a poll is demanded by a majority representing not less than three-fourths in value of the votes cast on such poll, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not accepted in writing by the Issuer. Provided however that where the Debenture Trustee determines any such condition, terms etc. which are to be modified to be of a of a formal, negligible, minor or technical nature, the Debenture Trustee may, at any time, without prejudice to the rights of the Debenture Holders in respect of any subsequent modification, modify such rights, privileges, terms and conditions.

Future Borrowings

The Company shall with the intimation to the Debenture Trustee be entitled to make further issue(s) of debentures, raise further loans and advances and/or avail further deferred payment guarantees or other financial facilities from time to time from such persons/ banks/ financial institutions or body corporate/ any other agency and for such create any mortgage or charge on any of the aforesaid properties or assets.

Delay in Listing:

In case of delay in listing of the Debt securities beyond T+4 working days from the closure of issue, the Company shall pay penal interest of 1.00% p.a over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing)

Default in Payment

In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate shall be payable by the Issuer for the defaulting period.

Tax Deduction at Source

Tax as applicable under the IT Act or under any other statutory modification or re-enactment thereof will be deducted at source on coupon payment. Requisite certificate for tax deducted at source, as contemplated and/or required under the provisions of IT Act from time to time, will be issued to the registered holders of the Debentures as per the records on the Record Date as applicable.

Interest payable subsequent to the Deemed Date of Allotment of Debentures will be treated as 'Interest on Securities' as per the relevant Income Tax Rules. Debenture Holders desirous of claiming exemption from deduction of income tax at source on the interest payable on Debentures should submit tax exemption certificate/ document, under Section 193 of the IT Act, if any, at the office of the Issuer, at least 30 (thirty) days before the payment becoming due. Tax exemption certificate/declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.

Terms of Debenture Documents

The provisions of this Offer Letter and the covenants, undertakings, representations and disclosures made by the Issuer under this Offer Letter shall be supplemental / in addition to the obligations, undertakings, covenants, representations etc. of the Issuer incorporated under the other Debenture Documents.

Debenture Trustee Appointment

The Debenture Trustee has executed Debenture Trustee Agreement dated August 20, 2021 and as per the Debenture Trustee Agreement, the Debenture Trustee is entitled to the fees, remuneration and all reasonable costs, charges, travelling, legal and expenses as set out in the consent letter dated consent letter CL/MUM/21-22/DEB/350 dated August 9, 2021 appended herein as Annexure J for its services as the Debenture Trustee. Under the Debenture Trustee Agreement, the Company has agreed to provide the details of the bank account from which the Company proposes to make the payment of interest and/or redemption of principal due to the Debenture Holder prior to the execution of the Debenture Trust Deed.

Depository Arrangements

The Issuer has appointed Link Intime India Private Limited as Registrars and Transfer Agent for the present Issue. The Issuer has made necessary depository arrangements with NSDL and CDSL for issue and holding of Debentures in dematerialized form. Investors can hold the debentures only in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time. The Depository Participant's name, DP-ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. The Issuer shall take necessary steps to credit the Debentures allotted to the depository account of the Debenture Holder.

Disclaimer in respect of jurisdiction

This Issue is made in India to Investors who shall be specifically approached by the Company. This Offer Letter does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any Person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts of Mumbai. This Offer Letter does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any Person to whom it is unlawful to make an offer or invitation in such jurisdiction.

No action is being taken to permit an offering of the Debentures or the distribution of this Offer Letter in any jurisdiction where such action is required. The distribution of this Offer Letter and the offering and sale of the Debentures may be restricted by law in certain jurisdictions. Persons into whose possession this Offer Letter comes are required to inform themselves about and to observe any such restrictions.

Other Consents

Catalyst Trusteeship Limited has given its written CL/MUM/21-22/DEB/350 dated August 9, 2021 for its appointment as Debenture Trustee to the Issue under Regulation 4(4) of the SEBI Regulations and inclusion of its name in the form and context in which it appears in this Offer Letter. See **Annexure J** hereof.

Force Majeure

The Issuer reserves the right to withdraw the issue prior to the Deemed Date of Allotment in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Issuer reserves the right to change the issue schedule.

Breach of Covenant by Issuer may be Waived

The Trustee may, at any time, after obtaining the consent of the Majority Debenture Holders or where the breach is of the covenants only with respect to specific options of Debentures and not all Debentures, the Majority Debenture Holders holding the specific Option of Debentures, waive on such terms and conditions as to them shall seem expedient any breach by the Issuer of any of the covenants and provisions in the Debenture Documents without prejudice to the rights of the Trustee in respect of any subsequent breach thereof. Provided however that where the Debenture Trustee determines such breach to be of a formal, negligible, minor or technical nature, the Debenture Trustee may, at any time, without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof, waive on such terms and conditions as it shall deem expedient any such breach by the Issuer.

Lock-in Clause

In terms of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, in connection with "Enhancement of NBFCs' capital raising option for capital adequacy purposes" containing terms and conditions applicable to Perpetual Debt Instruments (PDI) for being eligible for inclusion in Tier I capital, (a) these Unsecured Debentures shall be subjected to a lock-in clause in terms of which the Company may defer the payment of interest, if (i) the CRAR of the Issuer is below the minimum regulatory requirement prescribed by RBI; or (ii) the impact of such payment results in CRAR of the Issuer falling below or remaining below the minimum regulatory requirement prescribed by RBI; (b) However, the Issuer may pay interest with the prior approval of the RBI when the impact of such payment may result in net loss or increase the net loss, provided the CRAR remains above the regulatory norm. (c) The interest shall not be cumulative except in cases as in (a) above. (d) All instances of invocation of the lock-in clause shall be notified by the issuing NBFCs – ND – SI to the Regional Office of Department of Non – Banking Supervision of the Reserve Bank of India in whose jurisdiction NBFC is registered.

MATERIAL DOCUMENTS

Copies of the following documents may be inspected at the registered office of the Company from 11:00 am to 1:00 pm on any working day (Monday to Friday) until the date of closing of this Issue:

- Certified copies of last 3 Financial Years' Annual Report containing the audited Balance Sheet and Profit & Loss Account.
- Certified true copy of the Certificate of Incorporation of the Company
- Certified true copy of the Certificate dated April 25, 2002 issued by RBI, under section 45IA of the Reserve Bank of India Act, 1934.
- Certified copy of Shareholders' Resolution dated 20th July 2021, the Board Resolutions dated 16th April 2021 authorizing Issue of Debentures offered under terms of this Offer Letter and other relevant Debenture Documents and the list of authorized signatories.
- Certified true copy of the Memorandum and Articles of the Company.
- Copy of the consent letter bearing reference no CL/MUM/21-22/DEB/350 dated August 9, 2021 Catalyst Trusteeship Limited for acting as Debenture Trustee for and on behalf of the holder(s) of the Debentures.
- Copy of the letter bearing reference no. RL/ENAMF/275295/PBOND/0821/15083/95922660 dated 03.08.2021 issued by CRISIL Ratings Limited conveying the credit rating for the Debentures of the Company and the rating rational pertaining thereto.
- Copy of the tripartite agreement between the Company, National Securities Depository Ltd/Central Depository Services (India) Ltd and the Registrar to the Issue of Debentures in dematerialized form.
- Copy of the Debenture Trustee Appointment Agreement.
- Copy of the Debenture Trust Deed.

PART B

1	Name	
2	Father's Name	
3	Complete Address including Flat/House Number, Street, Locality, PIN Code	
4	Phone Number	
5	Email ID	
6	PAN Number	
7	Bank Account Details	

Signature (Of the Applicant)

UNDERTAKING BY THE ISSUER

i) "Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors

is invited to the statement of 'Risk factors' given on page number 13-22 under the section 'General Risks'."

ii) "The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Letter contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

iii) "The Issuer has no side letter with any debt securities holder. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed."

DECLARATION

The Company and each of the Directors of the Company hereby confirm that

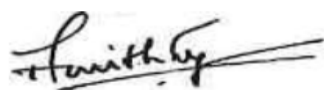
- a. the Company has complied with the provisions of the Companies Act and the rules made thereunder;
- b. the compliance with the Act and the rules made thereunder does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.
- d. the Permanent Account Number of the Promoter and of the directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed, at the time of filing the draft offer document.

I am authorized by the Board of Directors of the Company vide resolution dated 16th April 2021 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Thanking You.

For Axis Finance Limited.



Authorised Signatory

Name: Mr. Amith Iyer

Designation: CFO & Head Treasury

Place: Mumbai

Date: August 20, 2021

Attachments: -

Annexure A- Terms and Conditions of the Issue (as amended)

Annexure B- Remuneration to Directors

Annexure C- Related Party Transactions

Annexure D- Summary of Financial Position of the Company during the Last Three Financial Years

Annexure E- Audited Cash Flow Statements for the last 3 (three) years immediately preceding the date of this Offer Letter.

Annexure F- Pre-Issue and Post-Issue Shareholding Pattern

Annexure G- Details Of Borrowing As On June 30, 2021

Annexure H- Certified Copy Of Board Resolution

Annexure I- Certified Copy Of The Shareholders Resolution

Annexure J – Consent Of Trustee ,Credit Rating Letter and Rating Rationale

Annexure K- Illustration Of Cash Flows From The Debentures

Annexure L- Disclosures of NBFCs

Annexure M- Audit Report From Statutory Auditor For FY Ended March 31, 2021

ANNEXURE A
Terms and Conditions of the Issue (as amended)

Security Name	7.90% PERPETUAL NCD, AFL
Issuer	Axis Finance Limited. ("AFL" or the "Company" or the "Issuer")
Type of Instrument	Fully paid Unsecured Redeemable Non-Convertible Perpetual Debentures which will be part of Tier 1 Capital
Nature of Instrument	Unsecured
Seniority	The claim of the investor in Perpetual Debt Instrument (PDI) shall be: c) Superior to the claims of investors in equity share; and d) Subordinated to the claims of all other creditors.
Mode of Issue	Private Placement
Debenture Trustee	Catalyst Trusteeship Limited
Eligible Investors/ Eligible Participants	Qualified Institutional Buyers (QIBs), as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, and
Listing (including the name of the stock exchange where it will be listed and timeline for listing)	The NCDs will be listed on the Wholesale Debt Market Segment (WDM) of the BSE Ltd (BSE). The Issuer proposes to list these Debentures on the BSE Limited. The Issuer confirms that the Debentures would be listed within 4 (four) Trading days from the Closure of Issue. Delay in Listing: In case of delay in listing of the debt securities the Company shall pay penal interest of 1 % p.a. over the coupon rate.
Objects of the Issue / Details of utilization of proceeds	The object of the Issue is to augment long-term resources of the Company in its line of business and business operations including for capital expenditure, working capital requirements, augmenting Tier 1 etc. The expenses of the present issue would also be met from the proceeds of the Issue. The Main Object Clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the present issue and also the activities, which the Company has been carrying on till date. Interim Use of Proceeds The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds

	out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities.
Details of utilisation of Issue Proceeds	The proceeds of the issue will be utilized for general corporate purposes including augmenting long-term financing requirements of the company in its business and also for other purposes as may be decided by our Board and as permissible under applicable laws and government policies.
Security- [Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.]	Not Applicable (Unsecured)
Series	AFL 06 /2021-22
Credit Rating	'CRISIL AAA/Stable' issued by CRISIL Ratings Ltd vide their letter bearing reference no. RL/ENAMF/275295/PBOND/0821/15083/95922660 dated 03.08.2021
Issue Size	In the aggregate of up to Rs. 100,00,00,000 (Rupees One Hundred Crores only) with green shoe option of Rs.100,00,00,000 (Rupees One Hundred Crores) to be issued in one tranche comprising of one or more Series of the aggregate nominal value as specified in the Information Memorandum Document
Issue Amount	Rs. 100.00 crores
Green Shoe	Rs. 100.00 crores
Option to retain oversubscriptions	As mentioned in the Green shoe section
Coupon Rate	7.90% p.a.
Step Up/Step Down Coupon Rate	100 bps (After the lapse of ten years from the date of allotment, if call is not exercised).
Coupon payment dates	25 th August every year
Coupon Type	Fixed

Coupon Payment Frequency	Annually
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	N.A.
Put Option Date	N.A.
Put Option Price	N.A.
Call Option Date	NCDs will have a call option which may be exercised by the Company any time after the end of 10 years from the Deemed Date of Allotment of the Debentures, subject to provision of prior written notice to the holders of the Debentures and the Debenture Trustees at least twenty-one (21) calendar days before the date from which such right is exercisable.
Conditions for exercising the Call Option	<p>Call option shall be exercised subject to strict compliance with each of the following conditions:</p> <p>a) That the instrument has run for a minimum period of ten years from the date of issue; and</p> <p>b) Call option shall be exercised only with the prior approval of RBI.</p> <p>While considering the proposals received for exercising the Call Option, RBI would, among other things, take into consideration the position of the Issuer's Capital to Risk Assets Ratio ("CRAR"), both at the time of and after the exercise of the Call Option.</p>
Call option Price	At the Face Value
Put Notification time	N.A.
Call Notification time	Any redemption of the NCDs on account of exercise of Call Option shall be subject to the Issuer giving not less than twenty-one (21) calendar days' prior notice to the NCD holders and Debenture Trustee.
Proceeding against the Issuer:	The holders of the Instrument directly or acting through the Debenture Trustee may initiate proceedings against the Company in the event of (a) Non-payment of Interest subject to Lock in Clause as specified in RBI Guidelines as amended from time to time and / or Insolvency of the Company or Winding-Up
Day Count Basis	Actual/Actual
Tenor	Perpetual
Redemption Date	N.A. (Perpetual)
Redemption Amount	N.A. (Perpetual)
Redemption Premium	N.A

Issue Price	At par, Rs.1,00,00,000/- per NCD
Face Value	Rs.1,00,00,000/- each (Rs. One Crore each)
Discount at which security is issued and the effective yield as a result of such discount	N.A.
Issue Opening Date/Bid Opening Date	24 th August 2021
Issue Closing Date/Bid Closing Date	24 th August 2021
Pay in Date	25 th August 2021
Deemed Date of Allotment	25 th August 2021
Manner of bidding in the issue	Open Bidding
Manner of allotment in the issue	Uniform yield allotment
Manner of settlement in the issue	Through clearing corporation
Settlement cycle	T+1
Minimum Application (Minimum Bid Lot) and in multiples of _Debt securities thereafter	The minimum Application shall be Rs.1,00,00,000.00 (Rupees One Crore – 1 NCDs) and in multiple of Rs.1,00,00,000.00 (Rupees One Crore – 1 NCD) thereafter
Interest on Application Money	Interest on application money will be paid to investors at Coupon/ Yield to maturity (YTM) from the date of realization of subscription money upto one day prior to the Deemed Date of Allotment. Such interest shall be payable within fifteen business days from the Deemed Date of Allotment.
Discount at which security is issued and the effective yield as a result of such discount.	N.A
Lock-In Clause	<p>(d) These Unsecured NCDs shall be subjected to a lock-in clause in terms of which the Issuer may defer the payment of interest, if:</p> <ul style="list-style-type: none"> iii. the CRAR of the Issuer is below the minimum regulatory requirement prescribed by the RBI; or iv. the impact of such payment results in CRAR of the Issuer falling below or remaining below the minimum regulatory requirement prescribed by the RBI; <p>(e) However, the Issuer may pay interest with the prior approval of the RBI when the impact of such payment may result in net loss or increase the net loss, provided the CRAR remains above the regulatory norm.</p> <p>(f) The interest shall not be cumulative except in cases as in (a) above.</p> <p>(g) All instances of invocation of the lock- in clause shall be notified by the issuing NBFCs – ND – SI to the Regional Office of Department of Non – Banking Supervision of</p>

	the Reserve Bank of India in whose jurisdiction NBFC is registered
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS/NEFT/Fund Transfer
Depository	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
Arranger to the issue	ICICI Securities Primary Dealership Ltd. ICICI Centre, H T Parekh Marg, Churchgate, Mumbai – 400 020 Tel: (022) 22882460/70 Fax: 91-22-22882312 Website: www.icicisecuritiespd.com Contact Person : Mr. Saurabh Batra
Business Day Convention	<p>If the date of payment of interest does not fall on a Working Day in Mumbai, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.</p> <p>In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day in Mumbai, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.</p> <p>Working Day means a day which is not a Saturday, Sunday or a public holiday and on a day when there is no RTGS/ NEFT/ ECS clearing facility in Mumbai.</p> <p>(Refer SEBI Circular –CIR/IMD/DF-1/122/2016 dated November 11, 2016)</p>
Record Date	The record date will be 15 (fifteen) days prior to each interest payment / principal repayment date
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As per Information Memorandum (IM) / Debenture Trust Deed (DTD) and applicable Regulations.

Right to Re-purchase Debentures	The Issuer will have power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Debentures from the secondary markets at Fair Market Value or otherwise, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines/regulations
Security	Not Applicable (Unsecured)
Transaction Documents	<ol style="list-style-type: none"> 1. Debenture Trustee Appointment Agreement; 2. Information Memorandum; 3. Debenture Trust Deed 4. Term Sheet; 5. Rating Letter; 6. Trustee Consent Letter; 7. Application Form; and 8. Any other document related to the transaction that may be designated as a 'Transaction Document' by the debenture trustee.
Conditions Precedent to Disbursement	N.A.
Condition Subsequent to Disbursement	N.A.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As per the Debenture Trust Deed
Voting / conditions of joining Inter Creditor Agreement in the Event of Default	As per IM / DTD and applicable Regulations
Creation of Recovery Expense Fund	<p>The Company has set up a Recovery Expense Fund by duly depositing a sum of Rs. 25,00,000 (Rupees Twenty-Five Lakhs Only) in account number BSEALF10819 maintained with HDFC Bank Ltd, Fort Branch in favour of BSE on March 1, 2021.</p> <p>The Issuer agrees and undertakes to deposit with BSE such additional amount as may be required as per the provisions of the Act and the guidelines and circulars issued and notified by the SEBI from time to time.</p>
Conditions of breach of Covenants (As specified in Debenture Trust Deed)	As per IM / DTD and applicable Regulations
Risk factors pertaining to the Issue	Refer Section - Management's Perception Of Risk Factors as mentioned in the Information Memorandum

Default Interest Rate	In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate shall be payable by the Issuer for the defaulting period.
Delay in Listing	In case of delay in listing of the debt securities beyond 4 days from the closure of the issue, the Company shall pay penal interest of atleast @ 1 % p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing)
Provisions related to Cross Default Clause	N.A.
Role and Responsibilities of Debenture Trustee	As defined in the Debenture Trust Deed
Governing Law and Jurisdiction	Laws of India subject to jurisdiction of Mumbai courts
Disclosure in terms of SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020	<p>"Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.";</p> <p>Terms and conditions of Debenture trustee agreement including fees charged by Debenture Trustee</p> <p>The Issuer will be executing the Debenture Trustee Appointment Agreement (DTAA) and the Debenture Trustee Deed (DTD) before issue opening date.</p> <p>Service charges of Debenture Trustee As mentioned in their consent letter bearing reference no. CL/MUM/21-22/DEB/350 dated 9th August, 2021.</p> <p>Process of Due Diligence carried out by Debenture Trustee- Not applicable- As this being issue of unsecured subordinated debt securities by the Issuer, no security is proposed to be created by the Issuer.</p>
RBI Guidelines	Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time.
Settlement	Indian Clearing Corporation Limited (ICCL)

ANNEXURE B

REMUNERATION OF DIRECTORS (DURING THE CURRENT YEAR AND LAST THREE FINANCIAL YEARS)

FY 2020 – 21	Rs. 4,07,65,575
FY 2019-20	Rs. 2,88,68,413/-
FY 2018-19	Rs. 2,63,06,463/-

ANNEXURE C
RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST THREE FINANCIAL YEARS
FY 18-19, FY 19-20 & FY 20-21

Related Parties disclosure:

Disclosure in respect of Related Parties pursuant to Accounting Standard – 18:

List of Related Parties:-

Parties where control exists: Holding Company

Axis Bank Limited ("ABL")

Fellow subsidiary companies

Axis Private Equity Limited ("APEL") (amalgamated with AFL vide order dated 27 February 2020 (CTC made available on 24 July 2020) passed by Hon'ble NCLT, Mumbai bench)

Axis Securities Limited ("ASL")

Axis Mutual Fund Trustee Limited ("AMFTL")

Axis Trustee Services Limited ("ATSL")

Axis Asset Management Company Limited ("AAMCL")

Axis Bank U.K. Limited ("ABUKL")

Axis Capital Limited ("ACL")

A. Treds Limited ("ATL")

Freecharge Payment Technologies Private Limited ("FPTPL") (w.e.f. 6 October 2017)

Accelyst Solutions Private Limited ("ASPL") (w.e.f. 6 October 2017)

Subsidiaries of Fellow subsidiary company/ies

Axis Capital USA LLC (subsidiary of Axis Capital Ltd.) (w.e.f. 2 August 2017)

Key management person

Bipin Kumar Saraf, Managing Director and Chief Executive Officer

Amith Iyer, Chief Financial Officer

Rajneesh Kumar, Company Secretary

Transactions with related parties

Transactions with related parties for FY 18-19

Nature of transactions	Holding Company ₹	Fellow Subsidiary ₹	Key Management † Personnel ₹	Total ₹
Income				
Processing fees (ABL)	1,32,71,793	-	-	1,32,71,793
	(13,37,64,859)	(-)	(-)	(13,37,64,859)
Capital Receipts and Payments				
Issue of Equity Share Capital (Including Share premium) (ABL)	-	-	-	-
	(1,25,00,00,000)	(-)	(-)	(1,25,00,00,000)
Non-Convertible Debentures (ABL)	50,00,00,000	-	-	50,00,00,000.00
	(1,00,00,00,000)	(-)	(-)	(1,00,00,00,000)
Sale of Desktops (ACL)	-	28,262	-	28,262
	(-)	(-)	(-)	(-)
Expenses				
Dividend Paid (ABL)	-	-	-	-
	(1,21,27,82,500)	(-)	(-)	(1,21,27,82,500)
Rent paid (ABL)	1,70,18,991	-	-	1,70,18,991

	(1,03,06,692)	(-)	(-)	(1,03,06,692)
Rent paid (ASL)	-	-	-	-
	(-)	(3,42,000)	(-)	(3,42,000)
Bank charges (ABL)	33,189	-	-	33,189
	(20,999)	(-)	(-)	(20,999)
NACH charges (ABL)	11,720	-	-	11,720
	(8,420)	(-)	(-)	(8,420)
Reimbursement of staff cost (APEL)	-	26,14,205	-	26,14,205
	(-)	(22,22,726)	(-)	(22,22,726)
Interest paid on borrowings (ABL)	10,93,70,296	-	-	10,93,70,296
	(15,30,64,944)	(-)	(-)	(15,30,64,944)
Internet charges paid (ASL)	-	-	-	-
	(-)	(60,950)	(-)	(60,950)
Demat Charges (ASL)	-	4,57,700	-	4,57,700
	(-)	(1,05,435)	(-)	(1,05,435)
Demat Charges (ABL)	5,93,018	-	-	5,93,018
	(1,07,621)	(-)	(-)	(1,07,621)
Professional fees (ATSL)	-	3,87,500	-	3,87,500
	(-)	(7,50,000)	(-)	(7,50,000)
Salary, Rent and contribution to PF	-	-	3,47,25,121	3,47,25,121
	(-)	(-)	(3,05,91,790)	(3,05,91,790)

Service charges (ACL)	-	-	-	-
	(-)	(11,34,711)	(-)	(11,34,711)
Brokerage paid (ASL)	-	42,73,666	-	42,73,666
	(-)	(5,14,453)	(-)	(5,14,453)
IPA commission charges paid (ABL)	7,70,000	-	-	7,70,000
	(8,50,000)	(-)	(-)	(8,50,000)
Retainership fees reimbursement (ABL)	24,000	-	-	24,000
	(24,000)	(-)	(-)	(24,000)

Particulars	Holding Company	Fellow Subsidiaries including subsidiaries of fellow subsidiaries	Key Management Personnel	Total
	₹	₹	₹	₹
Service charges other – IT Service fees (ABL)	15,67,808	-	-	15,67,808
	(3,99,798)	(-)	(-)	(3,99,798)
Referral fees (ABL)	-	-	-	-
	(2,33,748)	(-)	(-)	(2,33,748)
Arrangership fees (ABL)	10,44,000	-	-	10,44,000
	(39,30,000)	(-)	(-)	(39,30,000)
Other Reimbursement of Expenses (ABL)	88,06,459	-	-	88,06,459
	(60,06,664)	(-)	(-)	(60,06,664)
Internal Audit Fees (ABL)	-	-	-	-

	(3,29,368)	(-)	(-)	(3,29,368)
Closing Balance				
Share Capital (ABL)	4,80,75,00,000	-	-	4,80,75,00,000
	(4,80,75,00,000)	(-)	(-)	(4,80,75,00,000)
Overdraft Account Balance (ABL)	4,15,41,84,797	-	-	4,15,41,84,797
	(8,43,03,24,154)	(-)	(-)	(8,43,03,24,154)
Current account balance (ABL)	68,86,395	-	-	68,86,395
	(2,10,10,611)	(-)	(-)	(2,10,10,611)
Processing fees Receivable (ABL)	-	-	-	-
	(61,99,060)	(-)	(-)	(61,99,060)
Sundry Payables (ABL)	5,08,469	-	-	5,08,469
	(73,354)	(-)	(-)	(73,354)
Sundry Receivables (APEL)	-	-	-	-
	(-)	(8,00,000)	(-)	(8,00,000)
Sundry Receivables (ASL)	-	2,26,37,615	-	2,26,37,615
	(-)	(-)	(-)	(-)
Sundry Payables (ASL)	-	-	-	-
	(-)	(56,988)	(-)	(56,988)

Note: -

1. Related party relationships and transactions have been identified by the Management and relied upon by the Auditors.

2. The remuneration to the key managerial person does not include provisions made for gratuity and leave benefits as they are determined on actuarial basis for the Company as a whole.

3. Figures in bracket pertain to previous year.

Transactions with related parties for FY 19-20

Nature of transactions	Holding Company	Fellow Subsidiaries including subsidiaries of fellow subsidiaries	Key Management Personnel	Total
Income				
Processing fees (ABL)	-	-	-	-
	(1,32,71,793.00)	(-)	(-)	(1,32,71,793.00)
Capital Receipts and Payments				
Repayment of WCDL & OD (ABL)	64,32,35,875.47	-	-	64,32,35,875.47
	(-)	(-)	(-)	(-)
Non-Convertible Debentures (ABL)	45,00,00,000.00	-	-	45,00,00,000.00
	(50,00,00,000.00)	(-)	(-)	(50,00,00,000.00)
Sale of Desktops (ACL)	-	-	-	-
	(-)	(28,262.00)	-	(28,262.00)
Expenses				
Dividend Paid (ABL)	1,20,18,75,000.00	-	-	1,20,18,75,000.00
	(-)	(-)	(-)	(-)
Rent paid (ABL)	2,74,52,214.41	-	-	2,74,52,214.41

	(1,70,18,990.84)	(-)	(-)	(1,70,18,990.84)
Bank charges (ABL)	2,89,015.29	-	-	2,89,015.29
	(33,188.70)	(-)	(-)	(33,188.70)
NACH charges (ABL)	7,97,595.00	-	-	7,97,595.00
	(11,720.00)	(-)	(-)	(11,720.00)
Reimbursement of staff cost (APEL)	-	31,31,920.00	-	31,31,920.00
	(-)	(26,14,205.00)	(-)	(26,14,205.00)
Interest paid on borrowings (ABL)	52,27,96,138.00	-	-	52,27,96,138.00
	(10,93,70,296.00)	(-)	(-)	(10,93,70,296.00)
Medicclaim exps reimbursement (ABL)	35,14,368.00	-	-	35,14,368.00
	(-)	(-)	(-)	(-)
Demat Charges (ASL)	-	3,43,235.00	-	3,43,235.00
	(-)	(4,57,700.00)	(-)	(4,57,700.00)
Demat Charges (ABL)	4,79,481.89	-	-	4,79,481.89
	(5,93,018.09)	(-)	(-)	(5,93,018.09)
Professional fees (ATSL)	-	1,50,000.00	-	1,50,000.00
	(-)	(3,87,500.00)	(-)	(3,87,500.00)
Salary, Rent and contribution to PF (KMP)	-	-	4,56,81,000.00	4,56,81,000.00

	(-)	(-)	(4,17,88,000.00)	(4,17,88,000.00)
Staff Loan given (KMP)	-	-	-	-
	(-)	(-)	(76,01,703.00)	(76,01,703.00)
Group Term Life Premium Reimbursement (ABL)	17,17,409.31	-	-	17,17,409.31
	(-)	(-)	(-)	(-)
Brokerage paid (ASL)	-	29,80,909.00	-	29,80,909.00
	(-)	(42,73,666.00)	(-)	(42,73,666.00)
IPA commission charges paid (ABL)	5,00,000.00	-	-	5,00,000.00
	(7,70,000.00)	(-)	(-)	(7,70,000.00)
Retainership fees reimbursement (ABL)	-	-	-	-
	(24,000.00)	(-)	(-)	(24,000.00)
Related Parties disclosure:				
Transactions with related parties				
Nature of transactions	Holding Company	Fellow Subsidiaries including subsidiaries of fellow subsidiaries	Key Management Personnel	Total
Service charges other – IT Service fees (ABL)	38,62,073.34	-	-	38,62,073.34
	(15,67,808.00)	(-)	(-)	(15,67,808.00)

Cersai Charges (ATSL)	-	200.00	-	200.00
	(-)	(-)	(-)	(-)
Arrangership fees (ABL)	7,02,000.00	-	-	7,02,000.00
	(10,44,000.00)	(-)	(-)	(10,44,000.00)
Other Reimbursement of Expenses (ABL)	89,42,204.49	-	-	89,42,204.49
	(88,06,459.42)	(-)	(-)	(88,06,459.42)
Royalty Charges (ABL)	1,50,53,020.00	-	-	1,50,53,020.00
	(-)	(-)	(-)	(-)
ESOP (ABL)	2,22,32,117.88	-	-	2,22,32,117.88
	(1,34,64,988.25)	(-)	(-)	(1,34,64,988.25)
Closing Balance				
Share Capital (ABL)	4,80,75,00,000.00	-	-	4,80,75,00,000.00
	(4,80,75,00,000.00)	(-)	(-)	(4,80,75,00,000.00)
Overdraft Account Balance (ABL)	3,51,09,48,921.93	-	-	3,51,09,48,921.93
	(4,15,41,84,797.40)	(-)	(-)	(4,15,41,84,797.40)
Current Account balance (ABL)	1,60,92,52,151.52	-	-	1,60,92,52,151.52
	(68,86,395.16)	(-)	(-)	(68,86,395.16)
Royalty Charges Payable (ABL)	33,48,000.00	-	-	33,48,000.00
	(-)	(-)	(-)	(-)

Sundry Payables (ABL)	51,27,140.31	-	-	51,27,140.31
	(5,08,469.32)	(-)	(-)	(5,08,469.32)
Sundry Receivables (APEL)	-	2,57,094.56	-	2,57,094.56
	(-)	(-)	(-)	(-)
Sundry Receivables (ASL)	-	4,84,29,977.59	-	4,84,29,977.59
	(-)	(2,26,37,615.00)	(-)	(2,26,37,615.00)
Staff Loan given (KMP)	-	-	72,31,445.00	72,31,445.00
	(-)	(-)	(75,28,156.17)	(75,28,156.17)
Sundry Payables (ATSL)	-	236	-	236.00
	(-)	(-)	(-)	(-)
Sundry Payables (ASL)	-	5,864.00	-	5,864.00
	(-)	(-)	(-)	(-)

Note :

1. Related party relationships and transactions have been identified by the Management and relied upon by the Auditors.
2. The remuneration to the key managerial person does not include provisions made for gratuity and leave benefits as they are determined on actuarial basis for the Company as a whole.
3. Figures in bracket pertain to previous year.

Transactions with related parties for FY 20-21

Transactions with related parties

Nature of transactions	Holding Company	Fellow Subsidiaries including subsidiaries of fellow subsidiaries	Key Management Personnel	Total
	₹	₹	₹	₹

Capital Receipts and Payments				
Repayment of WCDL & OD (ABL)	3,51,09,48,921.93	-	-	3,51,09,48,921.93
	(64,32,36,000.00)	(-)	(-)	(64,32,36,000.00)
Non-Convertible Debentures (ABL)	3,00,00,00,000.00	-	-	3,00,00,00,000.00
	(45,00,00,000.00)	(-)	(-)	(45,00,00,000.00)
Capital Infusion (ABL)	1,50,00,000.00	-	-	1,50,00,000.00
	(-)	(-)	(-)	(-)
Transactions				
Dividend Paid (ABL)	-	-	-	-
	(1,20,18,75,000.00)	(-)	(-)	(1,20,18,75,000.00)
Rent paid (ABL)	2,94,41,584.29	-	-	2,94,41,584.29
	(2,74,52,214.41)	(-)	(-)	(2,74,52,214.41)
Bank charges (ABL)	17,21,664.79	-	-	17,21,664.79
	(2,89,015.29)	(-)	(-)	(2,89,015.29)
NACH charges (ABL)	17,12,641.90	-	-	17,12,641.90
	(7,97,595.00)	(-)	(-)	(7,97,595.00)
Interest paid on borrowings (ABL)	7,89,75,925.00	-	-	7,89,75,925.00
	(52,27,96,138.00)	(-)	(-)	(52,27,96,138.00)
Mediclaime exps reimbursement (ABL)	-	-	-	-
	(35,14,368.00)	(-)	(-)	(35,14,368.00)
Demat Charges (ASL)	-	18,596.00	-	18,596.00
	(-)	(3,43,235.00)	(-)	(3,43,235.00)
Demat Charges (ABL)	7,19,111.61	-	-	7,19,111.61
	(4,79,481.89)	(-)	(-)	(4,79,481.89)
Professional fees (ATSL)	-	5,25,000.00	-	5,25,000.00

	(-)	(1,50,000.00)	(-)	(1,50,000.00)
Salary, Rent and contribution to PF (KMP)	-	-	5,68,73,340.00	5,68,73,340.00
	(-)	(-)	(4,57,62,000.00)	(4,57,62,000.00)
Staff Loan Repayment (KMP)	-	-	3,10,136.00	3,10,136.00
	(-)	(-)	(5,93,124.00)	(5,93,124.00)
Group Term Life Premium Reimbursement (ABL)	30,31,821.78	-	-	30,31,821.78
	(17,17,409.31)	(-)	(-)	(17,17,409.31)
Brokerage paid (ASL)	-	16,70,738.00	-	16,70,738.00
	(-)	(29,80,909.00)	(-)	(29,80,909.00)
IPA commission charges paid (ABL)	3,50,000.00	-	-	3,50,000.00
	(5,00,000.00)	(-)	(-)	(5,00,000.00)
Future Service Gratuity Premium Reimbursement (ABL)	3,15,395.23	-	-	3,15,395.23
	(-)	(-)	(-)	(-)

**Related Parties disclosure:
Transactions with related parties**

Nature of transactions	Holding Company	Fellow Subsidiaries including subsidiaries of fellow subsidiaries	Key Management Personnel	Total
	₹	₹	₹	₹
Service charges other – IT Service fees (ABL)	50,54,188.00	-	-	50,54,188.00
	(38,62,073.34)	(-)	(-)	(38,62,073.34)
Cersai Charges (ATSL)	-	7,050.00	-	7,050.00
	(-)	(-)	(-)	(-)
Arrangership fees (ABL)	-	-	-	-
	(7,02,000.00)	(-)	(-)	(7,02,000.00)

Other Reimbursement of Expenses (ABL)	1,48,84,401.90	-	-	1,48,84,401.90
	(89,42,204.49)	(-)	(-)	(89,42,204.49)
Interest on Fixed Deposits (ABL)	16,60,772.59	-	-	16,60,772.59
	(-)	(-)	(-)	(-)
Royalty Charges (ABL)	1,54,68,993.00	-	-	1,54,68,993.00
	(1,50,53,020.00)	(-)	(-)	(1,50,53,020.00)
ESOP (ABL)	3,26,60,578.88	-	-	3,26,60,578.88
	(2,22,32,117.88)	(-)	(-)	(2,22,32,117.88)
Closing Balance				
Share Capital (ABL)	4,82,25,00,000.00	-	-	4,82,25,00,000.00
	(4,80,75,00,000.00)	(-)	(-)	(4,80,75,00,000.00)
Overdraft Account Balance (ABL)	1,00,10,46,133.00	-	-	1,00,10,46,133.00
	(3,51,09,49,000.00)	(-)	(-)	(3,51,09,49,000.00)
Current Account balance (ABL)	44,52,84,673.29	-	-	44,52,84,673.29
	(1,60,93,33,321.52)	(-)	(-)	(1,60,93,33,321.52)
Royalty Charges Payable (ABL)	40,22,933.85	-	-	40,22,933.85
	(33,48,000.00)	(-)	(-)	(33,48,000.00)
Fixed Deposits (ABL)	1,74,52,700.00	-	-	1,74,52,700.00
	(1,78,48,551.00)	(-)	(-)	(1,78,48,551.00)
OPE Payables (ABL)	-	-	-	-
	(51,27,140.31)	(-)	(-)	(51,27,140.31)
Non-Convertible Debentures (ABL)	3,00,00,00,000.00	-	-	3,00,00,00,000.00
	(-)	(-)	(-)	(-)
Sundry Receivables (ASL)	-	2,27,55,320.00	-	2,27,55,320.00
	(-)	(4,84,29,977.59)	(-)	(4,84,29,977.59)
Staff Loan given (KMP)	-	-	69,21,309.00	69,21,309.00

	(-)	(-)	(72,31,445.00)	(72,31,445.00)
Sundry Payables (ATSL)	-	2,28,790.25	-	2,28,790.25
	(-)	(-)	(-)	(-)
Demat Charges Payables (ASL)	-	-	-	-
	(-)	(5,864.00)	(-)	(5,864.00)

Note :

1. Related party relationships and transactions have been identified by the Management and relied upon by the Auditors.
2. The remuneration to the key managerial person does not include provisions made for gratuity and leave benefits as they are determined on actuarial basis for the Company as a whole.
3. Figures in bracket pertain to previous year.

ANNEXURE D

Summary of Financial Position of the Company during the Last Three Financial Years

(INR in Crores)

For Financial Entities	FY 21	FY 20*	FY 19*
	(Audited)	(Audited)	(Audited)
Net worth	1,442.48	1,241.10	1,220.39
Total Debt	9,633.69	6,630.37	6,708.23
of which –			
- Non Current Maturities of Long Term Borrowing	5,010.60	2,937.79	2,028.81
- Short Term Borrowings	4,623.08	2,169.04	204.21
- Current Maturities of long Term Borrowings	1,970.80	1,523.54	4,475.21
Net Fixed Assets	16.46	16.28	14.41
Non-Current Assets (all non current assets excluding Fixed assets included in F.Y. 21)	7,953.57	3122.11	3,244.92
Cash and Cash Equivalents	50.68	162.01	0.91
Current Investments	761.06	-	-
Current Assets	2,430.27	4436.66	4,687.15
Current Liabilities (including provisions)	114.67	50.80	56.63
Assets Under Management	10,092.20	7840.68	8,089.78
Off Balance Sheet Assets		-	-
Interest Income	1014.72	994.01	888.19
Interest Expense	486.05	517.45	496.72
Provisioning & Write-offs	121.21	140.83	21.58
Profit before tax	262.33	240.45	325.41
Provision for tax	67.71	76.73	114.86
Profit after tax (PAT)	194.62	163.71	210.55
Gross NPA (%)	2.85%	4.49%	0.38%
Net NPA (%)	1.86%	3.18%	0.19%
Tier I Capital Adequacy Ratio (%)	13.05%	15.02%	14.31%
Tier II Capital Adequacy Ratio (%)	6.50%	7.99%	6.78%

Balance Sheet

(Rs in Crores)

Particulars	As at March 2021* (Audited)	As at March 31, 2020*	As at March 31, 2019*
ASSETS			
Financial Assets			
Cash and cash equivalents	52.42	162.01	0.91
Trade Receivables	5.20	6.83	5.06
Loans	10,092.20	7545.44	7,925.80
Investments	897.18	90.28	99.77
Other financial assets	2.19	0.87	
Sub-total-Financial assets	11,049.19	7805.43	8,031.54
Non-Financial Assets			
Current Tax Assets (net)	50.22	42.60	28.83
Deferred Tax Assets (net)	75.75	66.20	50.18
Property, plant and equipment	1.98	2.20	1.16
Other Intangible Assets	14.48	14.08	13.25
Right-of-use assets	16.87	3.60	
Other non-financial assets	3.57	2.03	1.21
Sub-total-Non-financial assets	162.86	130.71	94.63
Total – Assets	11,212.05	7936.14	8,126.17
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Debt securities	7,888.98	3806.78	3,737.23
Borrowings (Other than debt securities)	1,144.81	2294.42	2,472.52
Subordinated Liabilities	599.90	529.17	498.49
Lease Liabilities	17.49	3.73	
Other financial liabilities	79.54	35.34	175.37
Sub-total-Financial liabilities	9,730.72	6669.43	6,883.61
Non-Financial liabilities			
Provisions	20.39	12.02	8.26
Other non-financial liabilities	18.46	13.58	13.90
Sub-total-Non-financial liabilities	38.85	25.61	22.16
EQUITY			
Equity share capital	482.25	480.75	480.75
Other equity	960.23	760.35	739.64
Total – Equity	1,442.48	1241.10	1,220.39
Total - Equity and Liabilities	11,212.05	7936.14	8,126.17

* Financials of FY 2018-19 and 2019 – 20 and 2020 – 21 are reported under IND AS

Statement of Profit and Loss:

(INR. In Crores)

Particulars	For the year ended March 31, 2021 (Audited)	For the year ended March 31, 2020*	For the year ended March 31, 2019*
Revenue from operations			
Interest Income (at EIR)	1,014.72	994.01	888.19
Net gain on fair value changes	13.00	1.43	6.14
Others	1.45	4.60	0.01
Total Revenue from operations	1,029.16	1000.04	894.34
Other Income	0	0.32	0.89
Total income	1,029.16	1000.36	895.22
Expenses			
Finance Costs	489.77	520.34	499.65
Impairment on financial instruments	121.21	140.83	21.58
Employee benefit expenses	88.91	54.99	26.85
Depreciation, amortization and impairment	5.81	4.01	1.23
Others expenses	61.14	39.74	20.51
Total expenses	766.84	759.91	569.82
Profit before exceptional items and tax	262.33	240.45	325.41
Exceptional Items	0	-	-
Profit before taxes	262.33	240.45	325.41
Tax expenses			
- Current Taxes	77.26	92.64	126.30
- Deferred Taxes	(9.55)	(15.90)	(11.44)
Profit for the period	194.62	163.71	210.55

* Financials of FY 2018-19 and 2019 – 20 and FY 2020 – 21 are reported under IND AS

ANNEXURE E

AUDITED CASH FLOW STATEMENT FOR THE THREE IMMEDIATELY PRECEDING YEARS
Cash flow statement

(INR In Crores)

Particulars	For the year ended 31 st March 2021*	For the Year ended 31 March 2020*	For the Year ended 31 March 2019*
A. Cash flow from operating activities			
Profit before tax	262.33	240.23	325.41

Particulars	For the year ended 31 st March 2021*	For the Year ended 31 March 2020*	For the Year ended 31 March 2019*
<u>Adjustments for:</u>			
Depreciation, amortization and impairment (other than right-of-use assets)	4.30	3.69	1.23
Depreciation expense of right-of-use assets	1.51	0.32	-
Reversal of Provisions	-	(0.32)	(0.89)
Profit on sale of investment	(13.00)	(1.43)	(6.14)
Impairment on financial instruments	121.21	140.83	21.58
Employee Stock Option	3.27	2.22	1.35
Interest on Lease deposit	(0.05)	(0.01)	-
Amortisation of Lease rental	0.07	0.01	-
Provision for expenses	4.26	1.82	-
Provision for Employee Benefit expense	12.54	7.68	-
Interest income from investments (at amortised cost)	(24.90)	(11.26)	(0.12)
Operating profit before working capital changes	371.54	383.79	342.42
Movement in working capital:			
Decrease/(increase) in Bank Deposits	0.04	0.28	-
Decrease/(increase) in Trade Receivables	1.71	(1.86)	3.88
Decrease/(increase) in Loans	(2,666.26)	240.13	(1,419.02)
Decrease/(increase) in Other financial assets	(1.35)	(0.76)	-
Decrease/(increase) in Right-of-use assets	(14.78)	(3.93)	-
Decrease/(increase) in Other non-financial assets	(1.19)	(1.06)	(0.52)
Decrease/(increase) Debt securities	4,082.20	(67.52)	501.40
Decrease/(increase) Borrowings (Other than debt securities)	(1,149.61)	(178.10)	778.33
Increase/(decrease) Subordinated Liabilities	70.73	0.15	0.13
Increase/(decrease) in Lease Liabilities	15.38	4.07	-
Increase/(decrease) in Other financial liabilities	44.18	27.58	34.11
Increase/(decrease) in Provisions	(8.43)	(5.80)	2.76
Increase/(decrease) in Other non-financial liabilities	4.88	(0.32)	(0.75)
Cash generated from operations	749.04	396.65	242.74

Particulars	For the year ended 31 st March 2021*	For the Year ended 31 March 2020*	For the Year ended 31 March 2019*
Income tax paid	(83.52)	(106.42)	(138.23)
Net cash flow from operating activities (A)	665.52	290.23	104.51
B. Cash flow from investing activities			
Interest income from investments (at amortised cost)	10.26	11.23	-
Purchase of Property, plant and equipment	(0.93)	(1.87)	(0.82)
Purchase for Intangibles	(3.56)	(3.68)	(11.38)
Sales of investment at Amortised Cost	36.00	9.00	-
Purchase of investment at Amortised Cost	(680.00)	-	(99.67)
Proceeds from sale of investment at FVTPL	1,289.04	3,399.64	21,774.54
Purchase of investment	(1,426.05)	(3,398.21)	(21,768.40)
Net cash flow from investing activities(B)	(775.24)	16.11	(105.73)
C. Cash flow from financing activities			
Payment towards Lease Liability	(1.62)	(0.34)	-
Payment of dividend	-	(120.19)	-
Payment of Dividend Distribution Tax	-	(24.70)	-
Net cash flow from financing activities(C)	(1.62)	(145.23)	-
Net increase/(decrease) in cash and equivalents(A+B+C)	(111.34)	161.11	(1.22)
Cash and cash equivalents at the beginning of the year	162.02	0.91	2.13
Cash and cash equivalents at the end of the year	50.68	162.02	0.91
Note:			
Cash and cash equivalents includes:			
Cash	-	-	-
Balance with banks	50.68	162.02	0.91
Bank Overdraft			
	50.68	162.02	0.91

*** Financials of FY 2018-19 and 2019 -20 and FY 2020 - 21 are reported under IND AS**

ANNEXURE F – PRE-ISSUE AND POST-ISSUE SHAREHOLDING PATTERN OF THE COMPANY

Sr. No.	Category	Pre-Issue		Post Issue	
		No. of shares held	% of share holding	No. of shares held	% of share holding
<u>A</u>	Promoters' holding				
<u>1</u>	Indian	-	-	-	-
	Individual	65*	Negligible	65*	Negligible
	Bodies Corporate	48,22,49,935	100.00	48,22,49,935	100
	Sub-total	48,22,50,000	100.00	48,22,50,000	100
<u>2</u>	Foreign promoters	-	-	-	-
	Sub-total (A)	48,22,50,000	100.00	48,22,50,000	100
<u>B</u>	Non-promoters' holding	-	-	-	-
<u>1</u>	Institutional investors	-	-	-	-
<u>2</u>	Non-institutional Investors	-	-	-	-
	Private Corporate Bodies	-	-	-	-
	Directors and relatives	-	-	-	-
	Indian Public	-	-	-	-
	Others (Including Non-resident Indians (NRIs)	-	-	-	-
	Sub-total(B)	-	-	-	-
	GRANT TOTAL	48,22,50,000	100.00	48,22,50,000	100.00

* In respect of the 65 (sixty Five) equity shares of Rs. 10 face value fully paid up which have been registered in the names of the 7 (Seven) individual nominees, the beneficial interest in these equity shares are held by M/s Axis Bank Limited, pursuant to section 89 of the Companies Act, 2013 and rule 9 of the Companies (Management and Administration) Rules, 2014.

ANNEXURE G – DETAILS OF BORROWING

1.1 List of Top 10 Debt Debenture Holders (as on June 30, 2021) :

Sr No	Name of Debenture Holder	Category	Face Value	Holding of debt securities as a
				percentage of total debt securities
				outstanding of the issuer
1	HDFC BANK LTD	Bank	10,00,000.00	18.82%
2	AXIS BANK LIMITED	Bank	10,00,000.00	7.17%
3	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE CORPORATE BOND FUND	MF	10,00,000.00	6.01%
4	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA FLOATING RATE FUND	MF	10,00,000.00	4.03%
5	AZIM PREMJI TRUST	Other	10,00,000.00	3.94%
6	ICICI PRUDENTIAL CORPORATE BOND FUND	MF	10,00,000.00	3.59%
7	STAR HEALTH AND ALLIED INSURANCE CO. LTD.	Other	10,00,000.00	3.14%
8	UTI SHORT TERM INCOME FUND	MF	10,00,000.00	2.87%
9	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE BANKING & PSU DEBT FUND	MF	10,00,000.00	2.69%
10	ICICI PRUDENTIAL SAVINGS FUND	MF	10,00,000.00	2.69%

1.2 List of top 10 CP holders (as on June 30, 2021):

Sr. no	Name CP Holder	Category of CP holder	Face Value of CP holding	CP Holding percentage as a percentage of total CP outstanding (FACE VALUE) of the issuer	Face Value
1	STATE BANK OF INDIA	Bank	8,00,00,00,000	30%	5,00,000.00
2	HDFC TRUSTEE COMPANY LTD A/C HDFC LIQUID FUND	MF	2,75,00,00,000	10%	5,00,000.00
3	ICICI BANK LTD	Bank	2,75,00,00,000	10%	5,00,000.00
4	HDFC TRUSTEE COMPANY LIMITED A/C HDFC MONEY MARKET FUND	MF	1,75,00,00,000	7%	5,00,000.00
5	TATA MUTUAL FUND-TATA LIQUID FUND	MF	1,50,00,00,000	6%	5,00,000.00
6	DSP LIQUIDITY FUND	MF	1,50,00,00,000	6%	5,00,000.00
7	TATA MUTUAL FUND-TATA MONEY MARKET FUND	MF	1,25,00,00,000	5%	5,00,000.00
8	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA MONEY MARKET FUND	MF	1,00,00,00,000	4%	5,00,000.00

9	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA LIQUID FUND	MF	1,00,00,00,000	4%	5,00,000.00
10	ICICI PRUDENTIAL MONEY MARKET FUND	MF	1,00,00,00,000	4%	5,00,000.00

1.3 Detail of Non-Convertible Debentures (Upto June 30, 2021):

Sr.No.	Series No.	ISIN No.	Tenor	Yield	Face Value	Allotment Date	Maturity Date	Rating	Secured/Unsecured
1	02/2016-17	INE891K08034	3652	8.80%	2,00,00,00,000.00	05-Aug-16	05-Aug-26	CRISIL&India Ratings	Unsecured
2	02/2017-18	INE891K08042	3652	8.50%	1,00,00,00,000.00	11-May-17	11-May-27	India rating	Unsecured
3	02/2017-18	INE891K08042	3652	8.50%	50,00,00,000.00	11-May-17	11-May-27	CRISIL&India Ratings	Unsecured
4	02/2017-18	INE891K08042	3652	8.50%	50,00,00,000.00	11-May-17	11-May-27	CRISIL&India Ratings	Unsecured
5	03/2017-18	INE891K08059	3652	8.08%	50,00,00,000.00	14-Sep-17	14-Sep-27	CRISIL&India Ratings	Unsecured
6	03/2017-18	INE891K08059	3652	8.08%	25,00,00,000.00	14-Sep-17	14-Sep-27	CRISIL&India Ratings	Unsecured
7	03/2017-18	INE891K08059	3652	8.08%	25,00,00,000.00	14-Sep-17	14-Sep-27	CRISIL&India Ratings	Unsecured
8	02/2018-19	INE891K07408	1430	8.77%	26,00,00,000	25-Jun-18	25-May-22	CRISIL & India Ratings	Secured
9	02/2018-19	INE891K07416	1394	8.77%	25,00,00,000	25-Jun-18	19-Apr-22	CRISIL & India Ratings	Secured
10	02/2018-19	INE891K07424	1114	8.75%	26,00,00,000	25-Jun-18	13-Jul-21	CRISIL & India Ratings	Secured
11	03/2018-19	INE891K07432	1077	8.69%	71,50,00,000	25-Jul-18	06-Jul-21	CRISIL & India Ratings	Secured
12	04/2018-19	INE891K07440	1092	8.75%	1,40,00,00,000	04-Sep-18	31-Aug-21	CRISIL & India Ratings	Secured
13	02/2018-19(Reissue)	INE891K07424	1043	8.75%	5,00,00,000	04-Sep-18	13-Jul-21	CRISIL & India Ratings	Secured

14	02/2018-19(Reissue1)	INE891K07416	1226	9.18%	50,00,00,000	10-Dec-18	19-Apr-22	CRISIL & India Ratings	Secure d
15	06/2018-19	INE891K07465	1162	8.70%	68,00,00,000	28-Mar-19	02-Jun-22	CRISIL & India Ratings	Secure d
16	02/2018-19	INE891K07416	1118	8.70%	59,00,00,000	28-Mar-19	19-Apr-22	CRISIL & India Ratings	Secure d
17	01/2019-20	INE891K07473	1461	8.40%	40,00,00,000	27-Jun-19	27-Jun-23	CRISIL & India Ratings	Secure d
18	02/2019-20 (Option A)	INE891K07499	1093	8.25%	45,00,00,000	06-Aug-19	03-Aug-22	CRISIL & India Ratings	Secure d
19	02/2019-20 (Option B)	INE891K07481	1827	8.30%	5,00,00,000	06-Aug-19	06-Aug-24	CRISIL & India Ratings	Secure d
20	02/2019-20 (Option A Re issue)	INE891K07499	1070	7.90%	41,00,00,000	29-Aug-19	03-Aug-22	CRISIL & India Ratings	Secure d
21	03/2019-20	INE891K07507	1074	7.60%	67,00,00,000	25-Nov-19	03-Nov-22	CRISIL & India Ratings	Secure d
22	04/2019-20	INE891K07515	906	7.35%	26,00,00,000	06-Jan-20	30-Jun-22	CRISIL & India Ratings	Secure d
23	05/2019-20	INE891K07523	1127	7.62%	1,80,00,00,000	07-Feb-20	10-Mar-23	CRISIL & India Ratings	Secure d
24	01/2020-21	INE891K07531	1095	7.45%	7,75,00,00,000	26-May-20	26-May-23	CRISIL & India Ratings	Secure d
25	02/2020-21	INE891K07549	1095	7.00%	2,00,00,00,000	05-Jun-20	05-Jun-23	CRISIL & India Ratings	Secure d
26	03/2020-21	INE891K07556	1095	7.25%	3,30,00,00,000	15-Jun-20	15-Jun-23	CRISIL & India Ratings	Secure d
27	04/2020-21	INE891K07564	1095	6.15%	2,00,00,00,000	17-Jul-20	17-Jul-23	CRISIL & India Ratings	Secure d
28	05/2020-21	INE891K07572	1461	6.50%	3,00,00,00,000	16-Sep-20	16-Sep-24	CRISIL & India Ratings	Secure d
29	06/2020-21	INE891K07580	730	4.95%	90,00,00,000	03-Nov-20	03-Nov-22	CRISIL & India Ratings	Secure d

30	07/2020-21	INE891K07598	1095	5.25%	60,00,00,000	14-Dec-20	14-Dec-23	CRISIL & India Ratings	Secured
31	08/2020-21	INE891K07606	730	5.00%	4,00,00,00,000	21-Dec-20	21-Dec-22	CRISIL & India Ratings	Secured
32	1-SD/2020-21	INE891K08067	3651	7.45%	70,00,00,000	15-Feb-21	14-Feb-31	CRISIL & India Ratings	Unsecured
33	09/2020-21	INE891K07614	568	5.35%	1,50,00,00,000	24-Feb-21	15-Sep-22	CRISIL & India Ratings	Secured
34	10/2020-21	INE891K07622	729	5.80%	1,05,00,00,000	18-Mar-21	17-Mar-23	CRISIL & India Ratings	Secured
35	11/2020-21	INE891K07630	729	5.80%	4,00,00,00,000	25-Mar-21	24-Mar-23	CRISIL & India Ratings	Secured
36	01/2021-22	INE891K07648	740	5.40%	2,24,71,55,000	30-Apr-21	10-May-23	CRISIL & India Ratings	Secured
37	02 FRB /2021-22	INE891K07655	1096	5.50%	5,00,00,00,000	24-May-21	24-May-24	CRISIL & India Ratings	Secured
38	03/2021-22	INE891K08075	3652	7.40%	1,00,00,00,000	10-Jun-21	10-Jun-31	CRISIL & India Ratings	Secured
39	04/2021-22	INE891K07663	1096	5.72%	1,50,00,00,000	21-Jun-21	21-Jun-24	CRISIL & India Ratings	Secured
40	05/2021-22	INE891K07671	3650	7.27%	1,24,00,00,000	28-Jun-21	26-Jun-31	CRISIL & India Ratings	Secured

*Note: Security Offered for debt:

The outstanding principal amount of the Debentures to be issued upon the terms contained herein together with all interest, costs, charges, fees, and expenses payable in respect thereof (the "Secured Obligations") shall be secured in favour of the Debenture Trustee in the following manner:

(i) By way of a first pari passu mortgage and charge over out of the parcel of vacant land measuring an extent of 6,262 square feet, in the approved layout bearing No. 29 of 2009, Area, comprised in Survey No. 1313/2 Part of Sriperumbudur Village, Sriperumbudur Taluk, Kancheepuram District, Lake View Garden Layout, (Now known as Town and Country) and a commercial premises admeasuring an extent of 142 Square feet (Super Built up Area) bearing No. Shop II Plot together with 130 Square feet of undivided share of the aforementioned underlying lands situated at Kancheepuram District in the State of Tamil Nadu; and

(ii) By way of a first pari passu charge over the Receivables (both present and future) as appearing in the Company's balance sheet from time to time to the extent of 1.00 times of the outstanding Secured Obligations (the "Secured Assets")

1.4 Details of Secured Loan Facilities as on June 30, 2021

INR In Lakhs

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount outstanding (total amount outstanding including interest)	Repayment Date /Schedule	Security	Account classification	Credit Rating
State Bank of India	Bank Lines/Term Loan	125000	249.07	On Demand / Quarterly	Secured on receivables by 1.1x.	Standard	India Rating
							AAA
HDFC Bank	Bank Lines/Term Loan	206822	591.29	On Demand/Quarterly	Secured on receivables by 1.1x.	Standard	India Rating
							AAA
							AAA
Axis Bank	Bank Lines/Term Loan	122500	100.58	On Demand	Secured on receivables by 1.1x.	Standard	India Rating
							AAA
HSBC	Working Capital	75000	400	On Maturity	Secured on receivables by 1.1x.	Standard	India Rating
							AAA

ICICI	OTSTL/STL	50000	374.98	On Maturity	Secured on receivables by 1.1x.	Standard	India Rating AAA
Federal Bank	Bank Lines/Term Loan	30000	175	On Demand / Quarterly	Secured on receivables by 1.1x.	Standard	India Rating AAA

1.5 Details of Unsecured Loan Facilities (as on June 30, 2021)

(INR. In Crs)

Lender's Name	Type of Facility	Amount Sanctioned	(Principal + Interest) Outstanding	Repayment Date /Schedule
NIL				

1.6 Details of Commercial Papers (as on June 30, 2021)

Deal No	Deal Date	ISIN	Tenor	Yield	Face Value	Value Date	Maturity Date	Secured/Unsecured	Rating
1	15-Sep-20	INE891K14JQ3	364	4.54%	1,50,00,00,000.00	16-Sep-20	15-Sep-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
2	15-Jan-21	INE891K14KC1	185	3.99%	2,00,00,00,000.00	15-Jan-21	19-Jul-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
3	19-Jan-21	INE891K14KD9	193	4.10%	3,00,00,00,000.00	19-Jan-21	31-Jul-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
4	22-Mar-21	INE891K14KJ6	179	4.15%	1,50,00,00,000.00	22-Mar-21	17-Sep-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
5	30-Mar-21	INE891K14KK4	178	3.98%	3,00,00,00,000.00	30-Mar-21	24-Sep-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
6	20-Apr-21	INE891K14KL2	234	4.15%	2,75,00,00,000.00	20-Apr-21	10-Dec-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
7	27-Apr-21	INE891K14KM0	244	4.05%	1,25,00,00,000.00	27-Apr-21	27-Dec-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)

8	06-May-21	INE891K14KN8	90	3.70%	2,50,00,00,000.00	06-May-21	04-Aug-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
9	19-May-21	INE891K14KO6	90	3.65%	75,00,00,000.00	19-May-21	17-Aug-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
10	19-May-21	INE891K14KO6	89	3.65%	25,00,00,000.00	20-May-21	17-Aug-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
11	20-May-21	INE891K14KO6	89	3.65%	75,00,00,000.00	20-May-21	17-Aug-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
12	21-May-21	INE891K14KP3	91	3.65%	50,00,00,000.00	21-May-21	20-Aug-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
13	02-Jun-21	INE891K14KQ1	180	4.05%	2,00,00,00,000.00	02-Jun-21	29-Nov-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
14	03-Jun-21	INE891K14KR9	91	3.69%	1,50,00,00,000.00	03-Jun-21	02-Sep-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
15	03-Jun-21	INE891K14KS7	168	4.05%	2,00,00,00,000.00	03-Jun-21	18-Nov-21	Unsecured	CRISIL (A1+) & India Ratings (A1+)
16	08-Jun-21	INE891K14KT5	365	4.45%	1,50,00,00,000.00	08-Jun-21	08-Jun-22	Unsecured	CRISIL (A1+) & India Ratings (A1+)

Details of Outstanding Non-Convertible Securities (as on June 30, 2021):-

Series of NCS	Tenor/ Period of Maturity	Coupon	Amount	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security

List of Top 10 holders of non-convertible securities in terms of value (in cumulative basis)

Sr. No	Name of holder of Non-convertible Securities	Amount	% of total non-convertible securities outstanding
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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF THE COMPANY IN ITS BOARD MEETING HELD ON APRIL 16, 2021 VIA VIDEO CONFERENCING

TO CONSIDER AND APPROVE RAISING OF FUNDS THROUGH ISSUE OF DEBENTURES/BONDS ON A PRIVATE PLACEMENT BASIS UPTO RS. 12,000 CRORES

“RESOLVED THAT in supersession of the earlier Resolution passed by the Board of Directors at its meeting held on 25th April, 2020 and subject to approval of the Members at the ensuing General Meeting under section 42 of the of the Companies Act, 2013 (“the Act”) read with Rule 14(2)(a) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act and pursuant to Sections 39, 71, 179(3)(c), 180(1)(c) and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Debt Regulation), as amended from time to time, and the circulars and clarifications issued by the Reserve Bank of India (RBI) as applicable to the Non- Banking Financial Companies (‘NBFC’) from time to time and such other laws and regulations as applicable, the consent of the Board of Directors be and is hereby accorded to raise funds for the purpose of business of the Company from time to time by way of making offer or invitation for subscription of Redeemable Non-Convertible Debentures (NCDs), Subordinated Debentures, Bonds or any other Debt Securities (excluding Commercial paper) herein after to be referred as ‘Debentures’) up to Rs. 12,000 crores (Rupees Twelve Thousand Crores only) of the face value as may be permissible under the Act and RBI circulars issued on private placement basis in one or more series/ tranches to such investors who is eligible to subscribe the Debentures as prescribed under the Act or other applicable laws, rules and regulations with or without Green Shoe Option, and on such other terms and conditions as may be decided by the Board from time to time and that the said NCDs may or may not be listed on the Stock exchanges”.

“FURTHER RESOLVED THAT Mr. Bipin Kumar Saraf (DIN: 06416744) – MD & CEO, Mr. Bal Krishna Thakur – COO, Mr. Rajneesh Kumar- Company Secretary, Mr. Amith Iyer – CFO, jointly referred to as (the “Authorised Officers”), be and are hereby authorized severally to approve and finalize, sign, execute and deliver documents and do all acts in relation to the issue of Debentures including but not limited to following: (i) approve of and to decide on the other terms and conditions applicable to the Debentures, and to vary any of the above-specified terms; (ii) finalize the appointment of merchant banker(s) to function as Lead Manager(s), Registrars, Debenture Trustees, Bankers to the Debenture Issue and such other intermediaries as may be required to be appointed and terms and conditions of their appointment, succession and their agents; (iii) determine the date of opening and closing of the Debenture Issue and the period for which the aforesaid issue will remain open; (iv) finalize the date of allotment and the allotment of the Debentures to the Subscriber; (v) execute, file and deliver all necessary documents, instruments including private placement

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



offering circulars/memorandum and do all acts necessary in relation to issuance of the Debentures Issue, (vi) deal with the appropriate regulatory authorities in connection with the Debenture Issue including but not limited to, Registrar of Companies, Reserve Bank of India, Ministry of Corporate Affairs, (vii) negotiate, execute, file, amend, supplement, issue and deliver all documents, instruments, papers, applications, notices in relation to the issue of Debentures.”

“FURTHER RESOLVED THAT the Company do create such security, including security over its investments, cash flows, fixed deposits and other moveable properties in favour of the Debenture Trustee by way of execution of the debenture trust deed, deed of hypothecation or such other documents, deeds, indentures or undertakings, as may be required in this regard and the Authorised Officers of the Company be and are hereby authorized to severally negotiate, finalise, approve and accept all terms and sign all such documents, deeds, undertakings, indentures, etc.”

“FURTHER RESOLVED THAT Mr. Bipin Kumar Saraf – MD & CEO, Mr. Bal Krishna Thakur – COO, Mr. Rajneesh Kumar- Company Secretary, Mr. Amith Iyer – CFO, Mr. Gaurav Agarwal DVP (Treasury) Mr. Vibhav Goyal, VP, Mr. Prabhat Singh AVP, Mr. Dhanraj Bajwa, AVP (Treasury) be and are hereby severally authorised to act as the Constituted Attorney of the Company to execute the deed or other instruments as may be required on behalf of the Company with respect to the issue of Debentures.”

“FURTHER RESOLVED THAT Committee of the Directors, be and are hereby authorized to allot the Debentures/Bonds and to do all such acts, deeds and things incidental to the allotment.”

“FURTHER RESOLVED THAT necessary applications be made with the National Stock Exchange Limited and / or BSE Limited or any other Stock Exchange(s), if required for listing of the instruments.”

“FURTHER RESOLVED THAT the Company Secretary, CFO or the Directors be and are hereby authorized severally to file necessary e-forms with Registrar of Companies, Maharashtra, Mumbai and to do all such acts, deeds and things which are necessary to give effect to the this Resolution.”

“FURTHER RESOLVED THAT the certified true copy of this Resolution be forwarded to the concerned bank(s)/financial institution(s)/stock exchange(s)/trustee(s)/any other authority(ies) etc under the signature of the Company Secretary or CFO or any of the Director(s) of the Company.”

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For Axis Finance Limited

Rajneesh Kumar
Rajneesh Kumar
Company Secretary
M. No. A 31230
Add: Axis House,
Wadia International Centre,
P.B. Marg, Worli, Mumbai



CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED BY MEMBERS OF AXIS FINANCE LIMITED AT ANNUAL GENERAL MEETING HELD ON JULY 20, 2021

ISSUE OF DEBENTURES/BONDS ON A PRIVATE PLACEMENT BASIS UPTO RS. 12,000 CRORES

“RESOLVED THAT in supersession of the resolution passed at the 25th Annual General Meeting of the Company held on July 6, 2020 and pursuant to provisions of Section 42 of the Companies Act, 2013, (“the Act”) read with the Companies (Share Capital and Debentures) Rules, 2014, and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act and pursuant to Sections 39, 71, 179(3)(c), 180(1)(c) and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Debt Regulation) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the circulars and clarifications issued by the Reserve Bank of India (RBI) as applicable to the Non- Banking Financial Companies (‘NBFC’) from time to time and such other laws and regulations as applicable, the consent of the members of the Company be and is hereby accorded to the Board of Directors / Committees of Board to raise funds for the purpose of business of the Company from time to time by way of making offer or invitation for subscription of Redeemable Non-Convertible Debentures (NCDs), secured or unsecured, fixed rate or market/benchmark linked and/or any other hybrid Instruments (not in the nature of equity shares) including but not limited Subordinated Debentures, Bonds or any other Debt Securities (excluding Commercial paper) herein after to be referred as ‘Debentures’ subject to the condition that the amount of such Debentures outstanding at any given point of time together with the money already raised through Debentures shall not at any time exceed Rs. 12,000 crores (Rupees Twelve Thousand Crores only) of the face value as may be permissible under the Act and RBI circulars issued on private placement basis in one or more series/ tranches to such investors who are eligible to subscribe the Debentures as prescribed under the Act or other applicable laws, rules and regulations with or without Green Shoe Option, with the consent being valid for a period of 1 (one) year from the date hereof and on such other terms and conditions including the price, coupon, premium/ discount, tenor etc., as may be determined by the Board of Directors (or any other person so authorised by the Board of Directors), based on the prevailing market condition from time to time and that the said Debentures may or may not be listed on the Stock exchanges”.

AXIS FINANCE LIMITED

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"RESOLVED FURTHER THAT the Board of Directors and /or Committee thereof, be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and to delegate (to the extent permitted by the law) all or any of the powers herein conferred to any committee of directors or any executive director or directors or any other officer or officers of the Company to give effect to the aforesaid Resolution."

For Axis Finance Limited

Rajneesh Kumar
Rajneesh Kumar
Company Secretary
M. No. A 31230
Add: Axis House,
Wadia International Centre,
P.B. Marg, Worli, Mumbai

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

CATALYST

Believe in yourself... Trust us!



09-Aug-2021

CL/MUM/21-22/DEB/350

Axis Finance Limited

Ground floor, Axis House,
C 2 Wadia International Centre, P. B. Marg,
Worli, Mumbai – 400025
Maharashtra

Kind Attention: **Mr. Amith Iyer**

Dear Sir,

Consent to act as Debenture Trustee for Unsecured, Listed, Redeemable, Perpetual, Non-Convertible Debentures aggregating upto Rs. 200.00 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited to act as Debenture Trustee for the Unsecured, Listed, Redeemable, Perpetual, Non-Convertible Debentures aggregating to upto Rs. 200.00 Crores to be issued by your Company. In this connection, we are agreeable to act as Debenture Trustee on the terms and conditions as mutually agreed between the Trustee and the Company.

The Company and the Trustee shall enter into relevant trustee agreements and other necessary documents for the aforesaid issue of NCDs and also agrees & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with Bombay Stock Exchange (BSE)/ National Stock Exchange(NSE), the RBI Circular No. RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013 and any other applicable statutes, regulations and provisions as amended from time.

The Company shall enter into Agreement with Trustee as required by Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993 thereby agreeing to create the security within three months from the date of closure of issue or in accordance with the Companies Act, 2013 or as per the provisions as prescribed by any regulatory authority as applicable and comply with the provisions of applicable laws.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Yours faithfully,

For Catalyst Trusteeship Limited

Authorised Signatory

For Axis Finance Ltd

Authorised Signatory

NOTE: As per GST guidelines, CTL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

CATALYST TRUSTEESHIP LIMITED (FORMERLY CDA TRUSTEESHIP LIMITED)

An ISO:9001 Company

Mumbai Office Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098 Tel +91 (022) 4922 0555 Fax +91 (022) 4922 0505
Regd. Office CDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 038 Tel +91 (020) 25280081 Fax +91 (020) 25280275
Delhi Office Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel 11 430 29101/02
CIN No. U74999PN1997PLC110262 Email dt@ctltrustee.com Website www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai





"RESOLVED FURTHER THAT the Board of Directors and /or Committee thereof, be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and to delegate (to the extent permitted by the law) all or any of the powers herein conferred to any committee of directors or any executive director or directors or any other officer or officers of the Company to give effect to the aforesaid Resolution."

For Axis Finance Limited

Rajneesh Kumar
Rajneesh Kumar
Company Secretary
M. No. A 31230
Add: Axis House,
Wadia International Centre,
P.B. Marg, Worli, Mumbai

AXIS FINANCE LIMITED

Regd. Office : Axis House, C-2 Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.
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Ratings

CRISIL Ratings Limited (A subsidiary of CRISIL Limited)

CRISIL

An S&P Global Company

CONFIDENTIAL

RL/ENAMF/275295/PBOND/0821/15083/95922660

August 03, 2021

Mr. Anith Iyer
Chief Finance Officer
Axis Finance Limited
Axis House, C-2
Wadia International Centre
P B Marg West
Mumbai City - 400025

Dear Mr. Anith Iyer,

Re: CRISIL Rating on the Rs. 300 Crore Perpetual Bonds of Axis Finance Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AAA/Stable (pronounced as CRISIL triple A rating with Stable outlook) rating to the captioned Debt instrument. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture instances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crsil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crsil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,


Malvika Bhotika
Associate Director - CRISIL Ratings


Nivedita Shibu
Associate Director - CRISIL Ratings



Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' ratings are available without charge to the public on the web site, www.crsil.com. CRISIL Ratings or its associates may have other commercial transactions with the company/indus. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at CRISILratings@crsil.com or at 1800-267-1301.

CRISIL Ratings Limited
(A subsidiary of CRISIL Limited)
Corporate Identity Number: U07100MH2019PLC100147

Registered Office: CRISIL House, Central Avenue, Winkonnect Business Park, Powai, Mumbai - 400 076. Phone: +91 22 3142 3000 | Fax: +91 22 4040 5800
www.crsilratings.com

ANNEXURE K

ILLUSTRATION OF CASH FLOWS FROM THE DEBENTURES

Cash Flow – AFL NCD Series '06 /2021-22'

Company	Axis Finance Limited
Face Value (per security) (in Rs.)	Rs.1,00,00,000/- (Rupees One Crore only) per Debenture
Issue Date / Deemed Date of Allotment	Wednesday, August 25, 2021
Redemption Date	Not Applicable (Perpetual)
Coupon Rate / Interest (Yield)	7.90% p.a.
Frequency of Interest payment with specified date	25 th August every year
Day count Convention	Actual / Actual

Cash Flow in respect of Debenture of face value Rs.1 Crore:

Pay out details	Coupon Due Date	Settlement Date	Days in Coupon period	Coupon payment per Rs. 1 Crore	Total cash flow (in Rs.)
Principal Pay in	Wednesday, 25 August, 2021	Wednesday, 25 August, 2021			- 1,00,00,000
1 st Coupon	Thursday, 25 August, 2022	Thursday, 25 August, 2022	365	7,90,000	7,90,000
2 nd Coupon	Friday, 25 August, 2023	Friday, 25 August, 2023	365	7,90,000	7,90,000
3 rd Coupon	Sunday, 25 August, 2024	Monday, 26 August, 2024	366	7,90,000	7,90,000
4 th Coupon	Monday, 25 August, 2025	Monday, 25 August, 2025	365	7,90,000	7,90,000
5 th Coupon	Tuesday, 25 August, 2026	Tuesday, 25 August, 2026	365	7,90,000	7,90,000
6 th Coupon	Wednesday, 25 August, 2027	Wednesday, 25 August, 2027	365	7,90,000	7,90,000
7 th Coupon	Friday, 25 August, 2028	Friday, 25 August, 2028	366	7,90,000	7,90,000
8 th Coupon	Saturday, 25 August, 2029	Monday, 27 August, 2029	365	7,90,000	7,90,000

9 th Coupon	Sunday, 25 August, 2030	Monday, 26 August, 2030	365	7,90,000	7,90,000
10 th Coupon	Monday, 25 August, 2031	Monday, 25 August, 2031	365	7,90,000	7,90,000
Principal Payout*	Monday, 25 August, 2031	Monday, 25 August, 2031			1,00,00,000

****The above cashflow has been prepared assuming the issuer will exercise the call option at the end of 10 years from the deemed date of allotment.***

Annexure L

1. **Lending Policy: Overview of credit origination, risk management, monitoring and collections:**

The Company caters to customers under Wholesale and Retail segments. The Company's key product offerings in the wholesale segment include Corporate Loans, Collateralized Loans, Cash flow backed loans and Real Estate financing. The offerings under retail segment includes products such as Mortgage Loans, Business Loans and Personal loans.

The Company's credit origination under Wholesale and Retail segments is governed by the respective Credit Policies and Operating Guidelines. AFL has separate credit teams for Wholesale and Retail Loans to carry out due diligence of loan proposals. While AFL has adopted credit committee based loan approvals for Wholesale Business, there is clearly defined delegation/deviation matrix for sanction of Retail Loans.

The Company has put in place a robust underwriting mechanism for loans and investments with well-defined Product-level Risk Guardrails in terms of exposure limits basis product type, secured / unsecured nature, etc. These guardrails are reviewed periodically to manage and control credit risk. AFL credit framework from loan origination, sanctioning, disbursement, monitoring on accounts and portfolio levels undergoes a strong compliance checks and reviews at various stages which leads to building a robust portfolio over time. The portfolio is closely monitored to identify any stress and proactive measures are taken wherever necessary to protect the asset quality.

The Company has a strong follow-up and collection processes in place for both Wholesale and Retail Borrowers. Overdue accounts are identified early and tracked periodically, then these cases are assigned to for follow-up and collection.

2. **Classification of loans/ advances given to associates, entities/ person relating to board, senior management, promoters, others, etc.;** -

Staff loan is been provided to the senior management, as per Staff loan policy. As on Date all are Standard.

3. **Type of loans:**

Rs. In crore

Sl. No.	Type of loans	2019	2020	2021
1	Secured	7,554.25	7,090.96	8,992.30
2	Unsecured	435.73	658.89	1,336.24
Total assets under management (AUM)*^				

Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^Issuer is also required to disclose off balance sheet items;

4. **Denomination of loans outstanding by loan-to-value:**

Sl. No.	LTV (at the time of origination)	2021 Percentage of AUM	2020 Percentage of AUM	2019 Percentage of AUM
1	Upto 40%	30.60%	24.54%	32.41%

2	40-50%	18.29%	17.26%	45.85%
3	50-60%	13.57%	16.94%	8.15%
4	60-70%	8.75%	5.49%	2.68%
5	70-80%	7.55%	2.79%	1.74%
6	80-90%	3.79%	2.28%	0.64%
7	>90%	9.67%	23.07%	3.27%
Total				

Note : Unsecured loan is not considered for Details of LTV

5. Sectoral exposure:

Details of sectoral exposure

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM March 2019	Percentage of AUM March 2020	Percentage of AUM March 2021
1	Retail	6%	5%	17%
A	Mortgages (home loans and loans against property)	1%	3%	11%
B	Gold loans	0%	0%	0%
C	Vehicle finance	0%	0%	0%
D	MFI	0%	0%	0%
E	MSME	0%	0%	0%
F	Capital market funding (loans against shares, margin funding)	5%	2%	0%
G	Others	1%	1%	5%
2	Wholesale	94%	95%	83%
A	Infrastructure	0%	0%	0%
B	Real estate (including builder loans)	31%	27%	14%
C	Promoter funding	24%	11%	2%
D	Any other sector (as applicable)	0%	0%	0%
E	Others	39%	57%	67%
Total		100%	100%	100%

6. Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for Issuer, from time to time;

Aggregated exposure to the top 20 borrowers

Particulars	Rs. In Cr.		
	2020-21 (₹)	2019-20 (₹)	2018-19 (₹)
Total Exposure to Twenty Largest Borrowers / customers	2,694.93	2,505.50	2,644.67
Percentage of Exposures to Twenty Largest Borrowers / Customers to Total Exposure of Axis Finance on borrowers / customers	22.38%	28.54%	29.22%

7.

1. Denomination of loans outstanding by ticket size*:

Details of outstanding loans category wise

		31.03.2019	31.03.2020	31.03.2021
--	--	-------------------	-------------------	-------------------

Sl. No.	Ticket size (at the time of origination)	Percentage of AUM	Percentage of AUM	Percentage of AUM
1	Upto Rs. 2 lakh	0.00%	0.57%	0.45%
2	Rs. 2-5 lakh	0.02%	0.11%	1.75%
3	Rs. 5 - 10 lakh	0.05%	0.22%	1.51%
4	Rs. 10 - 25 lakh	0.08%	0.32%	2.27%
5	Rs. 25 - 50 lakh	0.22%	0.32%	1.62%
6	Rs. 50 lakh - 1 crore	0.38%	0.33%	2.26%
7	Rs. 1 - 5 crore	2.41%	3.17%	8.32%
8	Rs. 5 - 25 crore	11.06%	16.06%	12.81%
9	Rs. 25 - 100 crore	59.10%	55.41%	48.41%
10	>Rs. 100 crore	26.68%	23.49%	20.60%
Total				

*Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);

8. Geographical classification of borrowers:

Top 5 states borrower wise

		2021	2020	2019
Sl. No.	Top 5 states	Percentage of AUM	Percentage of AUM	Percentage of AUM
1	Karnataka	7.72%	10%	12%
2	Delhi, NCR, Haryana & Punjab	18.04%	14%	12%
3	AP & TS	9.45%	11%	11%
4	West Bengal & East Region	7.80%	8%	6%
5	Mumbai (MMR)	37.09%	37%	40%

9. Details of loans overdue and classified as non-performing in accordance with RBI's stipulations:

Movement of gross NPA

Movement of gross NPA*	2020-21 Rs. crore	2019-20 Rs. crore	2018-19 Rs. Crore
Opening balance	351.93	30.49	-
- Additions during the year	70.83	321.44	30.49
- Reductions during the year	(107.57)	-	-
Closing balance of gross NPA	315.19	351.93	30.49.29

* Please indicate the gross NPA recognition policy (Day's Past Due)

Movement of provisions for NPA

Movement of provisions for NPA (excluding provision on Standard Assets)	2020-21 Rs. crore	2019-20 Rs. crore	2018-19 Rs. crore
Opening balance	106.09	15.25	-
- Additions during the year	37.42	99.95	15.25
Reductions during the year	(32.41)	-9.10	-
Closing balance	111.09	106.09	15.25

10. Segment-wise gross NPA:

Segment wise gross NPA

Sl. No.	Segment-wise gross NPA	Gross NPA (%)	Gross NPA (%)	Gross NPA (%)
1	Retail	0.00%	0.02%	0.09%
A	Mortgages (home loans and loans against	0.00%	0.00%	0.02%
B	Gold loans	0.00%	0.00%	0.00%
C	Vehicle finance	0.00%	0.00%	0.00%
D	MFI	0.00%	0.00%	0.00%
E	MSME	0.00%	0.00%	0.00%
F	Capital market funding (loans against shares, margin funding)	0.00%	0.00%	0.00%
G	Others	0.00%	0.02%	0.07%
2	Wholesale	0.37%	4.48%	2.72%
A	Infrastructure	0.00%	0.00%	0.00%
B	Real estate (including builder loans)	0.37%	2.35%	2.18%
C	Promoter funding	0.00%	0.00%	0.00%
D	Any other sector (as applicable)	0.00%	0.00%	0.00%
E	Others	0.00%	2.12%	0.53%
	Total	0.37%	4.50%	2.80%

11. Residual maturity profile of assets and liabilities (in line with the RBI format):

Residual maturity profile of assets and liabilities

As on 31.03.2019 (Rs. In Cr.)

Category	Up to 30/31 days	>1 month - 2 months	>2 months - 3 months	>3 months - 6 months	>6 months - 1 year	>1 years - 3 years	>3 years - 5 years	>5 years	Total
Deposit									
Advances	231.92	1.61	670.21	1,272.29	2,498.58	2,581.30	587.20	82.69	7,925.80
Investments	-	-	-	-	-	49.77	30.00	20.00	99.77
Borrowings	803.34	573.45	972.77	815.92	1,318.95	1,492.00	233.31	489.49	6708.23
FCA*									
FCL*									

*FCA - Foreign Currency Assets; FCL - Foreign Currency Liabilities;

As on 31.03.2020

Rs. In Cr.

Item	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Borrowing	700.61	944.89	545.44	682.59	960.40	2,217.07	80.73	498.63	6,630.36
Advances	97.05	163.01	386.58	885.64	2,255.27	2,077.71	1,151.12	529.06	7,545.44
Investment	-	-	0.03	-	-	50.25	20.00	20.00	90.28

As on 31.03.2021

Rs. In Cr.

Item	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Borrowing	917.24	858.01	1,055.38	1,637.30	155.16	3,879.35	518.83	612.42	9,633.69
Advances	395.22	17.24	44.95	315.99	1,432.00	3,207.08	2,137.82	2,541.89	10,092.20
Investment	155.36	428.03	6.86	106.74	64.07	100.07	20.00	16.04	897.18

12. Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI. - NA

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Chartered Accountants

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Dadar (West)
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INDEPENDENT AUDITOR'S REPORT

To the Members of Axis Finance Limited

Report on the Audit of the Indian Accounting Standards ("Ind AS") Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Axis Finance Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing ("SAs"), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' 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 financial 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of Matter - Assessment of COVID 19 Impact

"We draw attention to Note 3.20 to the Statement, which describes the uncertainties arising from COVID 19 pandemic and impacting 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."

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

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Chartered Accountants

Axis Finance Limited

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Key audit matters	How our audit addressed the key audit matter
<p>Impairment of financial instruments (expected credit losses) (as described in note 39 of the standalone Ind AS financial statements)</p>	
<p>Ind AS 109: Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its Loan & Advances and Investments ("Financial Instruments") using the Expected Credit Losses ("ECL") approach. ECL involves an estimation of probability-weighted loss on Financial Instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances and Investments.</p> <p>In the process, a significant degree of judgement has been applied by the management for:</p> <ol style="list-style-type: none"> Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default' Determining effect of less frequent past events on future probability of default Grouping of borrowers based on homogeneity by using appropriate statistical techniques Determining macro-economic factors impacting credit quality of receivables <p>Impact of COVID-19</p> <p>The spread of COVID-19 has severely impacted many economies around the globe. Businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses, resulting in an economic slowdown and economic uncertainties. Measures have also been taken by the Government and the Reserve Bank of India to ease the burden on businesses.</p> <p>The Company has recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. Given the unique nature and scale of the economic impact of this pandemic, the management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated.</p> <p>In view of the high degree of management's judgement involved in estimation of ECL, accentuated by events caused by the COVID-19 pandemic, it is a key audit matter.</p>	<ul style="list-style-type: none"> Our audit procedures included reading the Company's accounting policies for impairment of Financial Instruments and assessing compliance with the policies in terms of Ind AS 109: Financial Instruments. Enquired with the management with respect to implementation of any resolution plan under Reserve Bank of India circular for Resolution framework for Covid-19 related Stress. Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested samples of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3. Assessed the additional considerations applied by the management for staging of loans as SICR Tested the ECL model, including assumptions and underlying computation. Tested the input data used for determining the PD and LGD rates and agreed the data with the underlying books of account and records. Tested the arithmetical accuracy of computation of ECL provision performed by the Company. Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 Financial Instruments: Disclosure ("Ind AS 107") and Ind AS 109.

S.R. BATLIBOI & Co. LLP

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Information Technology	
<p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records.</p> <p>Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems, as a key audit matter.</p>	<p>General IT controls design, observation and operation:</p> <ul style="list-style-type: none"> • Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. <p>User access controls operation:</p> <ul style="list-style-type: none"> • Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations. • Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights. <p>Application controls:</p> <ul style="list-style-type: none"> • We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. • For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedures

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes

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in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are 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 SAs 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 these Ind AS financial statements.

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 Ind AS financial statements, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- 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 financial 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.

S.R. BATLIBOI & Co. LLP
Chartered Accountants

Axis Finance Limited
Auditor's report for the year ended March 31, 2021

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- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

S.R. BATLIBOI & Co. LLP
Chartered Accountants

Axis Finance Limited
Auditor's report for the year ended March 31, 2021

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- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Viren H. Mehta
Partner
Membership Number: 048749
UDIN: 21048749AAAABN6424
Place of Signature: Mumbai
Date: April 16, 2021

S.R. BATLIBOI & Co. LLP

Chartered Accountants

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Auditor's report for the year ended March 31, 2021

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ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR AUDIT REPORT OF EVEN DATE

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (i) (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i) (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods & service tax and other statutory dues applicable to it. The provisions relating to employees' state insurance, sales-tax, service tax, duty of custom, duty of excise and value added tax, are not applicable to the Company.
- (vii)(b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

The provisions relating to employees' state insurance, sales-tax, service tax, duty of custom, duty of excise and value added tax, are not applicable to the Company.
- (vii) (c) According to the information and explanations given to us, there are no dues of income-tax, goods and service tax, service tax, value added tax and cess which have not been deposited on account of dispute. The provision relating to employee's state insurance, sales tax, custom duty, excise duty and value added tax are currently not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Axis Finance Limited

Auditor's report for the year ended March 31, 2021

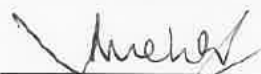
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- (ix) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has utilized the monies raised by way of non-convertible debentures for the purposes for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 21048749AAAABN6424

Place of Signature: Mumbai

Date: April 16, 2021

S.R. BATLIBOI & Co. LLP
Chartered Accountants

Axis Finance Limited
Auditor's report for the year ended March 31, 2021

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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE Ind AS FINANCIAL STATEMENTS OF AXIS Finance LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Ind AS financial statements of Axis Finance Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

A company's internal financial controls with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection

S.R. BATLIBOI & CO. LLP

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of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Viren H. Mehta
Partner
Membership Number: 048749
UDIN: 21048749AAAABN6424
Place of Signature: Mumbai
Date: April 16, 2021