



AFL/2021-22/90

January 14, 2022

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

Madam/Sir,

Sub: Submission of Audited Financial Results for the quarter ended December 31, 2021

Dear Sir/Madam,

Pursuant to the provisions of Regulation 33 & 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Chapter VI of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and amendments thereof, please find enclosed audited Financial Results for the quarter ended December 31, 2021, duly approved by the Board of Directors of the Company at its meeting held today i.e. January 14, 2022.

Further please note that the Statutory Auditors of the Company M/s Singhi & Co has submitted Audited Financials for the quarter ended December 31, 2021 with unmodified opinion.

The disclosures in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements)' Regulations, 2015 for the quarter, ended December 31, 2021 is enclosed herewith.

You are requested to kindly take the same on record.

This is for your information and appropriate dissemination.

For Axis Finance Limited



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

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

Singhi & Co.

Chartered Accountants

B2 - 402B, Marathon Innova, 4th Floor, OIT Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai - 400013. India
Tel: +91 (0) 22 - 6662 5537/38 E-mail : mumbai@singhico.com website : www.singhico.com

Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To
The Board of Directors
Axis Finance Limited

Report on the Audit of financial results

Opinion

We have audited the accompanying Statement of Financial Results of Axis Finance Limited ("the Company" / "NBFC") for the quarter and nine months ended December 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

- i. is presented in accordance with the requirements of regulation 52 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, RBI guidelines and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and nine months ended December 31, 2021.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s), 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 Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note 3 to the Financial Statements, as regards the management's assessment of the financial impact due to restrictions and possible effects of the COVID 19 Pandemic.

Our opinion is not modified in respect of this matter.



KOLKATA (HO)

NEW DELHI

CHENNAI

MUMBAI

BANGALORE

Board of Directors' Responsibility for the Financial Results

These financial results have been compiled from the interim financial statements. The Company's Board of Directors are responsible for the preparation of Statement that gives a true and fair view of the net profit, other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" specified under section 133 of the Act and other accounting principles generally accepted in India and in compliance with regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities: selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results 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 financial results.

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

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 auditors' 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.
- Evaluate the overall presentation, structure and content of the Statements, including the disclosures, and whether the Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The comparative financial results of the Company as stated in statement for the quarter ended September 30, 2021 and year ended March 31, 2021 were audited and for the quarter/ nine month ended December 31, 2020 were reviewed by the predecessor auditor who expressed an unmodified conclusion / opinion on those financial results on October 19, 2021, April 16, 2021 and January 15, 2021 respectively. Accordingly, we, do not express any opinion, as the case may be, on the figures reported in the financial results for the quarter ended September 30, 2021, quarter / nine months ended December 31, 2020 and year ended March 31, 2021.

Our opinion is not modified in respect of this matter.



For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

Shweta Singhal
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by Shweta
Singhal
Date: 2022.01.14
16:22:15 +05'30'

Shweta Singhal
Partner

Membership No. 414420
UDIN: 22414420AAAAAC3756

Place: Mumbai
Date: January 14, 2022

KOLKATA (HO)

NEW DELHI

CHENNAI

MUMBAI

BANGALORE

AXIS FINANCE LIMITED
Statement of financial results for the quarter and nine months ended December 31, 2021

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

Particulars	For the Quarter ended December 31, 2021	For the Quarter ended September 30, 2021	For the Quarter ended December 31, 2020	For the period ended December 31, 2021	For the period ended December 31, 2020	For the year ended March 31, 2021
	Audited	Audited	Reviewed	Audited	Reviewed	Audited
Revenue from operations						
Interest Income	41,498.86	33,188.26	25,493.34	1,05,752.58	73,167.24	1,01,471.77
Net gain on fair value changes	1,194.55	596.83	405.27	1,963.60	906.97	1,299.69
Others	213.78	168.97	22.56	454.41	70.31	145.01
Total Revenue from operations	42,907.19	33,954.06	25,921.17	1,08,170.60	74,144.52	1,02,916.47
Other Income	-	-	-	-	-	-
Total income	42,907.19	33,954.06	25,921.17	1,08,170.59	74,144.52	1,02,916.47
Expenses						
Finance Costs	18,596.44	16,037.82	11,877.56	49,327.70	35,521.32	48,976.85
Impairment on financial instruments	2,132.22	1,329.02	1,086.42	6,105.80	10,448.30	12,121.14
Employee benefits expenses	3,576.01	3,264.08	2,413.03	9,572.27	5,902.60	8,890.50
Depreciation, amortization and impairment	258.27	222.90	145.46	678.74	415.77	581.25
Others expenses	3,728.91	3,460.47	2,137.07	9,147.65	4,409.86	6,113.92
Total expenses	28,291.85	24,314.29	17,659.54	74,832.16	56,697.85	76,683.66
Profit before exceptional items and tax	14,615.34	9,639.77	8,261.63	33,338.44	17,446.67	26,232.81
Exceptional Items	-	-	-	-	-	-
Profit before taxes	14,615.34	9,639.77	8,261.63	33,338.44	17,446.67	26,232.81
Tax expenses						
- Current Taxes	3,456.19	2,996.03	2,559.17	9,211.09	6,944.07	7,726.17
- Deferred Taxes	183.14	(548.53)	(505.10)	(747.15)	(2,449.15)	(955.38)
Profit for the period/year	10,976.01	7,192.27	6,207.56	24,874.50	12,951.75	19,462.02
Other Comprehensive Income						
(A) Items that will not be reclassified to profit and loss						
-Re-measurements of net defined benefit plans	6.92	(1.48)	(3.22)	2.07	(0.44)	2.89
-Income tax impact	1.74	(0.37)	(0.81)	0.52	(0.11)	0.73
Sub-total (A)	5.18	(1.11)	(2.41)	1.55	(0.33)	2.16
(B) Items that will be reclassified to profit and loss						
-Effective portion of gains and loss on hedging instruments in a cash flow hedge	(28.20)	-	-	(28.20)	-	-
-Income tax impact	(7.10)	-	-	(7.10)	-	-
Sub-total (B)	(21.10)	-	-	(21.10)	-	-
Other Comprehensive Income/(Loss) (A+B)	(15.92)	(1.11)	(2.41)	(19.55)	(0.33)	2.16
Total Comprehensive Income for the period/year	10,960.09	7,191.16	6,205.15	24,854.95	12,951.42	19,464.18
Paid-up Equity share capital (Face Value of ₹ 10 each)	48,225.00	48,225.00	48,225.00	48,225.00	48,225.00	48,225.00
Earnings per equity share (not annualised)						
Basic (₹)	2.28	1.49	1.29	5.16	2.69	4.04
Diluted (₹)	2.28	1.49	1.29	5.16	2.69	4.04



Notes:

1. The above financial results have been prepared in the format specified in Division III of Schedule III of Companies Act, 2013 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and in accordance with Indian Accounting Standards ("Ind AS") notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance/clarification/directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/applicable.
2. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 14, 2022. The Statutory Auditors have conducted audit and issued an unmodified opinion on the financial results for the quarter and nine months ended December 31, 2021.
3. The Covid-19 pandemic has impacted most countries, including India. The nation-wide lockdown initiated by the Government of India in April-May 2020 substantially impacted economic activity. The easing of lockdown measures subsequently led to gradual improvement in economic activity and progress towards normalcy. RBI took various regulatory measures like moratorium on payment of dues, reliefs towards 'interest on interest' charged during March-August 2020 and allowing one-time restructuring (OTR) to eligible borrowers.

The extent to which the COVID-19 pandemic, including the "second wave" and current "third wave" that has significantly increased the number of cases in India, will continue to impact the Company's financial results, will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

Though the lockdown has been lifted albeit with restrictions, operations and economic activities have not yet returned to normalcy. Given the dynamic nature of the pandemic situation, these estimates are subject to uncertainty and may be affected by severity and duration of the pandemic. In the event the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of financial assets, the financial position and performance of the Company. The Company holds adequate impairment allowance as at December 31, 2021 against potential impact of COVID-19 based on the information available at this point in time. The impairment allowance held by the Company is in excess of the RBI prescribed norms. Based on the internal assessment undertaken, the Company believes it has sufficient liquidity to honour its liabilities due over the next 12 months.

4. During the year ended March 31, 2021, the Company received the certified copy of order from National Company Law Tribunal ('NCLT') approving the amalgamation of Axis Private Equity Ltd. with the Company, appointed date being April 1, 2017. Subsequently the Company allotted 15,00,000 equity shares to the shareholders of Axis Private Equity Ltd. The amalgamation qualifies as a 'common control transaction' and has been accounted for using the Pooling of interest method as per Appendix C to Ind AS 103 - Business Combinations. Accordingly, the financial results for the earlier periods have been restated as if the business combination had occurred with effect from April 1, 2019 irrespective of the actual date of acquisition and are not comparable with those reported earlier, in so far as it relates to the amounts included in respect of above said amalgamation. Similarly, the value of paid up equity share capital has also been restated to make the Basic / Diluted Earnings per share comparable.
5. The company is engaged primarily in the business of financing and also operates within India. Accordingly, there are no separate reportable segments as per Ind AS 108 - Operating Segment.



6. In terms of requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning ('IRACP') norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at December 31, 2021 and accordingly, no amount is required to be transferred to impairment reserve.
7. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules / interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
8. Disclosure pursuant to RBI Circular - RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021

Format – X : For the period ended December 31, 2021

SL No.	Description	Personal Loans	Business Loans	Small businesses	Total
A	Number of requests received for invoking resolution process under Part A	6	1	11	18
B	Number of accounts where resolution plan has been implemented under this window	5	1	8	14
C	Exposure to accounts mentioned at (B) before implementation of the plan*	522.04	6.63	112.76	641.43
D	Of (C), aggregate amount of debt that was converted into other securities	-	-	-	-
E	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-	-
F	Increase in provisions on account of the implementation of the resolution plan	46.86	0.37	5.68	52.91

*Amount mentioned in exposure to accounts is as of June 30, 2021 including interest accrued but not due.



9. Disclosure pursuant to RBI Circular - RBI/DOR/2021-22/86/DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021

Particulars	December 31, 2021
Number of loans sold	15
Aggregate amount	62,795.73
Sale consideration	65,151.65
Number of transactions	15
Weighted average maturity (remaining)	4.25
Weighted average holding period (after origination)	1.02
Retention of beneficial economic interest (average)	0%
Coverage of tangible security coverage	1.15x to 1.67x
Rating wise distribution of rated loans	A, A-, AA, BBB, BBB-
Number of instances (transactions) where transferor has agreed to replace the transferred loans	NIL
Number of transferred loans replaced	N.A.

10. Disclosures in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for nine months ended December 31, 2021 is attached as Annexure 1.
11. The financial results for the quarter ended September 30, 2021, year ended March 31, 2021 were audited and for the quarter / nine months ended December 31, 2020 were reviewed by erstwhile statutory auditors.
12. Previous period / year figures have been regrouped / rearranged wherever necessary to conform to the current period/year figures.



For and on behalf of Board of
Directors
AXIS FINANCE LIMITED

BIPIN
KUMAR
SARAF

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Bipin Kumar Saraf
Managing Director & CEO
DIN: 06416744
Place: Mumbai
Date: January 14, 2022

Annexure 1

- 1) Pursuant to Regulation 52(7) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that issue proceeds of Non-Convertible Debentures (NCDs) issued by the Company and outstanding as on December 31, 2021 are being utilized as per the objects stated in the offer document. Further we also confirm that there have been no deviations, in the use of proceeds of issue of NCDs from the objects stated in the offer document.
- 2) Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we would like to state that all secured Non-Convertible Debentures (NCDs) issued by the Company and outstanding as on December 31, 2021 are fully secured by first pari passu charge created over the freehold immovable properties, current assets, cash flows and receivables of the Company. Accordingly, the Company is maintaining asset cover of 1x or such higher asset cover required as per the terms of offer document/Information Memorandum.
- 3) Disclosure as per Regulation 52(4) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015
We are pleased to submit following information pursuant to Regulation 52(4) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015:
 1. Debt – Equity Ratio as on December 31, 2021: 7.66
 2. Debt service coverage ratio: Not applicable
 3. Interest service coverage ratio: Not applicable
 4. Outstanding redeemable preference shares (quantity and value): Not applicable
 5. Capital redemption reserve/debenture redemption reserve: Not applicable
 6. Net worth as on December 31, 2021: 1,69,385.50 (Rs in Lakhs)
 7. Net profit after tax for the quarter ended on December 31, 2021: 10,976.01 (Rs in Lakhs)
 8. Earnings per share for the quarter ended on December 31, 2021: 2.28
 9. Current ratio: Not applicable
 10. Long term debt to working capital: Not applicable
 11. Bad debts to Account receivable ratio: Not applicable
 12. Current liability ratio: Not applicable
 13. Total debts to total assets as on December 31, 2021: 0.88
 14. Debtors turnover: Not applicable
 15. Inventory turnover: Not applicable
 16. Operating margin (%): Not applicable
 17. Net profit margin (%): Not applicable
 18. Sector specific equivalent ratios as on December 31, 2021
 - a) Gross Stage 3 asset: 1.89%
 - b) Net Stage 3 asset: 0.89%
 - c) CRAR: 18.89%
 - d) Liquidity Coverage Ratio: 208.71%