

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

**To**  
**The Board of Directors of**  
**Axis Securities Limited**

**Report on the audit of the Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date financial results of Axis Securities Limited (the "Company") for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("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 (the "Listing Regulations").

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

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

**Basis for Opinion**

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

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

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting

principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 the Statement.

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

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

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

**For S.R. BATLIBOI & Co. LLP**

Chartered Accountants

**ICAI Firm Registration Number:** 301003E/E300005

**per Jitendra H. Ranawat**

Partner

Membership No.: 103380

UDIN: 22103380AGUGAW7182

Mumbai

April 11, 2022

**Axis Securities Limited**  
**Balance sheet as at 31 March 2022**

Particulars	As at 31 March, 2022 (₹ in Lakhs)	As at 31 March, 2021 (₹ in Lakhs)
<b>ASSETS</b>		
<b>1 Financial assets</b>		
(a) Cash and cash equivalents	35,147	21,627
(b) Bank balance other than (3) above	41,129	37,088
(c) Receivables		
Trade receivables	16,417	11,617
(d) Loans	1,14,489	44,371
(e) Investments	24,221	6,046
(f) Other financial assets	27,826	5,543
<b>Total Financial assets</b>	<b>2,59,229</b>	<b>1,26,292</b>
<b>2 Non - Financial assets</b>		
(a) Current tax assets (net)	1,181	1,054
(b) Deferred tax assets (net)	-	637
(c) Property, plant and equipment	3,267	1,760
(d) Right-of-use-asset	5,376	2,647
(e) Capital work-in-progress	17	151
(f) Intangible assets under development	42	107
(g) Other intangible assets	1,461	1,432
(h) Other non-financial assets	1,452	2,171
<b>Total Non- Financials assets</b>	<b>12,796</b>	<b>9,959</b>
<b>Total Assets</b>	<b>2,72,025</b>	<b>1,36,251</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>1 Financial liabilities</b>		
(a) Payables		
(I) Trade payables		
(i) total outstanding dues of micr enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	28,038	19,261
(b) Debt Securities	98,249	37,288
(c) Borrowing (other than debt securities)	-	-
(d) Lease Liabilities	5,724	2,808
(e) Other financial liabilities	42,126	20,600
<b>Total Financials liabilities</b>	<b>1,74,137</b>	<b>79,957</b>
<b>2 Non - Financial liabilities</b>		
(a) Current tax liabilities (net)	56	-
(b) Provisions	6,369	5,218
(c) Deferred tax liabilities (net)	3,404	-
(d) Other non- financial liabilities	3,259	2,867
<b>Total Non-Financials liabilities</b>	<b>13,088</b>	<b>8,085</b>
<b>3 EQUITY</b>		
(a) Equity share capital	14,450	14,450
(b) Other equity	70,350	33,759
<b>Total equity</b>	<b>84,800</b>	<b>48,209</b>
<b>Total Liabilities and Equity</b>	<b>2,72,025</b>	<b>1,36,251</b>

**Axis Securities Limited**

Statement of unaudited financial results for the quarter and year ended 31 March, 2022

(₹ in Lakhs)

	Particulars	Quarter ended			Year ended	
		31 March, 2022	31 December, 2021	31 March, 2021	31 March, 2022	31 March, 2021
		(Unaudited)	(Reviewed)	(Unaudited)	(Audited)	(Audited)
	<b>Revenue from Operation</b>					
(i)	Brokerage and Fees income	12,647	12,943	10,478	49,849	35,504
(ii)	Interest income	5,106	4,445	2,212	15,592	6,203
(iii)	Net gain / (loss) on fair value changes	126	109	141	559	376
<b>(I)</b>	<b>Total revenue from Operations</b>	17,879	17,497	12,831	66,000	42,083
(IIa)	Other income	70	30	367	186	614
(IIb)	Dividend Income	-	-	-	177	-
<b>(III)</b>	<b>Total Income (I+IIa+IIb)</b>	17,949	17,527	13,198	66,363	42,697
	<b>Expenses</b>					
(i)	Finance Cost	1,452	1,140	464	3,869	1,264
(ii)	Impairment on financial Instruments	(140)	354	(58)	1,850	1,258
(iii)	Employee Benefits Expenses	4,762	4,479	3,716	16,901	11,710
(iv)	Depreciation, amortisation and impairment	707	636	456	2,314	1,650
(v)	Other Expenses	3,385	3,341	2,013	10,601	5,343
<b>(IV)</b>	<b>Total Expenses</b>	10,166	9,950	6,591	35,535	21,225
<b>(V)</b>	<b>Profit/(loss) before tax (III-IV)</b>	7,783	7,577	6,607	30,828	21,472
<b>(VI)</b>	<b>Tax Expenses</b>					
	Current tax	2,002	2,039	1,854	8,445	5,144
	Deferred tax	41	(149)	45	(530)	(127)
		2,043	1,890	1,899	7,915	5,017
<b>(VII)</b>	<b>Profit for the year (V-VI)</b>	5,740	5,687	4,708	22,913	16,455
<b>(VIII)</b>	<b>Other Comprehensive income</b>					
(i)	Items that will not be reclassified to profit or loss					
(a)	Remeasurement of defined employee benefits plans	84	-	(18)	84	18
(b)	Fair value Gain on strategic equity securities	18,175	-	-	18,175	-
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(4,571)	-	(8)	(4,571)	8
	<b>Other Comprehensive Income</b>	13,688	-	(26)	13,688	26
<b>(IX)</b>	<b>Total comprehensive income for the period/year (VII-VIII) [comprising profit/(loss) and other comprehensive income for the period /year]</b>	19,428	5,687	4,734	36,601	16,481
<b>(X)</b>	<b>Earnings per equity shares : (Face value Rs 10/- per shares)*</b>					
	Basic (in ₹)	3.97	3.94	3.28	15.86	11.41
	Diluted (in ₹)	3.97	3.94	3.28	15.86	11.41

\*EPS is not annualised for interim periods

<b>Axis Securities Limited</b>		
<b>Cash Flow Statement for the year ended 31 March 2022</b>		
Particulars	Year ended	Year ended
	31 March, 2022	31 March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
<b>Cash flow from operating activities</b>		
Profit before taxes	30,828	21,472
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation amortization and Impairment expense	2,314	1,650
Gain on disposal of investment	(57)	-
Net loss on disposal of property, plant and equipment	143	34
Interest income	(1,956)	(2,208)
Provision for doubtful debts	1,763	1,191
Fair value on strategic equity securities	18,175	-
Share based payments to employees	88	161
Finance charges	3,869	1,264
Operating profit before working capital changes	55,167	23,564
<b>Adjustments for changes in working capital</b>		
(Increase) / Decrease in trade receivables	(6,084)	(10,074)
(Increase) / Decrease in loans	(70,470)	(40,274)
(Increase) / Decrease in other financial assets	(22,753)	(913)
(Increase) / Decrease in other non Financial assets	719	(1,299)
Increase / (Decrease) in trade payables	8,777	19,605
Increase / (Decrease) in other financial liabilities	21,526	(73)
Increase / (Decrease) in provision	1,010	1,782
Increase / (Decrease) in other non financial liabilities	392	1,263
<b>Cash (used in) / generated from operations</b>	(11,716)	(6,419)
Income tax paid (net)	(8,516)	(3,348)
<b>Net cash (used in) / generated from Operating activities (A)</b>	<b>(20,232)</b>	<b>(9,767)</b>
<b>Cash flow from Investing activities</b>		
Investment in bank fixed deposit under lien with exchange	(3,735)	(10,226)
Interest on bank fixed deposit under lien with exchange	2,097	1,776
Purchase of property, plant and equipment	(2,617)	(1,228)
Proceeds from sale of property, plant and equipment	14	31
Increase in Capital work in progress	134	89
Gain on Other Investments	57	-
Investment in Equity shares	(18,175)	(6,046)
Purchase of intangible assets incl. intangible under developments	(617)	(643)
Proceeds from sale of Intangible assets	7	-
<b>Net cash (used in) / generated from Investing activities (B)</b>	<b>(22,835)</b>	<b>(16,247)</b>
<b>Cash flow from Financing activity</b>		
Interest paid on borrowings	(3,459)	(1,046)
Interest Paid on Lease liabilities	(410)	(218)
Payment of Lease liabilities	(505)	(604)
Borrowing other than Debt Securities	-	(16)
Proceeds from issuance of Commercial paper (Net)	60,961	37,288
<b>Net cash (used in) / generated from Financing activities (C)</b>	<b>56,587</b>	<b>35,404</b>
Net (decrease) / increase in cash and cash equivalents (A+B+C)	13,520	9,390
Cash and cash equivalents at the beginning of the year	21,627	12,237
<b>Cash and cash equivalents at the end of the year</b>	<b>35,147</b>	<b>21,627</b>

<b>Components of cash and cash equivalents</b>		
<b>Cash and Cash Equivalents comprises of :</b>		
<b>Balances with banks:</b>		
– In current accounts	30,144	21,122
– Balance in prepaid cards	1	2
- Fixed deposit with original maturity less than 3 months	5,000	500
- Interest accrued on Fixed deposits	2	3
<b>Total Cash and Cash Equivalents</b>	<b>35,147</b>	<b>21,627</b>

The above Statement of Cash flows has been prepared under the “Indirect Method” as set out in Indian Accounting Standard (IND AS) - 7 ‘Statement of Cash Flows’ notified under section 133 of the Companies Act 2013, read together with Companies (Indian Accounting Standards) Rules, 2015.

Notes:

- 1) The above financial results have been prepared in the format specified in Division III of Schedule III of Companies Act, 2013 (the “Statement”) attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No. SEBI/HO/DDHS/CIR/2021/637 dated October 05, 2021 , SEBI Circular No. SEBI/HO/DDHS/CIR/P/2019/115 dated October 22, 2019 and SEBI Circular no. SEBI/HO/DDHS/CIR/P/2019/167 dated December 24, 2019 (the “Regulations”) and in accordance with Indian Accounting Standards (‘Ind AS’) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under Section 133 of the Companies Act 2013 (‘the Act’) read with relevant rules issued there under 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 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on April 11, 2022. The statutory auditors have issued unmodified opinion on the standalone financial results.
- 3) The figures of the march quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 and year-to-date figures up to December 31, 2021, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 4) Pursuant to SEBI circular SEBI Circular No. SEBI/HO/DDHS/CIR/2021/613 dated August 10, 2021 and SEBI/HO/DDHS/CIR/P/2019/115 dated October 22, 2019, on "Framework for listing of Commercial Paper", information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is attached herewith as annexure 'A'. Details as mentioned in Annexure ‘A’ have not been subjected to review by statutory auditors.
- 5) Previous period / year figures have been regrouped / rearranged wherever necessary to conform to the current period/year figures.

As per our report of even date

**For and on behalf of Board of Directors**

**Gopkumar Bhaskaran**  
Managing Director & CEO  
DIN No: 07223999  
Date : 11 April 2022



## Annexure A

Pursuant to SEBI Operational circular SEBI/HO/DDHS/CIR/2021/613 dated August 10, 2021 to the extent applicable to Commercial papers, information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for the year ended March 31, 2022 is as mentioned below:

### a) Key Financial Information

Particulars	Year ended March 31, 2022	Year Ended March 31, 2021
Debt Equity Ratio <sup>1</sup>	1.17 Times	0.78 Times
Debt Service Coverage Ratio <sup>2</sup>	0.33 Times	0.58 Times
Interest Service Coverage Ratio <sup>3</sup>	10.40 Times	24.75 Times
Outstanding redeemable preference shares (quantity and value)	Not Applicable	Not Applicable
Capital redemption reserve/ Debenture redemption reserve	Not Applicable	Not Applicable
Net Worth <sup>4</sup>	84,800 Lakhs	Rs. 48,209 Lakhs
Net Profit after tax	36,601 Lakhs	Rs. 16,481 Lakhs
Earnings Per shares (Basic and Diluted) (Face Value Rs. 10 per share)	Rs. 15.86	Rs. 11.41
Current ratio	1.37 Times	1.46 Times
Long term debt to working capital ratio <sup>5</sup>	Nil	Nil
Bad debts to account receivable ratio	0.53%	0.58%
Current liability ratio	0.81 Times	0.95 Times
Total debt to total assets ratio	0.36 Times	0.28 Times
Debtors turnover ratio <sup>6</sup>	0.90 Times	1.30 Times
Inventory turnover ratio	Not applicable	Not applicable
Operating margin (%) <sup>7</sup>	46.71%	51.02%
Net profit margin (%) <sup>8</sup>	34.72%	39.10%

<sup>1</sup> Debt Equity Ratio = Debt (Borrowings + Accrued Interest) / Equity (Equity share capital + Other Equity)

<sup>2</sup> Debt Service Coverage Ratio = Profit before interest and tax / (Interest expenses (excludes interest costs on leases as per Ind AS 116 on leases) + Principal Repayments)

<sup>3</sup> Interest Service Coverage Ratio = Profit before interest and tax / Interest expenses (excludes interest costs on leases as per Ind AS 116 on leases)

<sup>4</sup> Net Worth = Equity share capital + Other Equity

<sup>5</sup> Company do not have any long term debt and hence the ratio is Nil

<sup>6</sup> Debtors turnover ratio = Fees and commission Income / Trade receivable

<sup>7</sup> Operating margin = Profit before tax / Total revenue from operation

<sup>8</sup> Net profit margin = Profit after tax / Total revenue from operation