

Independent Auditor's Review Report on unaudited financial results of Axis Securities Limited for the quarter ended June 30, 2024 pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended)

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, 2024 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (the "Listing Regulations"), including relevant circulars issued by the SEBI from time to time.
2. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

OTHER MATTER

5. As described in Note 04 of financial results, the figures of the quarter ended March 31, 2024, are the balancing figures between the audited figures in respect of the full financial year and the reviewed year-to-date figures up to the third quarter of the respective financial year.

For Singhi & Co.
Chartered Accountants
Firm Registration Number: 302049E

Place: Mumbai
Date: July 16, 2024
UDIN: 24414420BKASMC2751

Shweta Singhal
Partner
Membership No: 414420

Axis Securities Limited
Balance Sheet as at 30 June 2024

(₹ in Lakhs)

Particulars	As at 30 June, 2024	As at 31 March, 2024
	(Unaudited)	(Audited)
ASSETS		
1 Financial Assets		
(a) Cash and cash equivalents	34,019	21,923
(b) Bank balances other than (note a) above	2,61,810	1,41,488
(c) Receivables		
Trade receivables	66,647	45,188
(d) Loans	5,15,140	4,04,706
(e) Investments	24,321	24,321
(f) Other financial assets	45,818	77,329
Total Financial Assets	9,47,755	7,14,955
2 Non - Financial Assets		
(a) Current tax assets (net)	1,353	1,147
(b) Deferred tax assets (net)	-	-
(b) Property, plant and equipment	4,491	4,657
(c) Right-of-use-asset	4,603	4,911
(d) Capital work-in-progress	119	70
(e) Intangible assets under development	397	217
(f) Other intangible assets	1,480	1,512
(g) Other non-financial assets	2,040	2,283
Total Non- Financials assets	14,483	14,797
Total Assets	9,62,238	7,29,752
LIABILITIES AND EQUITY		
Liabilities		
1 Financial Liabilities		
(a) Payables		
(I) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues other than micro enterprises and small enterprises	96,403	74,009
(II) Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues other than micro enterprises and small enterprises	2,074	5,300
(b) Debt Securities	5,27,254	4,28,747
(c) Borrowing (other than debt securities)	10,061	6
(d) Lease Liabilities	5,469	5,730
(e) Other financial liabilities	1,24,889	68,291
Total Financials Liabilities	7,66,150	5,82,083
2 Non - Financial Liabilities		
(a) Current tax liabilities (net)	2,300	96
(b) Provisions	7,158	6,174
(c) Deferred tax liabilities (net)	2,625	2,735
(d) Other non- financial liabilities	11,829	3,697
Total Non-Financials Liabilities	23,912	12,702
3 EQUITY		
(a) Equity share capital	15,083	14,450
(b) Other equity	1,57,093	1,20,517
Total Equity	1,72,176	1,34,967
Total Liabilities and Equity	9,62,238	7,29,752



Axis Securities Limited

Statement of unaudited financial results for the quarter ended 30 June, 2024

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30 June, 2024	31 March, 2024	30 June, 2023	31 March, 2024
	(Reviewed)	(Note 4)	(Audited)	(Audited)
Revenue from Operation				
(i) Brokerage and Fee income	24,405	23,397	12,377	70,119
(ii) Interest income	17,860	14,861	6,885	43,047
(iii) Net gain / (loss) on fair value changes	166	84	136	445
(I) Total revenue from Operations	42,431	38,342	19,398	1,13,611
(II) Other income	263	283	140	787
(III) Total Income (I+II)	42,694	38,625	19,538	1,14,398
Expenses				
(i) Finance costs	10,428	9,131	2,849	22,620
(ii) Impairment on financial instruments	473	305	601	1,162
(iii) Employee benefits expense	8,122	8,720	5,654	27,498
(iv) Depreciation, amortisation and impairment	877	893	757	3,308
(v) Other expenses	6,260	5,588	3,809	19,218
(IV) Total Expenses	26,160	24,637	13,670	73,806
(V) Profit/(loss) before tax (III-IV)	16,534	13,988	5,868	40,592
(VI) Tax Expenses				
Current tax	4,435	3,704	1,750	11,027
Deferred tax	(110)	(256)	(197)	(555)
	4,325	3,448	1,553	10,472
(VII) Profit for the period (V-VI)	12,209	10,540	4,315	30,120
(VIII) Other Comprehensive income				
(i) Items that will not be reclassified to profit or loss				
(a) Remeasurement of defined employee benefits plans	-	(211)	-	(211)
(b) Fair value Gain on strategic equity securities	-	3,379	-	3,379
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(797)	-	(797)
Other Comprehensive Income	-	2,371	-	2,371
(IX) Total comprehensive income for the period/year (VII+VIII) [comprising profit/(loss) and other comprehensive income for the period /year]	12,209	12,911	4,315	32,491
(X) Earnings per equity shares : (Face value Rs 10/- per shares)*				
Basic (in ₹)	8.39	7.29	2.99	20.84
Diluted (in ₹)	8.39	7.29	2.99	20.84

*EPS is not annualised for interim periods



Notes:

- 1) The Company is engaged in the business of broking, distribution of financial products and advisory services.
- 2) The above financial results have been prepared in the format specified in Division III of Schedule III of Companies Act, 2013 (the "Statement") and are, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Operational Circular issued by SEBI vide its reference no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/000000103 dated 29th July 2022 as amended from time to time 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.
- 3) 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 16, 2024. The statutory auditors have issued unmodified conclusion on the financial results for the quarter ended June 30, 2024.
- 4) The figures of the quarter ended March 31, 2024, are the balancing figures between audited figures in respect of the full financial year up to March 31, 2024 and year-to-date figures up to December 31, 2023, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 5) Pursuant to SEBI circular SEBI Circular No. SEBI/HO/DDHS/CIR/2021/613 dated August 10, 2021, amended from time to time, 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, 2024 is attached herewith as annexure 'A'. Details as mentioned in Annexure 'A' have not been subjected to review/audit by statutory auditors.
- 6) The Company operates only in one Business Segment i.e. "Broking & Related services" hence doesn't have any reportable segment as per Ind-AS 108 "Operating Segments"
- 7) The results for the quarter ended June 30, 2024 are available on the BSE Ltd website, www.bseindia.com and on company's website, axisdirect.in/aboutus
- 8) During the quarter ended June 30, 2024 the Company has issued equity shares to existing shareholders on rights basis of 63,29,097 equity shares of ₹ 10 each at premium of ₹ 385 each amounting to ₹ 25,000 Lakhs.
- 9) 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

Pranav Haridasan
Managing Director & CEO
DIN No: 02733184
Date : 16 July 2024
Place: Mumbai



Axis Securities Limited		
Cash Flow Statement for the quarter ended 30 June 2024		
(₹ in Lakhs)		
Particulars	Period ended	Period ended
	30 June, 2024	30 June, 2023
	(Unaudited)	(Unaudited)
Cash flow from operating activities		
Profit before taxes	16,534	5,868
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation amortization and impairment	877	757
Profit on sale of investments (fair value through P & L)	-	(7)
Net loss/ (gain) on derecognition of property, plant and equipment	25	(3)
Interest income	(3,076)	(1,316)
Impairment on financial instruments	458	601
Interest expense	10,218	2,759
Operating profit before working capital changes	25,036	8,659
Adjustments for changes in working capital		
(Increase) / Decrease in other bank balances	(1,17,256)	(4,230)
(Increase) / Decrease in trade receivables	(21,360)	2,682
(Increase) / Decrease in loans	(1,10,991)	(26,788)
(Increase) / Decrease in other financial assets	31,510	(11,344)
(Increase) / Decrease in Securities for trade	-	3,310
(Increase) / Decrease in other non Financial assets	243	(239)
Increase / (Decrease) in payables	19,168	14,990
Increase / (Decrease) in other financial liabilities	56,598	14,859
Increase / (Decrease) in provision	984	(431)
Increase / (Decrease) in other non financial liabilities	8,133	6,736
Cash (used in) / generated from operations	(1,07,935)	8,204
Income tax paid (net)	(2,437)	(1,517)
Net cash (used in) / generated from Operating activities (A)	(1,10,372)	6,687
Cash flow from Investing activities		
Purchase of property, plant and equipment and Capital work in progress	(372)	(104)
Proceeds from sale of property, plant and equipment	4	12
Gain on Other Investments	-	7
Purchase of intangible assets incl. intangible under developments	(301)	(119)
Proceeds from sale of Intangible assets	-	(1)
Net cash (used in) / generated from Investing activities (B)	(669)	(205)
Cash flow from Financing activity		
Interest paid on borrowings	(240)	(15,209)
Interest paid on lease liabilities	(330)	(212)
Payment of lease liabilities	(207)	(96)
Issuance of Equity share along with securities premium	25,000	-
Borrowing other than debt securities (net)	10,000	30,095
Proceeds / (repayments) from issuance of commercial paper (net)	88,707	(9,848)
Net cash (used in) / generated from Financing activities (C)	1,23,137	4,826
Net (decrease) / increase in cash and cash equivalents (A+B+C)	12,096	11,308
Cash and cash equivalents at the beginning of the year	21,923	25,573
Cash and cash equivalents at the end of the year	34,019	36,881

Particulars	Period ended	Period ended
	30 June, 2024	30 June, 2023
Components of cash and cash equivalents		
Cash and Cash Equivalents comprises of :		
Balances with banks:		
– In current accounts	34,017	36,678
– Balance in prepaid cards	2	3
Total Cash and Cash Equivalents	34,019	36,681

(i) 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 (as amended).

(ii) Cash and cash equivalents in the balance sheet comprises of Cash in hand and Cash at bank.



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 June 30, 2024 is as mentioned below:

a) Key Financial Information

Particulars	Period ended June 30, 2024	Year ended March 31, 2024
Debt Equity Ratio ¹	3.18 Times	3.24 Times
Debt Service Coverage Ratio ²	0.05 Times	0.14 Times
Interest Service Coverage Ratio ³	2.64 Times	2.87 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	₹ 1,72,176 Lakhs	₹ 1,34,967 Lakhs
Net Profit after tax	₹ 12,209 Lakhs	₹ 30,120 Lakhs
Earnings Per shares (Basic and Diluted) (Face Value Rs. 10 per share)	₹ 8.39	₹ 20.84
Current ratio	1.19 Times	1.17 Times
Long term debt to working capital ratio ⁵	Nil	Nil
Bad debts to account receivable ratio	0.02%	0.56%
Current liability ratio	0.97 Times	0.98 Times
Total debt to total assets ratio	0.57 Times	0.60 Times
Debtors turnover ratio ⁶	0.37 Times	1.55 Times
Inventory turnover ratio	Not applicable	Not applicable
Operating margin (%) ⁷	38.97%	35.73%
Net profit margin (%) ⁸	28.77%	26.51%

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 = Brokerage, Fees and Depository Income / Trade receivable

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

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