

Independent Auditor's Review Report on the quarter ended June 30, 2022, Unaudited Financial Results of Axis Securities Limited Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Axis Securities Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Axis Securities Limited (the "Company") for the quarter ended June 30, 2022 (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 Securities and Exchange Board of India operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Viren H. Mehta
Partner
Membership No.: 048749

UDIN: 22048749AMSTPH8409

Mumbai; July 13, 2022

Axis Securities Limited

Statement of unaudited financial results for the period ended 30 June, 2022

(₹ in Lakhs)

	Particulars	Period ended			Year ended
		30 June, 2022	31 March, 2022	30 June, 2021	31 March, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from Operation				
(i)	Brokerage and Fees income	10,356	12,647	11,691	49,849
(ii)	Interest income	5,239	5,106	2,720	15,592
(iii)	Net gain / (loss) on fair value changes	173	126	141	559
(I)	Total revenue from Operations	15,768	17,879	14,552	66,000
(IIa)	Other income	34	70	52	186
(IIb)	Dividend Income	-	-	177	177
(III)	Total Income (I+IIa+IIb)	15,802	17,949	14,781	66,363
	Expenses				
(i)	Finance Cost	1,467	1,452	534	3,869
(ii)	Impairment on financial Instruments	836	(140)	907	1,850
(iii)	Employee Benefits Expenses	4,367	4,762	3,662	16,901
(iv)	Depreciation, amortisation and impairment	713	707	520	2,314
(v)	Other Expenses	3,230	3,385	1,799	10,601
(IV)	Total Expenses	10,613	10,166	7,422	35,535
(V)	Profit/(loss) before tax (III-IV)	5,189	7,783	7,359	30,828
(VI)	Tax Expenses				
	Current tax	1,795	2,002	2,142	8,445
	Deferred tax	(451)	41	(206)	(530)
		1,344	2,043	1,936	7,915
(VII)	Profit for the period (V-VI)	3,845	5,740	5,423	22,913
(VIII)	Other Comprehensive income				
(i)	Items that will not be reclassified to profit or loss				
(a)	Remeasurement of defined employee benefits plans	-	84	-	84
(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)	-	(4,571)
	Other Comprehensive Income	-	13,688	-	13,688
(IX)	Total comprehensive income for the period/year (VII-VIII) [comprising profit/(loss) and other comprehensive income for the period /year]	3,845	19,428	5,423	36,601
(X)	Earnings per equity shares : (Face value Rs 10/- per shares)*				
	Basic (in ₹)	2.66	3.97	3.75	15.86
	Diluted (in ₹)	2.66	3.97	3.75	15.86

*EPS is not annualised for interim periods



Axis Securities Limited
Balance Sheet as at 30 June 2022

Particulars		As at 30 June, 2022	As at 31 March, 2022
		(Unaudited)	(Audited)
		(₹ in Lakhs)	(₹ in Lakhs)
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents		44,289	35,147
(b) Bank balance other than Cash and cash equivalents		41,278	41,129
(c) Receivables			
Trade receivables		18,623	16,417
(d) Loans		1,17,403	1,14,489
(e) Investments		24,221	24,221
(f) Other financial assets		12,006	27,826
Total Financial Assets		2,57,820	2,59,229
2 Non - Financial Assets			
(a) Current tax assets (net)		1,243	1,181
(b) Deferred tax assets (net)		-	-
(c) Property, plant and equipment		3,215	3,267
(d) Right-of-use-asset		5,207	5,376
(e) Capital work-in-progress		78	17
(f) Intangible assets under development		113	42
(g) Other intangible assets		1,525	1,461
(h) Other non-financial assets		1,468	1,452
Total Non- Financials assets		12,849	12,796
Total Assets		2,70,669	2,72,025
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(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		21,363	28,038
(b) Debt Securities		1,01,878	98,249
(c) Borrowing (other than debt securities)		-	-
(d) Lease Liabilities		5,603	5,724
(e) Other financial liabilities		36,075	42,126
Total Financials Liabilities		1,64,919	1,74,137
2 Non - Financial Liabilities			
(a) Current tax liabilities (net)		602	56
(b) Provisions		5,055	6,369
(c) Deferred tax liabilities (net)		2,953	3,404
(d) Other non- financial liabilities		8,486	3,259
Total Non-Financials Liabilities		17,096	13,088
3 EQUITY			
(a) Equity share capital		14,450	14,450
(b) Other equity		74,204	70,350
Total Equity		88,654	84,800
Total Liabilities and Equity		2,70,669	2,72,025



Axis Securities Limited		
Cash Flow Statement for the period ended 30 June 2022		
Particulars	Period ended	Period ended
	30 June, 2022	30 June, 2021
	(Unaudited)	(Unaudited)
	(₹ in Lakhs)	(₹ in Lakhs)
Cash flow from operating activities		
Profit before taxes	5,189	7,359
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation amortization and Impairment expense	713	520
Gain on disposal of investment	(12)	(3)
Net loss on disposal of property, plant and equipment	(1)	(9)
Interest income	(582)	(503)
Provision for doubtful debts	836	907
Share based payments to employees	9	97
Finance charges	1,467	534
Operating profit before working capital changes	7,619	8,902
Adjustments for changes in working capital		
(Increase) / Decrease in trade receivables	(2,900)	5,825
(Increase) / Decrease in loans	(2,929)	(19,706)
(Increase) / Decrease in other financial assets	23,265	(11,690)
(Increase) / Decrease in other non financial assets	(16)	79
Increase / (Decrease) in trade payables	(6,675)	11,824
Increase / (Decrease) in other financial liabilities	(6,051)	87
Increase / (Decrease) in provision	(1,441)	(969)
Increase / (Decrease) in other non financial liabilities	5,227	4,546
Cash (used in) / generated from operations	16,099	(1,102)
Income tax paid (net)	(1,311)	(1,268)
Net cash (used in) / generated from Operating activities (A)	14,788	(2,370)
Cash flow from Investing activities		
Investment in bank fixed deposit under lien with exchange	(7,668)	(2,480)
Interest on bank fixed deposit under lien with exchange	649	522
Purchase of property, plant and equipment	(285)	(495)
Proceeds from sale of property, plant and equipment	1	20
Increase in Capital work in progress	(61)	(159)
Gain on Other Investments	12	3
Purchase of intangible assets incl. intangible under developments	(299)	(167)
Net cash (used in) / generated from Investing activities (B)	(7,650)	(2,756)
Cash flow from Financing activity		
Interest paid on borrowings	(1,342)	(456)
Interest Paid on Lease liabilities	(125)	(78)
Payment of Lease liabilities	(158)	(180)
Borrowing other than Debt Securities	-	1,251
Proceeds from issuance of Commercial paper (Net)	3,629	12,418
Net cash (used in) / generated from Financing activities (C)	2,004	12,955
Net (decrease) / increase in cash and cash equivalents (A+B+C)	9,142	7,829
Cash and cash equivalents at the beginning of the year	35,147	21,124
Cash and cash equivalents at the end of the period	44,289	28,953
Components of cash and cash equivalents		
Cash and Cash Equivalents comprises of :		
Balances with banks:		
- In current accounts	35,573	28,951
- Balance in prepaid cards	3	2
- Fixed deposit with original maturity less than 3 months	8,699	-
- Interest accrued on Fixed deposits	14	-
Total Cash and Cash Equivalents	44,289	28,953

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.

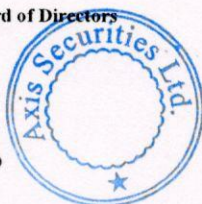


Notes:

- 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 ("Listing Regulation"), as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 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.
- 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 July 13, 2022. The statutory auditors have issued unmodified reviewed opinion on the standalone financial results.
- 3) Pursuant to SEBI circular SEBI Circular No. SEBI/HO/DDHS/CIR/2021/613 dated August 10, 2021 to the extent applicable to Commercial papers and information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for the quarter ended June 30, 2022 is attached herewith as annexure 'A'. Details as mentioned in Annexure 'A' have not been subjected to review by statutory auditors.
- 4) Previous period / year figures have been regrouped / rearranged wherever necessary to conform to the current period/year classifications.

For and on behalf of Board of Directors

Gopkumar Bhaskaran
Managing Director & CEO
DIN No: 07223999
Date : 13 July 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 period ended June 30, 2022 is as mentioned below:

a) Key Financial Information

Particulars	Period ended June 30, 2022	Year Ended March 31, 2022
Debt Equity Ratio ¹	1.16 Times	1.17 Times
Debt Service Coverage Ratio ²	0.06 Times	0.33 Times
Interest Service Coverage Ratio ³	5.02 Times	10.40 Times
Outstanding redeemable preference shares (quantity and value)	Not Applicable	Not Applicable
Capital redemption reserve/ Debenture redemption reserve	Not Applicable	Not Applicable
Net Worth ⁴	88,654 Lakhs	84,800 Lakhs
Net Profit after tax	3,845 Lakhs	36,601 Lakhs
Earnings Per shares (Basic and Diluted) (Face Value Rs. 10 per share)	Rs. 2.66	Rs. 15.86
Current ratio	1.36 Times	1.37 Times
Long term debt to working capital ratio ⁵	Nil	Nil
Bad debts to account receivable ratio	0.00%	0.53%
Current liability ratio	0.91 Times	0.81 Times
Total debt to total assets ratio	0.38 Times	0.36 Times
Debtors turnover ratio ⁶	0.10 Times	0.90 Times
Inventory turnover ratio	Not applicable	Not applicable
Operating margin (%) ⁷	32.91%	46.71%
Net profit margin (%) ⁸	24.38%	34.72%

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

² 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)

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

⁴ Net Worth = Equity share capital + Other Equity

⁵ Company do not have any long term debt and hence the ratio is Nil

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

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

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

