



GDA Trustee

Believe in yourself... Trust us!



No.GDA/DEB/16-17/120

May 13, 2016

To Whomsoever It May Concern,

CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, GDA Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that; we have received and noted the information, as specified under regulation 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by Axis Finance Limited (“**the Company**”) for the financial year ended March 31, 2016.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For GDA Trusteeship Limited

Authorised Signatory



GDA Trusteeship Ltd.

Mumbai Office : Office No. 83-87, 8th Floor, Mittal Tower, 'B' Wing, Nariman Point, Mumbai - 400 021. Tel: +91-22-49220555 • Fax: +91-22-49220506
Regd. Office : GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038. CIN No. U74999PN1997PLC110262
• Tel: +91-020-26280081 • Fax: +91-020-25280275 • Email: dt@gdatrustee.com Web: www.gdatrustee.com
Bengaluru Office : D II - 207, Shriram White House, Netaji Subhashchandra Bose Road, 15th Cross, 6th Main, R. T. Nagar, IInd Bank, Bengaluru - 560 032.
Delhi Office : B-22, Ansal Chambers - 1, 3, Bhikaji Karna Plaza, New Delhi - 110086.
Chennai Office : First Floor, No. 28, Ganapathy Colony, III Street, Teynampet, Chennai - 600 016.

AFL/2016-17/

10-05-2016

**The General Manager
Department of Corporate Services,
BSE Limited,
1st Floor, P.J.Towers,
Dalal Street, Mumbai – 400 001.**

Sub : - Compliance under Listing Agreement for the half year ending 31st March 2016 for NCDs issued.

Dear Sir,

We refer to your letter dated April 21, 2016 on the captioned subject and submit information as required under Part I as under:

1. Credit rating: The credit rating of Axis Finance Ltd is IND AAA issued by India Ratings & Research Pvt Ltd.
2. Asset Cover as on 31-March-2016: 1.29 times
3. Debt – Equity Ratio – 3.60 times
4. Previous due dates for payment of interest / principal : As per Annexure A, the same has been paid
5. Next due dates for payment of interest/principal: As per Annexure B
6. Debenture Redemption Reserve- Not Applicable
7. Net Worth- Rs. 719.76 crores
8. Net Profit after Tax- Rs. 110.76 crores
9. Earnings Per Share- Rs. 3.29

You are requested to take the above on record.

Thanking You,

Yours faithfully,

For Axis Finance Ltd


Authorised Signatory

For GDA Trusteeship Ltd

Authorised Signatory

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

Annexure A

Details of redemption & payment of interest during last half year ending 31.03.2016:

Series	Type	Due date of payment	Amount	Actual date of payment
	(Principal / Interest)		(Rs.)	
01/2014-15	Principal	21-Jan-16	5000,00,000	21-Jan-16
01/2014-15	Interest	21-Jan-16	517,22,500	21-Jan-16
04/2014-15	Principal	3-Mar-16	6000,00,000	3-Mar-16
04/2014-15	Interest	3-Mar-16	557,55,000	3-Mar-16
07/2014-15	Interest	8-Mar-16	44,20,000	8-Mar-16

Annexure B

Details of redemption & interest due in the next half-year i.e. 01.04.2016 to 30.09.2016:

Series / Tranche	Type	Due date of payment	Amount
	(Principal / Interest)		(Rs.)
Nil			

To

GDA Trusteeship Limited
Office No.1, 2, and 3,
4th floor, Rahimtoola House,
7, Homji Street,
Fort, Mumbai – 400 001.

Dear Sir,

On the basis of information and explanation given to us and records and documents produced before us for verification and as per audited books of accounts as on 31st March, 2016, this is to certify that **"AXIS FINANCE LIMITED"** having its registered office at Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai - 400025 is having Asset Cover Ratio **1.29 times** as on 31st March, 2016. The Detailed working for Asset Cover ratio is attached to this certificate.

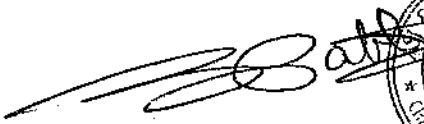

The above certificate is issued at the request of the Company and as per information provided to our satisfaction.

Certificate No: 000001/16-17

For ASJ & Company LLP

Chartered Accountants

FRN: 133292W

Sharad Kumar Patel

M.No. 047570

Place: Mumbai

Date: 28/04/2016

Encl: as above

AXIS FINANCE LTD.

Statement Showing Asset Cover Ratio as on 31st March 2016

(Rs. in Lacs)

Sr. No.	Particulars	Rs.	Rs.
TOTAL ASSETS			
Non Current Assets			
Fixed Assets			
	Tangible Assets	39.96	
a	Intangible Assets	142.12	
b	Capital WIP	2.55	184.63
	Deferred Tax Asset		430.29
	Non current Investments		18,794.85
	Long term loans and advances		95,391.65
	Other Non current Assets		205.26
	Total Non Current Assets		115,006.68
	Current Assets		221,797.75
A	Total Assets as on 31.03.16		336,804.43
CURRENT LIABILITIES			
	Short term borrowings		194,356.45
	Other current liabilities		2,931.65
	Short term provisions		1,031.12
B	Total Current Liabilities		198,319.22
SHORT TERM DEBT OBLIGATIONS			
	Interest accrued but not due		275.07
	Short term borrowings		194,356.45
C	Total Short term Debt Obligations as on 31.03.16		194,631.52
TOTAL DEBT OUTSTANDING			
	Commercial paper		110,327.28
	Debentures		63,540.00
	SBI - Term Loan		1,007.90
LOC			
	Axis Bank	9,717.48	
	Punjab & sind bank	30,031.51	
	Bank of Baroda	19,939.93	
	State Bank of India	15,003.76	
	HDFC Bank	9,336.50	84,029.18
D			258,904.36
$\frac{=(\text{Total Assets} - \text{Intangible Assets}) - (\text{Current Liabilities} - \text{Short Term Debt Obligation})}{\text{Total Debt Outstanding}}$			
Asset Cover Ratio =		A - (a+b) - (B-C)	
		D	
Ratio		1.29 times (Approx)	





ASJ & COMPANY LLP
CHARTERED ACCOUNTANTS

To

GDA Trusteeship Limited

Office No.1, 2, and 3,

4th floor, Rahimtoola House,

7, Homji Street,

Fort, Mumbai - 400 001.

Dear Sir,

On the basis of information and explanation given to us and other records and documents produced before us for verification this is to certify that **"AXIS FINANCE LIMITED"** having its registered office at Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai - 400025 are having Debt Equity Ratio **3.60 times** as on 31st March 2016 as per latest audited financial statement. The detailed working for Debt Equity Ratio is attached to this certificate.

Certificate No: 000002/16-17

For ASJ & Company LLP

Chartered Accountants

FRN: 133292W



Sharad Kumar Patel

M.No. 047570

Place: Mumbai

Date: 28/04/2016

Encl: As above

AXIS FINANCE LTD.

Statement Showing Debt Equity Ratio as on 31st March 2016

(` in Lacs)

Sr. No	Particulars		
I	TOTAL DEBTS:		
1	Debentures - Secured		63,540.00
2	Loan From Bank:		
2	Secured	75,319.59	
	Unsecured	9,717.48	85,037.07
3	Commercial paper - Unsecured		110,327.28
	Total Liabilities as on 31.3.2016	(A)	258,904.35
II	TOTAL EQUITY/OWN FUND:		
	Equity Share capital		36,825.00
	Reserves		
	Securities Premium Account	16,990.00	
	Statutory reserve u/s 45-IC of RBI Act	5,261.00	
	surplus in Profit & Loss Statement	13,472.72	35,723.72
			72,548.72
	Less:		
	Intangible Assets	142.12	
	Deffered Tax	430.29	(572.41)
	Total Equity/Own Fund as on 31.03.2016	(B)	71,976.31

Debt Equity Ratio =	Total Debt
	Total Equity

Debt Equity Ratio =	258904.35
	71976.31

3.60 times



[Handwritten Signature]

AFL/2016-17/

10-05-2016

GDA Trusteeship Limited

Office no -83-87, 8th Floor,
Mittal Tower, B Wing,
Nariman Point, Mumbai – 400 021

Sub : - Compliance under Listing Agreement for the half year ending 31st March 2016 for NCDs issued.

Dear Sir,

We refer to your letter dated April 21, 2016 on the captioned subject and submit information as required under Part II & Part III as under:

Part II

- a) A copy of the audited financial results and the certificate of utilization from our statutory auditors are enclosed for your perusal.
- b)
 - i. A copy of the resolution regarding issuance of non-convertible debt securities is enclosed
 - ii. Not applicable
- c) The points mentioned in **section c** as per the letter are not applicable
- d) There are no material deviations as per Regulation 52(7)

Part III

- a) The annual report copies will be submitted post approval from the shareholders in the AGM.
- b) Attached as Annexure
- c) Not Applicable
- d) Not Applicable

You are requested to take the same on record.

Yours faithfully,
For Axis Finance Ltd

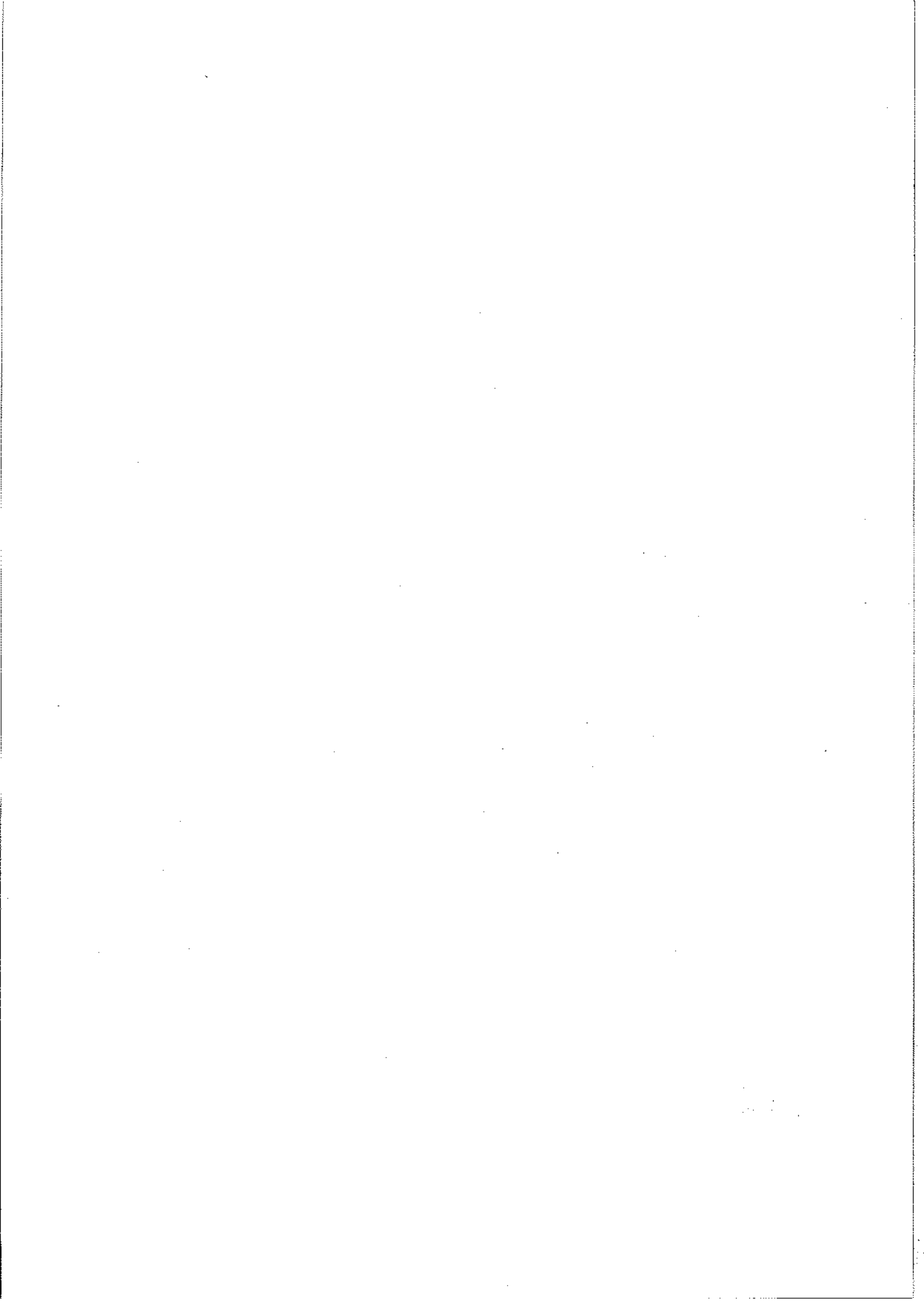


Amith Iyer
Authorised Signatory

AXIS FINANCE LIMITED

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

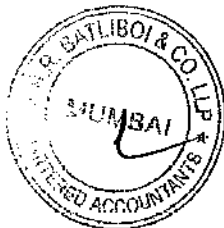
Tel: 022 - 2425 2525 ; Fax: 022 - 4325 5732 ; Email: info@axisfinance.in ; Website: www.axisfinance.co.in ; CIN: U65921MH1995PLC212675

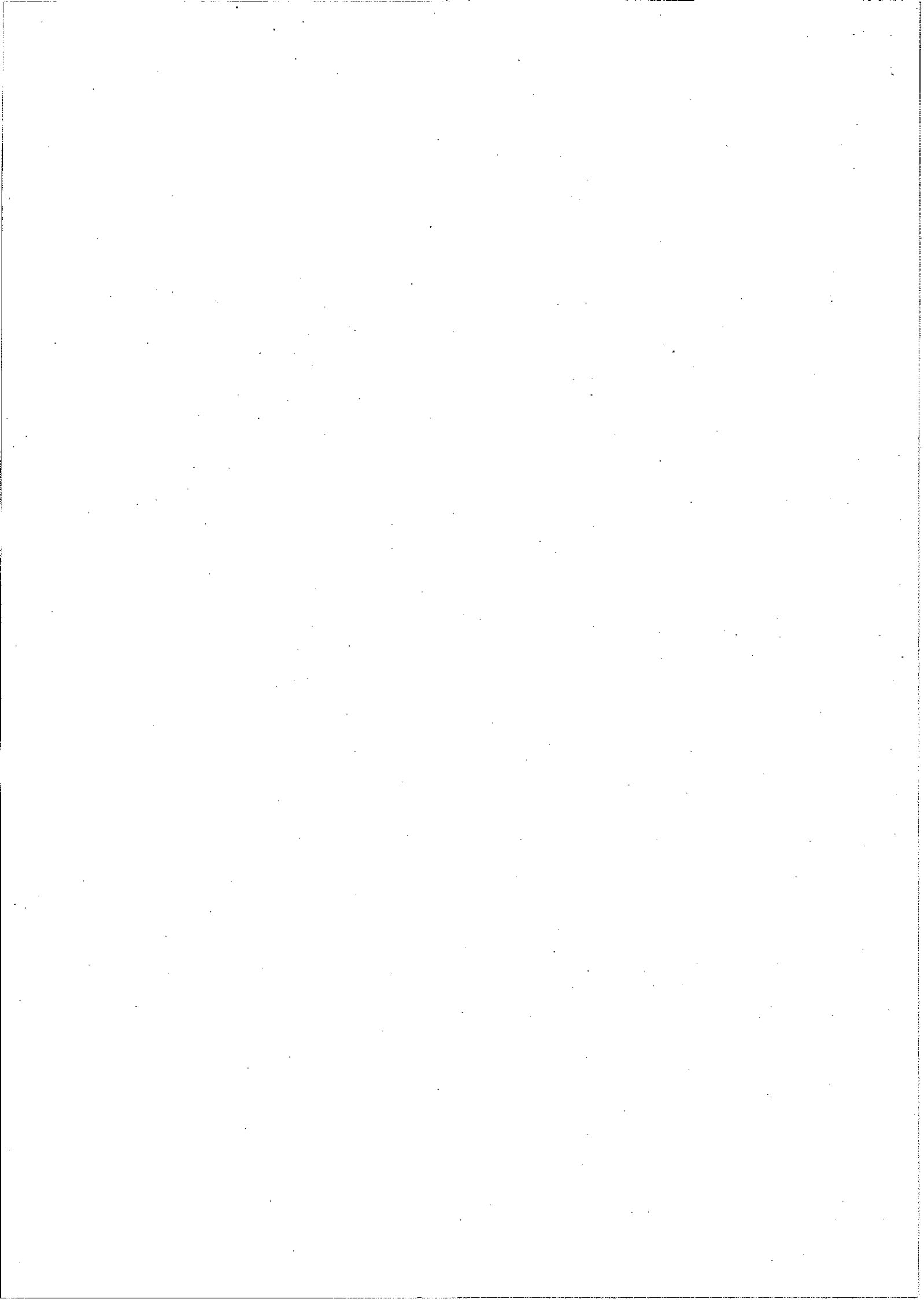


CERTIFICATE

The Board of Directors
Axis Finance Limited
Dear Sirs,

1. At the request of Axis Finance Limited (the "Company"), we have examined the accompanying Statement of utilization of proceeds from issue of non-convertible debentures ("NCDs") (the "Statement") during the year ended 31 March 2016, initialed by us for identification purposes, for submission to the debenture trustees as required by regulation 15(1A) of Securities and Exchange Board of India (Debentures Trustees) Regulations, 1993.
2. The accuracy and completeness of the Statement and compliance with conditions stated in the information memorandum for the NCDs issued during the year ended 31 March 2016 is the responsibility of the Company's management.
3. Our responsibility is to perform the procedures mentioned in paragraph 5 below, on the Statement, and state our findings. We performed the below mentioned procedures in accordance with the requirements of the Guidance Note on Audit Reports and Certificates Issued for Special Purposes issued by the Institute of Chartered Accountant of India. Our scope of work did not include verification of compliance with all the conditions stated in the private placement offer letter ("information memorandum") for the NCDs issued during the year. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company, taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such an opinion.
4. The management of the Company has represented to us that temporary idle funds are placed in liquid mutual funds, which are subsequently utilized for the purpose as stated in the information memorandum for the NCDs issued during the year ended 31 March 2016. Hence as per the management, this should be considered as utilized for the purpose as stated in the information memorandum for the NCDs mentioned in the Statement.
5. We have performed the following procedures in relation to the Statement:
 - a. Obtained the information memorandum submitted in respect of each series of NCDs issued by the Company during the year ended 31 March, 2016 as listed in the Statement.
 - b. Noted the purpose of issue of the NCDs, as given in the Statement, with the various Information Memorandums of the NCDs as mentioned in para 5.a above provided by the Company.
 - c. Traced the outflow of funds as mentioned in the Statement, to the bank statements provided by the Company.
 - d. Examined the outflow of funds, from the bank statements provided by the Company.
6. Based on procedures performed, as set out in paragraph 5 above, and the information and explanations given to us and representations made by the Company, we hereby certify that the Company has utilized the funds raised through the issue of NCD during the year, for the purpose as given in the Statement attached.





S.R. BATLIBOI & CO. LLP

Chartered Accountants

Axis Finance Limited

Certificate on utilization of proceeds from issue of non-convertible debentures

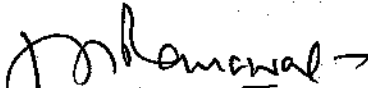
Page 2 of 2

7. This certificate is solely for the purpose set forth in the first paragraph and is not to be used for any other purpose or referred to in any document or distributed to anyone without our prior written consent. This certificate relates only to the above financial information and does not extend to any financial statements of the Company.
8. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S. R. BATLIBOI & CO. LLP

ICAI Firm registration number: 301003E/E300005

Chartered Accountants



per Jitendra H. Ranawat

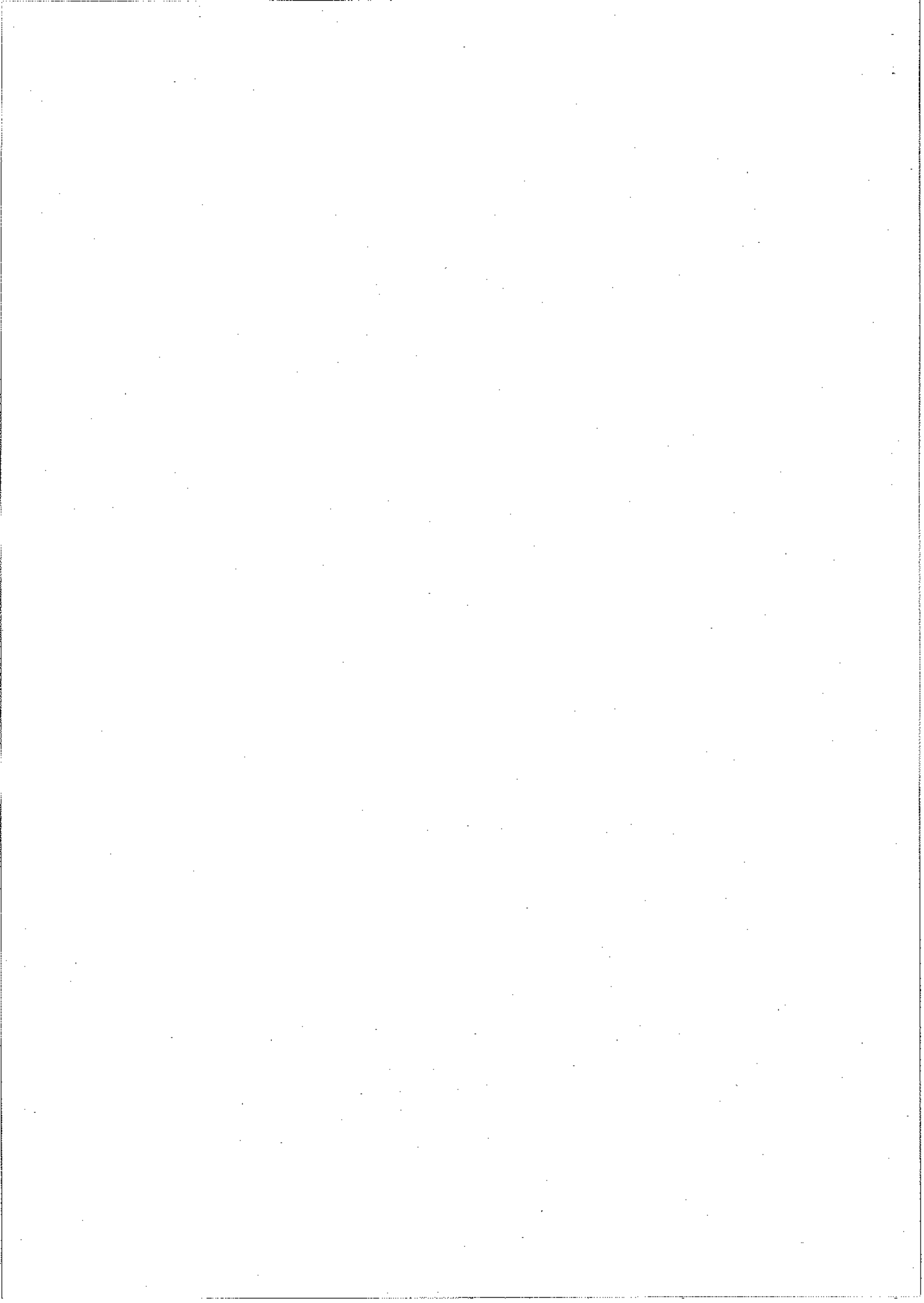
Partner

Membership No. 103380

Mumbai

Date: April 29, 2016





Axis Finance Limited
Statement of utilization of proceeds from non-convertible debentures (NCDs) issued during the year ended March 31, 2016

Sr. No	Description of NCDs	Date of issue	Proceeds from issue (in Rs.)	Purpose of issuance (as per Information memorandum)*	Description of utilisation of funds
1	Zero% AFL, 23rd October 2018	30-Oct-15	310,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
2	Zero% AFL, 23rd October 2018	30-Oct-15	60,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
3	Zero% AFL, 23rd October 2018	30-Oct-15	50,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
4	Zero% AFL, 05th October 2018	30-Oct-15	70,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
5	Zero% AFL, 29th October 2018	30-Oct-15	30,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
6	Zero% AFL, 29th October 2018	30-Oct-15	250,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
7	8.53% AFL, 27th November 2017	27-Nov-15	250,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
8	Zero% AFL, 15th January 2019	19-Jan-16	50,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
9	Zero% AFL, 25th March 2019	29-Jan-16	1,500,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
10	8.85% AFL, 29th January 2019	29-Jan-16	100,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
11	Zero% AFL, 19th July 2019	2-Feb-16	100,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
12	8.79% AFL, 09th April 2019	5-Feb-16	500,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements

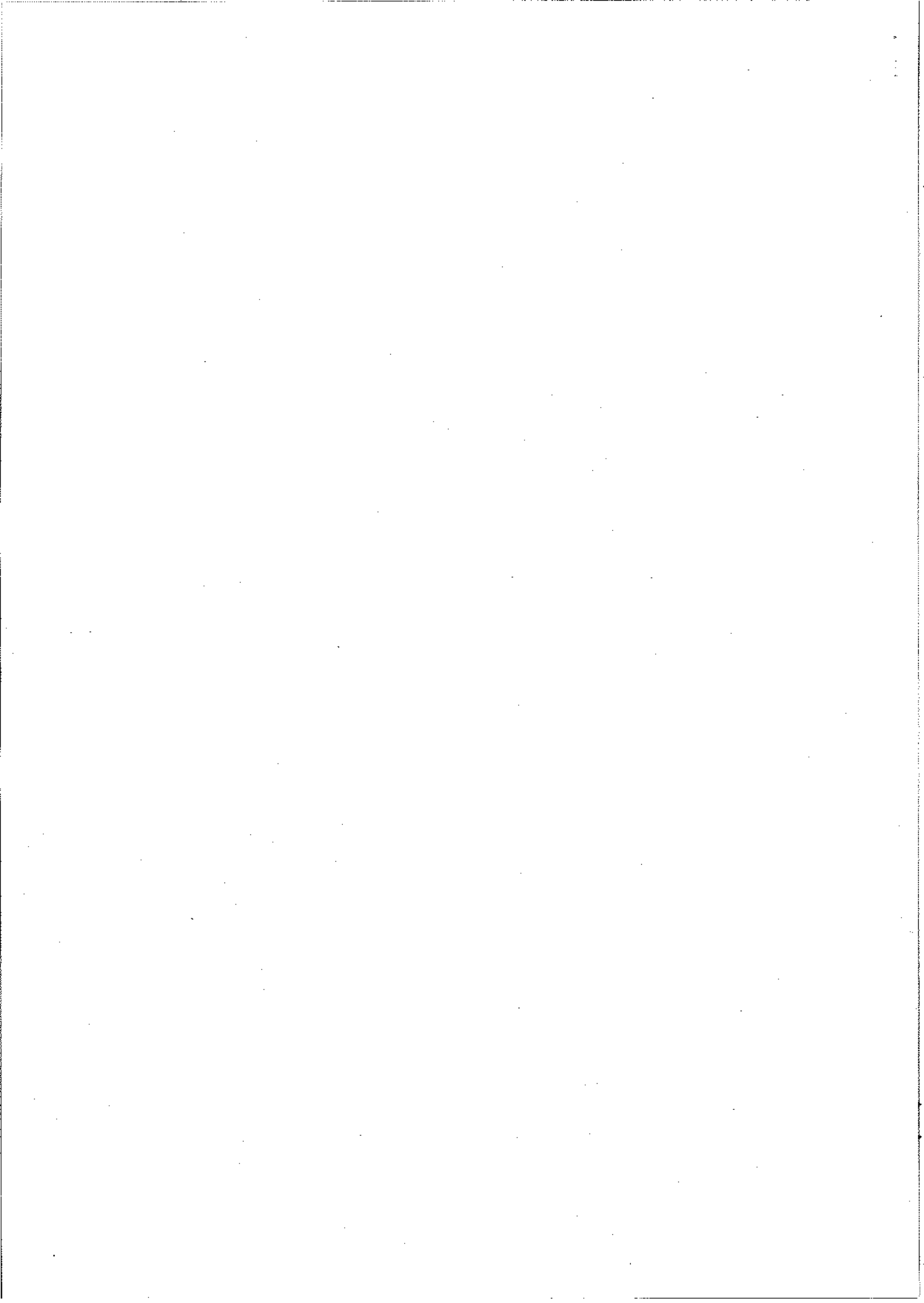
SIGNED FOR IDENTIFICATION BY

[Signature]

S. R. BATLIBOI & CO. LLP
MUMBAI

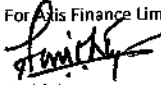
AXIS FINANCE LIMITED

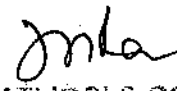
Regd. Office: Axis House, 2nd Floor, 1, Senapati Bapat Marg, Lower Ground Floor, Connaught Place, New Delhi - 110028
 Tel: 011-23282626, Fax: 011-47255707, Email: investor@axisfinance.com, info@axisfinance.com, compliance@axisfinance.com



13	Zero% AFL, 28th June 2019	4-Mar-16	100,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
14	Zero% AFL, 25th April 2019	4-Mar-16	50,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
15	Zero% AFL, 6th May 2019	4-Mar-16	50,000,000	Long Term Augmentation of resources	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, Company's business operations including capital expenditure and working capital requirements
Total			3,470,000,000		

* The purpose is similar across all tranches.

For Axis Finance Limited

 Amith Iyer
 CFO

SIGNED FOR IDENTIFICATION
 BY

S. R. BATLIBOI & CO. LLP
 MUMBAI

Part II - 9

S.R. BATLIBOI & Co. LLP

Chartered Accountants

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai-400 028, India
Tel : +91 22 6192 0000
Fax : +91 22 6192 1000

INDEPENDENT AUDITOR'S REPORT

To the Members of Axis Finance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Axis Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by 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, 2016, its profit, and its cash flows for the year ended on that date.

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.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Axis Finance Limited


Audit report for the year ended 31 March 2016

Page 2 of 4

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 purpose of our audit;
- (b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
- (g) 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, 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



per Jitendra H. Ranawat
Partner

Membership Number: 103380
Place of Signature: Mumbai
Date: 12 April, 2016



S.R. BATLIBOI & CO. LLP

Chartered Accountants

Axis Finance Limited

Audit report for the year ended 31 March 2016

Page 3 of 4

Annexure 1 referred to in our report of even date

Re: Axis Finance Limited ('the Company')

- (I)(a) The Company has maintained proper records showing full particulars, including quantitative details and location of fixed assets.
- (I)(b) Fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (I)(c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the company.
 - (i) 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.
 - (ii) According to the information and explanations given to 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 explanation given to us, there are no loans, investments, guarantees and securities granted 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 from the public.
 - (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, service tax and other material statutory dues applicable to it. The provisions relating to employees' state insurance, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.
 - (vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, and other material 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, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.
 - (vii)(c) According to the information and explanations given to us, there are no dues of income tax, service tax, value added tax and cess which have not been deposited on account of any dispute. The provisions relating to employees' state insurance, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.
 - (viii) Based on our audit procedures performed for the purpose of reporting the true and view of the financial statements and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Axis Finance Limited

Audit report for the year ended 31 March 2016

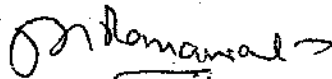
Page 4 of 4

- (ix) Based on our 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 and on an overall examination of balance sheet, we report that monies raised by way of commercial paper, non-convertible debentures and term loans were applied for the purposes for which they were raised.
- (x) Based upon the audit procedures performed for the purposes 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 on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanation given by the management, we report that managerial remuneration has been paid 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(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our 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, 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 not commented upon.
- (xv) Based on our 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, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm's Registration Number: 301003E



per Jitendra H. Ranawat

Partner

Membership Number: 103380

Place: Mumbai

Date: 12 April 2016



"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE 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")

To the Members of Axis Finance Limited

We have audited the internal financial controls over financial reporting of Axis Finance Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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. 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 over financial reporting 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting 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

S.R. BATLIBOI & Co. LLP

Chartered Accountants

assurance regarding prevention or timely detection 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

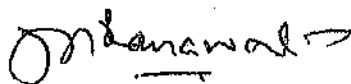
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of Axis Finance Limited, which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated April 12, 2016 and expressed an unqualified opinion thereon.

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



per Jitendra H Ranawat
Partner
Membership Number: 103380
Place of Signature: Mumbai
Date: 12-April-2016



AXIS FINANCE LIMITED

BALANCE SHEET AS AT MARCH 31, 2016

		Amount in Rs.	
	Note No.	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	3,682,500,000	3,182,500,000
Reserves and surplus	4	3,572,372,119	2,719,190,619
		<u>7,254,872,119</u>	<u>5,901,690,619</u>
Non Current Liabilities			
Long term borrowings	5	6,204,789,863	2,884,000,000
Other Non current liabilities	7	349,793,603	31,296,176
Long term provisions	8	39,065,845	18,552,044
		<u>6,593,649,311</u>	<u>2,933,848,220</u>
Current Liabilities			
Short term borrowings	6	19,435,645,103	24,697,523,183
Other current liabilities	7	293,164,924	1,137,345,049
Short term provisions	8	103,111,627	45,814,495
		<u>19,831,921,654</u>	<u>25,880,682,727</u>
Total		<u><u>33,680,443,084</u></u>	<u><u>34,716,221,567</u></u>
ASSETS			
Non Current Assets			
Fixed assets			
Tangible assets	9	3,996,462	2,280,260
Intangible assets		14,212,409	383,119
Capital work-in-progress		255,001	7,567,358
		<u>18,463,872</u>	<u>10,230,737</u>
Deferred tax asset	29	43,029,017	18,176,178
Non current investments	10	1,879,485,000	1,035,458,861
Long term loans and advances			
a. Loans	11	9,500,596,850	7,420,817,575
b. Others	12	38,567,744	27,625,516
Other Non current assets	13.2	20,525,918	7,640,605
		<u>11,500,668,401</u>	<u>8,519,949,472</u>
Current assets			
Current investments	10	532,271,861	12,503,718,212
Trade receivables	13.1		30,775,120
Cash and bank balances	14	1,457,477	103,595,287
Short term loans and advances			
a. Loans	11	21,535,566,872	13,532,383,922
b. Others	12	4,173,284	3,473,502
Other current assets	13.2	106,305,189	22,326,052
		<u>22,179,774,683</u>	<u>26,196,272,095</u>
Total		<u><u>33,680,443,084</u></u>	<u><u>34,716,221,567</u></u>

Summary of significant accounting policies 2.1
 The accompanying notes are forming part of financial statements
 As per our attached report of even date

For S.R. BATLIBOI & CO. LLP
 Firm Registration No.301003E
 Chartered Accountants

per Jitendra H. Ranawat
 Partner
 Membership No. :- 103380
 Place: Mumbai
 Date: April 12, 2016

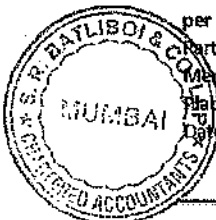
For and on behalf of the board of Axis Finance Limited

Srinivasan
 Srinivasan Varadarajan
 Chairman
 DIN No : 00033882

Amith Iyer
 Amith Iyer
 Chief Financial Officer

Bansal
 Bipin Kumar Saraf
 Managing Director
 DIN No : 06416744

Rajneesh Kumar
 Rajneesh Kumar
 Company Secretary
 Membership No: A31230



AXIS FINANCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

		Amount In Rs.	
	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Income			
Revenue from operations	15	3,729,896,108	2,237,007,557
Other income	16	-	5,603,427
Total income	(A)	3,729,896,108	2,242,610,984
Expenses			
Employee benefit expense	17	80,679,557	64,897,236
Finance costs	18	1,812,223,670	933,162,098
Provisions and write off	19	71,852,459	25,289,300
Other expenses	20	63,389,786	44,935,850
Depreciation and amortization expense	21	2,761,554	409,168
Total expenses	(B)	2,030,907,025	1,068,693,652
Profit before tax	(C) = (A)-(B)	1,698,989,083	1,173,917,332
Tax expense:			
Current tax		616,191,461	400,165,400
Deferred tax		24,852,839	(7,893,113)
Profit for the year		1,107,650,460	781,645,045
Earnings per equity share (Face Value Rs. 10 per share)			
Basic			
Computed on the basis of total profit for the year		3.29	2.88
Diluted			
Computed on the basis of total profit for the year		3.29	2.88

Summary of significant accounting policies 2.1
The accompanying notes forming part of financial statements
As per our attached report of even date

For S.R. BATLIBOI & CO. LLP
Firm Registration No.301008E
Chartered Accountants

Jitendra H. Ranawat

per Jitendra H. Ranawat
Partner
Membership No. :- 103380
Place: Mumbai
Date: April 12, 2016



For and on behalf of the board of Axis Finance Limited

Srinivasan Varadarajan
Srinivasan Varadarajan
Chairman
DIN No : 00033882

Amith Iyer
Amith Iyer
Chief Financial Officer

Bi pin Kumar Saraf
Bi pin Kumar Saraf
Managing Director
DIN No : 06416744

Rajneesh Kumar
Rajneesh Kumar
Company Secretary
Membership No: A31230



AXIS FINANCE LIMITED

Cash flow statement for the year ended March 31, 2016

	Amount in Rs.	
	For the Year ended March 31, 2016	For the Year ended March 31, 2015
A. Cash flow from operating activities		
Profit before tax	1,698,989,083	1,173,917,332
Adjustments for:		
Depreciation	2,761,554	409,168
Provision against standard assets	71,852,459	25,289,300
Amortization of debenture premium	-	(1,430,915)
Interest on fixed deposit and debentures	-	(5,603,427)
Operating profit before working capital changes	1,773,603,096	1,192,581,458
Movement in working capital:		
Decrease/(increase) in long term loan & advances	(2,079,779,275)	(1,824,617,575)
Decrease/(increase) in short term loan & advances	(8,003,882,732)	(8,086,251,519)
Decrease/(increase) in trade receivables	30,775,120	(30,724,558)
Decrease/(increase) in other current assets	(83,979,137)	6,564,170
Decrease/(increase) in other non current assets	(12,885,313)	(7,640,605)
Increase/(decrease) in short term provisions	4,895,016	1,096,384
Increase/(decrease) in other current liabilities	(525,682,698)	1,151,965,694
Increase/(decrease) in long term provisions	1,063,458	-
Cash generated from operations	(8,895,872,466)	(7,597,026,551)
Income tax paid	(627,133,689)	(400,878,155)
Net cash flow from operating activities (A)	(9,523,006,155)	(7,997,904,706)
B. Cash flow from investing activities		
Interest received on fixed deposit and NCD	-	5,603,427
Purchase of fixed assets	(2,927,681)	(2,161,253)
Payment for Intangibles	(8,067,008)	(8,002,447)
Maturity of bank deposits	-	170,000,000
Proceeds from sale of investment	211,162,009,222	74,493,639,498
Purchase of investment	(200,034,589,011)	(87,133,353,196)
Net cash flow from investing activities(B)	11,116,425,522	(12,474,273,971)
C. Cash flow from financing activities		
Proceeds from borrowings (net of repayment)	(1,941,088,217)	19,573,088,591
Proceed from issue of shares (net of issue expenses)	999,000,000	999,000,000
payment of dividend	(753,468,960)	-
Net cash flow from financing activities(C)	(1,695,557,177)	20,572,088,591
Net Increase/(decrease) in cash and equivalents(A+B+C)	(102,137,810)	99,909,914
Cash and cash equivalents at the beginning of the year	103,595,287	3,685,373
Cash and cash equivalents at the end of the year	1,457,477	103,595,287

Note:

Cash and cash equivalents includes:

	March 31, 2016	March 31, 2015
Cash	970	3,795
Balance with banks	1,456,507	103,591,492
	1,457,477	103,595,287

For S.R. BATLIBOI & CO. LLP
Firm Registration No.301003E
Chartered Accountants

per Jitendra H. Ranawat
Partner
Membership No. :- 103380
Place: Mumbai
Date: April 12, 2016



For and on behalf of the board of Axis Finance Limited

Srinivasan Varadarajan
Chairman
DIN No : 00033882

Amith Iyer
Amith Iyer
Chief Financial Officer

Bipin Kumar Saraf
Bipin Kumar Saraf
Managing Director
DIN No : 06416744

Rajneesh Kumar
Rajneesh Kumar
Company Secretary
Membership No: A31230



AXIS FINANCE LIMITED

Notes to Financial Statements for the year ended March 31, 2016

3. Share capital

	March 31, 2016 ₹	March 31, 2015 ₹
Authorized:		
1,000,000,000 (31 March 2015: 330,000,000) equity shares of ₹10/- each	10,000,000,000	3,300,000,000
	<u>10,000,000,000</u>	<u>3,300,000,000</u>
Issued, subscribed and fully paid-up:		
368,250,000 (31 March 2015: 318,250,000) equity shares of ₹10/- each	3,682,500,000	3,182,500,000
	<u>3,682,500,000</u>	<u>3,182,500,000</u>

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

	March 31, 2016		March 31, 2015	
	No.	₹	No.	₹
At the beginning of the year	318,250,000	3,182,500,000	255,750,000	2,557,500,000
Issued during the year	50,000,000	500,000,000	62,500,000	625,000,000
Outstanding at the end of the year	<u>368,250,000</u>	<u>3,682,500,000</u>	<u>318,250,000</u>	<u>3,182,500,000</u>

(b) Terms/right attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

(c) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/associates are as below:

Name of shareholder	March 31, 2016 ₹	March 31, 2015 ₹
Axis Bank Limited, the holding Company and its nominees		
368,250,000 (March 31, 2015: 318,250,000) equity shares of ₹10/- each	3,682,500,000	3,182,500,000

(e) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	March 31, 2016		March 31, 2015	
	No.	% of holding	No.	% of holding
Equity shares of ₹10 each fully paid				
Axis Bank Limited, the holding Company and its nominees	368,250,000	100%	318,250,000	100%

4. Reserves and surplus

	March 31, 2016 ₹	March 31, 2015 ₹
Security premium reserve		
Balance as per last Balance Sheet	1,200,000,000	826,000,000
Add:- Addition during the year	500,000,000	375,000,000
Less:- Utilization during the year against share issue expense	1,000,000	1,000,000
Balance at the end of the year	<u>1,699,000,000</u>	<u>1,200,000,000</u>
Statutory reserve u/s 45-IC of RBI Act		
Balance as per last Balance Sheet	304,500,000	148,100,000
Add:- Addition during the year	221,600,000	156,400,000
Balance at the end of the year	<u>526,100,000</u>	<u>304,500,000</u>
Surplus in the statement of profit and loss		
Balance as per last Balance Sheet	1,214,890,619	589,445,874
Profit for the year	1,107,650,460	781,645,045
Less:- Interim Dividend (Appropriation) FY 2015-16	(626,025,000)	-
Less:- Tax on Interim dividend	(127,443,960)	-
Less:- Transfer to statutory reserve	(221,600,000)	(156,400,000)
Balance at the end of the year	<u>1,347,272,119</u>	<u>1,214,890,619</u>
Total	<u>3,572,372,119</u>	<u>2,719,190,619</u>

5. Long term borrowings

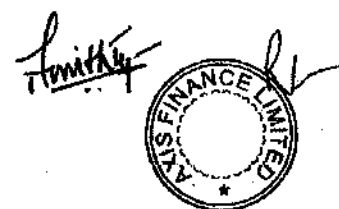
	Non-current		Current maturities*	
	March 31, 2016 ₹	March 31, 2015 ₹	March 31, 2016 ₹	March 31, 2015 ₹
Debentures : Secured	5,104,000,000	2,884,000,000	250,000,000	1,100,000,000
Indian rupee term loan from bank : Secured	100,789,863	-	-	-
Total	<u>6,204,789,863</u>	<u>2,884,000,000</u>	<u>250,000,000</u>	<u>1,100,000,000</u>

a. Indian rupee term loan carries interest @9.30% p.a. The loan is repayable on bullet payment after 2 years. It is secured by hypothecation of receivable of the company.

* Amount disclosed under the head 'Other Liabilities' (Refer Note No.7).

b. Security details for Secured non convertible debentures

Debentures are secured by: 1. First charge by way of mortgage on immovable property. 2. Pari passu charge by way of hypothecation of book debts and account receivable upto 1 time cover.



c. Particulars of Secured non convertible debentures

Particulars	Face Value	Quantity	Date of Redemption	As at March 31, 2016	As at March 31, 2015
8.7595% AFL 21/01/2016	1,000,000	500	January 21, 2016	-	500,000,000
Zero% AFL, 20th November 2017	1,000,000	300	November 20, 2017	300,000,000	300,000,000
Zero% AFL, 20th November 2017	1,000,000	70	November 20, 2017	70,000,000	70,000,000
Zero% AFL, 20th November 2017	1,000,000	130	November 20, 2017	130,000,000	130,000,000
Zero% AFL, 3rd March 2017	1,000,000	250	March 03, 2017	250,000,000	250,000,000
8.5565% AFL 3rd March 2016	1,000,000	600	March 03, 2016	-	600,000,000
Zero% AFL, 12th April 2018	1,000,000	150	April 12, 2018	150,000,000	150,000,000
Zero% AFL, 10th April 2018	1,000,000	130	April 10, 2018	130,000,000	130,000,000
Zero% AFL, 10th April 2018	1,000,000	70	April 10, 2018	70,000,000	70,000,000
8.84% AFL, 08th March 2018	1,000,000	50	March 08, 2018	50,000,000	50,000,000
8.7944% AFL, 24th April 2018	1,000,000	180	April 24, 2018	180,000,000	180,000,000
8.7731% AFL, 28th March 2018	1,000,000	500	March 28, 2018	500,000,000	500,000,000
Zero% AFL, 2nd May 2017	1,000,000	384	May 02, 2017	384,000,000	384,000,000
Zero% AFL, 10th April 2017	1,000,000	110	April 10, 2017	110,000,000	110,000,000
Zero% AFL, 10th April 2017	1,000,000	60	April 10, 2017	60,000,000	60,000,000
Zero% AFL, 3rd April 2018	1,000,000	350	April 03, 2018	350,000,000	350,000,000
Zero% AFL, 27th March 2018	1,000,000	150	March 27, 2018	150,000,000	150,000,000
Zero % AFL, 05 OCT 2018	1,000,000	70	Oct 05, 2018	70,000,000	-
Zero % AFL, 23 OCT 2018	1,000,000	420	Oct 23, 2018	420,000,000	-
Zero % AFL, 29 OCT 2018	1,000,000	280	Oct 29, 2018	280,000,000	-
8.53% AFL 27th November 2017	1,000,000	250	Nov 27, 2017	250,000,000	-
8.85% AFL 29 JAN 2019	1,000,000	100	Jan 29, 2019	100,000,000	-
ZERO % AFL 25 MAR 2019	1,000,000	1500	Mar 25, 2019	1,500,000,000	-
Zero % AFL, 15TH JAN 2019	1,000,000	50	Jan 15, 2019	50,000,000	-
8.79% AFL 9TH APR 2019	1,000,000	500	Apr 9, 2019	500,000,000	-
Zero % AFL, 19TH JUL 2019	1,000,000	100	Jul 19, 2019	100,000,000	-
Zero % AFL, 25TH APRIL 2019	1,000,000	50	Apr 25, 2019	50,000,000	-
Zero % AFL, 06TH MAY 2019	1,000,000	50	May 06, 2019	50,000,000	-
Zero % AFL, 28TH JUNE 2019	1,000,000	100	June 28, 2019	100,000,000	-
Total				6,354,000,000	3,984,000,000

The above Non Convertible Debentures are classified as under:

	As at March 31, 2016	As at March 31, 2015
Non-current long term borrowings	6,184,000,000	2,884,000,000
Current maturities of long term borrowings	250,000,000	1,100,000,000
Total	635,40,00,000	3,98,40,00,000

6. Short term borrowings

	March 31, 2016 ₹	March 31, 2015 ₹
Secured		
Loan from banks	7,431,169,524	4,511,121,435
Unsecured		
Loan from banks	971,747,988	820,687,445
Unsecured commercial paper	11,150,000,000	20,180,000,000
Less: Unexpired Discount	(117,272,409)	314,285,698
Total	19,435,645,103	24,697,523,183

Short term borrowings amount to Rs. 7,431,169,524 (previous year Rs. 4,511,121,435) referred above are secured by pari passu first charge on all present and future book debts, receivables, loan assets of the Company. These carry interest @ 9.30% to 10.25%.

Unexpired discount on commercial paper is net of Rs. 117,272,409 (previous year Rs. 314,285,698) towards interest accrued but not due. These carry interest @ 8.47% to 9.20%. In respect of commercial paper maximum amount outstanding during the year was Rs.41,458,898,967 (previous year Rs. 19,880,523,112).

7. Other Liabilities

	Long term		Short term	
	March 31, 2016 ₹	March 31, 2015 ₹	March 31, 2016 ₹	March 31, 2015 ₹
Current maturities of long term borrowings	-	-	250,000,000	1,100,000,000
Interest accrued but not due	349,793,603	31,296,176	27,506,556	23,971,355
Interest received in advance	-	-	-	84,760
Creditors for expenses	-	-	7,063,752	6,439,752
-Due to holding Company 'Axis Bank Limited'	-	-	8,216,785	4,820,530
-Due to others	-	-	377,831	2,028,652
Undisputed statutory dues	-	-	-	-
Total	349,793,603	31,296,176	293,164,924	1,137,345,049

8. Provisions

	Long term		Short term	
	March 31, 2016 ₹	March 31, 2015 ₹	March 31, 2016 ₹	March 31, 2015 ₹
Provision against standard assets	38,002,387	18,552,044	88,739,372	45,837,756
Provision for expenses	-	-	1,528,062	-
Provision for employee benefits	-	-	-	-
-Provision for compensated absences	1,063,458	-	239,160	1,035,016
-Provision for gratuity	-	-	105,033	819,223
-Employee benefit payable	-	-	13,000,000	8,123,000
Total	39,065,845	18,552,044	103,111,627	45,814,495



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AXIS FINANCE LIMITED

9. Fixed assets

Particulars	Gross block				Depreciation			Net block	
	As at April 01, 2015	Addition during the year	Deductions/A adjustments	As at Mar 31, 2016	As at April 01, 2015	Provided during the year	Deductions/ Adjustments	As at Mar 31, 2016	As at March 31, 2015
A. Tangible assets :									
Computers	1,241,942	2,898,881	-	4,140,823	311,080	672,030	-	983,110	3,157,713
Office equipment	276,893	28,800	-	305,693	77,338	195,274	-	272,612	33,081
Furniture & fixtures	100,223	-	-	100,223	15,953	10,035	-	25,988	74,235
Vehicles	651,427	0	-	651,427	33,018	326,538	-	359,556	291,871
Land and Building	450,000	-	-	450,000	2,836	7,602	-	10,438	439,562
Total - Tangible Assets (A)	2,720,485	2,927,681	-	5,648,166	440,225	1,211,479	-	1,651,704	3,996,462
B. Intangible Assets :									
Software	435,091	15,379,365	-	15,814,456	51,972	1,550,075	-	1,602,047	14,212,409
Total - Intangible Assets (B)	435,091	15,379,365	-	15,814,456	51,972	1,550,075	-	1,602,047	14,212,409
Total (A+B)	3,155,576	18,307,046	-	21,462,622	492,197	2,761,554	-	3,253,751	18,208,871
Capital Work-in-Progress									255,001
Total									18,463,872
									10,230,737



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10. Investment

	Non current		Current Maturities	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	₹	₹	₹	₹
Investment in debenture/bonds (valued at cost unless stated otherwise)				
Quoted				
110 (Previous year 110) Annapurna Microfinance Private Limited (redeemable on 15 April 2016)	-	30,018,106	2,518,106	-
110 (Previous year 110) Arohan Financial Services Private Limited (redeemable on 15 April 2016)	-	29,977,841	2,477,841	-
66 (Previous year 66) Asirvad Micro Finance Private Limited (redeemable on 15 April 2016)	-	18,010,863	1,510,863	-
900 (Previous year 500) Dalma Bharat Cement Limited	900,000,000	-	-	500,000,000
100 (Previous year 100) Dishu Microfin Private Limited (redeemable on 15 April 2016)	-	27,179,200	2,179,200	-
110 (Previous year 110) Future Financial Services Ltd (redeemable on 15 April 2016)	-	29,897,120	2,397,120	-
78 (Previous year 78) India School Finance Company (redeemable on 15 April 2016)	-	21,285,566	1,785,566	-
77 (Previous year 77) Intrepid Finance and Leasing Private Limited (redeemable on 15 April 2016)	-	21,040,769	1,790,769	-
110 (Previous year 110) Pahal Financial Services (redeemable on 15 April 2016)	-	30,018,106	2,518,106	-
132 (Previous year 132) Suryoday Microfinance Private Limited (redeemable on 15 April 2016)	-	35,827,995	2,827,995	-
Nil (Previous year 89) Svasi Microfinance Private Limited (redeemable on 15 April 2015)	-	-	-	3,718,212
150 (Previous Year Nil) NCD - DCB Power Ventures Ltd (redeemable on 30 September 2018)	150,000,000	-	-	-
150 (Previous Year Nil) NCD - DCB Power Ventures Ltd (redeemable on 30 September 2019)	150,000,000	-	-	-
150 (Previous Year Nil) NCD - DCB Power Ventures Ltd (redeemable on 30 September 2020)	150,000,000	-	-	-
150 (Previous Year Nil) NCD - DCB Power Ventures Ltd (redeemable on 30 September 2021)	150,000,000	-	-	-
150 (Previous Year Nil) NCD - DCB Power Ventures Ltd (redeemable on 30 September 2022)	150,000,000	-	-	-
99 (Previous year 99) SV Creditline Private Limited (redeemable on 15 April 2016)	-	27,016,295	2,266,295	-
4,420 (Previous year 4,420) 8.67% National Hydroelectric Power Corporation (redeemable on 02 November 2033)	4,420,000	4,420,000	-	-
767 (Previous year 767) 8.67% Power Finance Corporation Limited (redeemable on 16 November 2033)	767,000	767,000	-	-
121,093 (Previous year Nil) 7.35% Indian Railway Finance Corporation Limited (redeemable on 22 March 2031)	121,093,000	-	-	-
103,205 (Previous year Nil) 7.35% National Bank For Agriculture And Rural Development (redeemable on 23 March 2031)	103,205,000	-	-	-
Unquoted				
510 (Previous year 760) Azalea Enterprises Private Limited (redeemable on 16 March 2019)	-	760,000,000	510,000,000	-
Investment in Mutual funds (valued at lower of cost or market value)				
Unquoted				
Axis Liquid Fund - IP - Growth	-	-	-	12,000,000,000
Total	1,879,485,000	1,835,458,861	532,271,861	12,503,718,212

- Aggregate amount of quoted investment at market value Rs. 1,936,760,312 (Previous year Rs. 794,162,215).
- Aggregate amount of unquoted investments at cost Rs. 510,000,000 (Previous year 12,760,000,000).

11. Loans

	Non current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	₹	₹	₹	₹
Secured loans	9,500,596,850	7,420,817,575	19,835,566,872	12,282,383,922
Unsecured loans	-	-	1,700,000,000	1,250,000,000
Total	9,500,596,850	7,420,817,575	21,535,566,872	13,532,383,922

The classification of loans under RBI guidelines is as under:

	March 31, 2016	March 31, 2015
	₹	₹
(i) Standard assets	31,036,163,722	20,953,201,496
(ii) Sub-standard assets	-	-
(iii) Doubtful assets	-	-
(iv) Loss assets	-	-
Total **	31,036,163,722	20,953,201,496

The above Loans are classified as under:

	As at March 31, 2016	As at March 31, 2015
	₹	₹
Non-current secured loans	9,500,596,850	7,420,817,575
Current secured and unsecured loans	21,535,566,872	13,532,383,922
Total	31,036,163,722	20,953,201,497

**Loans to the extent of Rs. 29,33,61,63,722 (previous year Rs. 19,703,201,496) are secured by:

- Hypothecation of assets and/or
- Mortgage of property and/or
- The company has also taken corporate guarantee/personal guarantee of corpora/directors in certain cases over and above of security (disclosed above).
- Pledge of shares & other financial securities.

12. Others

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	₹	₹	₹	₹
Other loans and advances	-	-	-	-
Security deposits, unsecured, considered good	6,500,000	6,500,000	-	-
Advance tax (net of provision for tax)	32,067,744	21,125,516	-	-
Prepaid expenses	-	-	4,148,267	3,452,652
Other advances	-	-	24,987	20,850
Total	38,567,744	27,625,516	4,173,284	3,473,502



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13. Trade receivables and other assets

13.1 Trade receivables

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	₹	₹	₹	₹
Unsecured, considered good unless stated otherwise	-	-	-	-
Outstanding for a period exceeding six months from the date they are due for payment	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Provision for doubtful receivables	-	-	-	-
(A)	-	-	-	-
Outstanding for a period less than six months from the date they are due for payment	-	-	-	-
Unsecured, considered good	-	-	-	30,775,120
Doubtful	-	-	-	30,775,120
Provision for doubtful receivables	-	-	-	-
(B)	-	-	-	30,775,120
Total (A) + (B)	-	-	-	30,775,120

13.2 Other assets

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	₹	₹	₹	₹
Interest accrued but not due on others	20,525,918	7,640,606	106,305,189	22,326,052
Total	20,525,918	7,640,606	106,305,189	22,326,052

14. Cash and bank balances

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	₹	₹	₹	₹
Cash and cash equivalents:	-	-	970	3,785
- Cash on hand	-	-	-	-
Balances with banks:	-	-	1,456,507	103,591,492
- On current accounts	-	-	-	-
- On overdraft accounts	-	-	-	-
- Deposits with original maturity for less than 3 months	-	-	-	-
A	-	-	1,457,477	103,595,277
Other bank balances	-	-	-	-
- Deposits with original maturity for more than 12 months	-	-	-	-
- Deposits with original maturity for more than 12 months under lien	-	-	-	-
- Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	-
- Deposits with original maturity for more than 3 months but less than 12 months under lien	-	-	-	-
B	-	-	-	-
Total (A+B)	-	-	1,457,477	103,595,277

15. Revenue from operations

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹	₹
Interest income	3,083,340,732	1,748,601,140
Interest income on loans	169,086,718	84,197,450
Interest income on investments	-	-
Other operating revenue	336,933,915	256,759,327
Income from processing fees	61,500,000	49,450,000
Income from advisory fees	77,913,424	92,440,424
Profit on sale of investments	1,109,319	5,559,216
Other operating income	-	-
Total	3,729,858,108	2,287,007,667

16. Other income

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹	₹
Interest on fixed deposit	-	3,603,427
Total	-	3,603,427

17. Employee benefits expense

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹	₹
Salaries, Wages and Bonus	77,253,742	62,372,817
Contribution to provident & other funds	2,041,668	1,318,820
Gratuity Expense	105,033	765,269
Staff welfare	1,229,114	440,330
Total	80,679,557	64,897,236



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18. Finance costs

	For the year ended March 31, 2016 ₹	For the year ended March 31, 2015 ₹
Interest on loan from bank and other financial expenses	1,792,198,974	921,280,853
Other finance expenses	20,024,686	11,881,445
Total	1,812,223,670	933,162,098

19. Provisions and write off

	For the year ended March 31, 2016 ₹	For the year ended March 31, 2015 ₹
Provision against standard assets	71,852,459	25,289,300
Total	71,852,459	25,289,300

20. Other expenses

	For the year ended March 31, 2016 ₹	For the year ended March 31, 2015 ₹
Rent, Rates and Taxes	10,088,800	9,614,074
Electricity expenses	973,299	909,012
Repairs and maintenance - others	2,154,075	1,606,961
Printing and stationery	335,361	237,282
Travelling and conveyance	6,902,874	2,905,074
Professional fees	11,790,130	6,217,480
CSR expenditure (Refer Note 57)	12,224,577	5,316,390
Director sitting fees	1,700,000	150,000
Auditor's remuneration:		
Statutory audit	1,750,000	1,400,000
Statutory audit certification fee	300,000	210,000
Telephone and Internet expenses	1,734,873	537,944
Business promotion	1,476,947	1,839,188
Rates & taxes	607,930	642,150
Service charges	1,653,284	1,024,865
Office expenses	1,414,777	1,017,693
Miscellaneous expenses	8,002,820.18	11,266,742
Total	63,389,786	44,935,850

21. Depreciation and amortization expense

	For the year ended March 31, 2016 ₹	For the year ended March 31, 2015 ₹
Tangible assets	1,211,479	357,196
Intangible assets	1,550,075	53,972
Total	2,761,554	409,168



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Notes forming part of financial statements for the year ended March 31, 2016

1. Corporate Information

Axis Finance Limited is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is a non-deposit accepting non-banking finance Company or NBFC-ND-SI registered with Reserve Bank of India (RBI). The Company is engaged in the business of financing of loans.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The Company follows the prudential norms issued by Reserve Bank of India for asset classification, income recognition and provisioning for non-performing assets. Besides, additional amount is written/off provided for where the management, on a review, considers it necessary.

2.1 Summary of significant accounting policies

I. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

II. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- a. Interest and other dues are accounted on accrual basis except in the case of non-performing loans where it is recognised upon realisation, as per the income recognition and asset classification norms prescribed by RBI.
- b. Income on discounted instruments is recognised over the tenure of the instrument on a straight-line method.
- c. Dividend is accounted when the right to receive is established.
- d. Front end fees on processing of loans are recognised upfront as income.
- e. Profit/(loss) earned on sale of investments is recognised on trade date basis. Profit/(loss) on sale of investments is determined based on the 'weighted average' cost for investments.
- f. All other fees are recognized when reasonable right of recovery is established, revenue can be reliably measured and as and when they become due.
- g. Other revenue is recognized on accrual basis and no significant uncertainty exists as to its realization or collection.



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III. Tangible and intangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

IV. Depreciation and amortization

Depreciation and amortization on fixed assets is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The Company has used the following rates to provide depreciation and amortization on its Fixed assets.

Assets	Estimated Useful Life (in years)
Tangible Assets:	
Computers	3
Servers	6
Furniture & Fixtures	10
Office Equipment	5
Vehicles	4
Intangible Assets:	
Software	5

The management has estimated, supported by independent assessment by professionals, the useful life of the following class of asset.

- Vehicles are depreciated over the estimated useful life of 4 years which is lower than those indicated in schedule II.

V. Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.



AXIS FINANCE LIMITED

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

VI. Provisioning / write-off of assets

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Provision against loans and advances:

Provision on Standard Assets i.e. loans and advances is made at 0.40%.

VII. Loans

Advances are classified into performing and non-performing advances ('NPAs') as per the RBI guidelines and are stated net of specific provisions made towards NPAs. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the RBI. Provisions for NPAs are made for sub-standard and doubtful assets at rates as prescribed by the RBI.

VIII. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments in accordance with the RBI guidelines and Accounting Standard 13 on 'Accounting for investments' as notified under the Companies (Accounting Standards) Rules, 2006. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

IX. Borrowing costs

Borrowing costs directly attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged to the statement of Profit and Loss.

X. Taxes on income



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- a. Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- c. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- d. At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- e. The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonable certain or virtually certain that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes virtually certain, as the case may be, that sufficient future taxable income will be available.
- f. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

XI. Retirement and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Leave encashment

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the year end. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term



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employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date

XII. Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

XIII. Contingent liabilities and provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

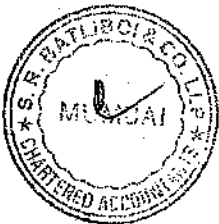
XIV. Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

XV. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and on hand, fixed deposits and short-term highly liquid investments with an original maturity of three months or less are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalent does not include fixed deposit which is lien marked against borrowing.



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22. Estimated amount of contracts remaining to be executed on capital account – ₹ 26,99,014 (Previous Year ₹ 1,515,000).
23. There is no contingent liability as at March 31, 2016 (previous year ₹ Nil).
24. There are no restructured loans as at March 31, 2016 (previous year ₹ Nil).
25. Basic and Diluted Earnings per share (EPS) computed in accordance with Accounting Standard (AS) 20 "Earnings per share"

Particulars		2015 – 2016 ₹	2014 – 2015 ₹
Basic			
Profit after tax as per Statement of Profit and Loss	A	1,107,650,457	781,645,045
Weighted Average Number of Shares	B	336,829,235	271,160,959
Basic Earnings per share	A/B	3.29	2.88
Diluted			
Adjusted Profit after tax	C	1,107,650,457	781,645,045
Weighted Average Number of Shares	D	336,829,235	271,160,959
Diluted Earnings per share	C/D	3.29	2.88
Nominal Value per share		10	10

26. Segment Information :

The Company is engaged primarily in the business of financing of loans and its business operations are concentrated in India. Accordingly, there are no separate business segments and geographical segments as per Accounting Standard 17 - Segment Reporting issued by The Institute of Chartered Accountants of India.

27. 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 subsidiaries companies

Axis Private Equity Limited ("APEL")

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")

Axis Securities Europe Limited ("ASEL")

Key management person

Mr. Bipin K Saraf, MD



Transactions with related parties

Particulars	Holding Company ₹	Fellow Subsidiary ₹	Key Management Personnel ₹	Total ₹
Income				
Processing fees (ABL)	98,877,989 (27,901,326)	- (-)	- (-)	98,877,989 (27,901,326)
Interest on fixed Deposit (ABL)	- (5,603,427)	- (-)	- (-)	- (5,603,427)
Dividend Received (AAMCL)	- (-)	- (1,396,164)	- (-)	- (1,396,164)
Gratuity Received (ACL)	- (-)	- (53,954)	- (-)	- (53,954)
Capital Receipts and Payments				
Purchase of fixed asset (ABL)	- (651,427)	- (-)	- (-)	- (651,427)
Issue of Equity Share Capital (Including Share premium) (ABL)	1,000,000,000 (1,000,000,000)	- (-)	- (-)	1,000,000,000 (1,000,000,000)
Investment in Preference Shares (AAMCL)	- (-)	- (200,000,000)	- (-)	- (200,000,000)
Redemption of Preference Shares (AAMCL)	- (-)	- (200,000,000)	- (-)	- (200,000,000)
Expenses				
Dividend Paid (ABL)	626,025,000 (-)	- (-)	- (-)	626,025,000 (-)
Rent paid (ABL)	9,612,300 (9,612,300)	- (-)	- (-)	9,612,300 (9,612,300)
Rent paid (ASL)	- (-)	256,500 (-)	- (-)	256,500 (-)
Bank charges (ABL)	8,774 (9,715)	- (-)	- (-)	8,774 (9,715)
Reimbursement of staff cost (ABL)	29,080,849 (26,979,669)	- (-)	- (-)	29,080,849 (26,979,669)
Interest paid on borrowings (ABL)	18,102,981 (15,900,549)	- (-)	- (-)	18,102,981 (15,900,549)
Internet charges paid (ASL)	- (-)	112,738 (117,572)	- (-)	112,738 (117,572)
Demat Charges (ASL)	- (-)	39,476 (71,898)	- (-)	39,476 (71,898)
Demat Charges (ABL)	20,242 (-)	- (-)	- (-)	20,242 (-)
Professional fees (ATSL)	- (-)	1,000,000 (500,000)	- (-)	1,000,000 (500,000)



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AXIS FINANCE LIMITED

Salary, Rent and contribution to PF	-	-	11,128,033	11,128,033
Service charges (ACL)	(-)	(-)	(10,420,407)	(10,420,407)
Other Reimbursement of Expenses (ABL)	6,006,909	-	-	6,006,909
Closing Balance	(5,976,868)	(-)	(-)	(5,976,868)
Share Capital (ABL)	3,682,500,000	-	-	3,682,500,000
Sundry receivables (ABL)	(3,182,500,000)	(-)	(-)	(3,182,500,000)
Short term borrowings (ABL)	971,747,988	-	-	971,747,988
Interest receivable (ABL)	(320,687,445)	(-)	(-)	(320,687,445)
Current account balance (ABL)	-	-	-	-
Processing fees Receivable (ABL)	1,035,813	-	-	1,035,813
Sundry payables (ABL)	(101,457,220)	(-)	(-)	(101,457,220)
Sundry payables (ASL)	-	44,159	-	44,159
Sundry payables (ATSL)	(17,571,610)	(-)	(-)	(17,571,610)
Sundry payables (ACL)	7,063,752	-	-	7,063,752
	(6,439,752)	(-)	(-)	(6,439,752)
	(-)	44,159	-	44,159
	(-)	(25,583)	(-)	(25,583)
	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)

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.

28. Gratuity and other benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.



AXIS FINANCE LIMITED

Net employee benefit expense (recognized in employee cost)*:

	2015-16 (₹)	2014-15 (₹)
Current service cost	309,318	179,382
Interest cost on benefit obligation	215,371	175,494
Expected return on plan assets	(150,243)	(23,399)
Net actuarial (gain)/loss recognized in the year	(269,041)	488,014
Past service cost	-	-
Transferred from group Company	-	-
Net benefit expense/(income)	105,405	819,491

Provision for gratuity recognized in Balance Sheet*:

	2015-16 (₹)	2014-15 (₹)
Projected benefit obligation	(3,124,216)	(2,709,067)
Fair value of plan assets	3,019,183	1,889,884
Less: Unrecognised past service cost	-	-
Plan liability	105,033	819,223

Actual return on plan assets

	2015-16 (₹)	2014-15 (₹)
Expected return on plan assets	150,243	23,399
Actuarial gains/(losses) on plan assets	159,501	(4,757)
Actual Return on plan assets	309,744	18,642

Changes in the present value of the projected benefit obligation are as follows*:

	2015-16 (₹)	2014-15 (₹)
Opening projected benefit obligation	2,709,067	1,870,934
Interest cost	215,371	175,494
Current service cost	309,318	179,382
Liability transferred in	-	-
Actuarial (gains)/losses on obligation	(109,540)	483,257
Closing projected benefit obligation	3,124,216	2,709,067

Changes in the fair value of plan assets are as follows*:

	2015-16 (₹)	2014-15 (₹)
Opening fair value of plan assets	1,889,844	249,457
Expected return	150,243	23,399
Contributions by employer	819,595	1,621,745
Benefits paid	-	-
Actuarial gains/(losses)	159,501	(4,757)
Closing fair value of plan assets	3,019,183	1,889,844

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows*:

Gratuity	March 31, 2016	March 31, 2015
Investment with insurer	100%	100%



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The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below*:

	2015-16	2014-15
Discount rate	7.96%	7.95%
Expected rate of return on assets	7.96%	7.95%
Employee turnover	5.00%	5.00%
Salary escalation rate	7.00%	7.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current periods are as follows*:

	2015-16 (₹)	2014-15 (₹)
Projected benefit obligation	3,124,216	2,709,067
Plan assets	3,019,183	1,889,844
(Surplus) /deficit	105,033	819,223
Experience adjustments on plan liabilities	-	-
Experience adjustments on plan assets	-	-

*Information provided to the extent available with the Company.

29. Deferred taxation:

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" (AS 22), the Company has accounted for deferred taxes during the year. Deferred tax comprises of timing difference on account of following:-

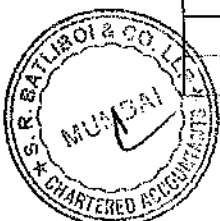
Deferred Tax Asset/(Liability)	2015-16 (₹)	2014-15 (₹)
Depreciation	(1,111,541)	(124,603)
Provision for leave encashment	450,810	(186,142)
Contingent provision on standard assets	43,689,748	18,486,923
Total	43,029,017	18,176,178

30. Information related to Micro, Small and Medium Enterprises Development Act, 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company. There is no outstanding balance due to such parties at year end. (Previous year Rs. Nil).

31. Foreign currency expenditure and foreign currency income during the year was nil (previous year nil).

32. Capital to Risk-Asset Ratio (CRAR)

Sl. No.	Items	2015-16	2014-15
(i)	CRAR (%)	21.81%	17.18%
(ii)	CRAR- Tier I Capital (%)	21.43%	17.02%
(iii)	CRAR- Tier II Capital (%)	0.38%	0.16%
(iv)	Amount of subordinated debt raised as Tier-II capital	-	-
(v)	Amount raised by issue of Perpetual Debt Instruments	-	-



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33. Exposure to Real Estate Sector

Particulars	2015-16 ₹	2014-15* ₹
a) Direct Exposure		
(i) Residential Mortgages	264,332,864.64	20,111,449
(ii) Commercial Real Estate	9,618,773,554.86	5,969,861,325
(iii) Investment in Mortgage Backed Securities(MBS) and other securitised exposures		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
b) Indirect Exposure	-	-
Total Exposure to Real Estate Sector	9,883,106,419.50	5,989,972,774

34. No frauds have been reported during the current year and previous year.

35. The Company has not entered into any derivative transaction (including forward rate agreement /interest rate swap/ Exchange Traded Interest Rate (IR) Derivatives) during the current year and previous year and there is no outstanding derivative transaction as on 31 March 2016 and 31 March 2015 respectively.

36. There has not been any limit exceeded for single borrower limit and group borrower limit by the Company in current year and previous year.

37. There are no advances/projects financed by the Company wherein intangible security such as rights, licences, authorizations etc. are charged as collateral.

38. There are no registrations obtained from other financial sector regulator (other than RBI) by the Company in current year and previous year.

39. There have not been any penalties imposed by RBI and other regulators on the Company in current year and previous year.

40. India Ratings and Research Private Limited has accredited the following ratings to the Company.

Name of Rating Agency	Type	Ratings	Amount (Rs. in crores)	Tenure	Validity
India Ratings and Research Private Limited	Long term	IND AAA	1,200	-	Yearly Surveillance
	Short term	IND A1+	5,500	12 months	28 th February 2017

41. During the year, the holding company issued stock options to certain employees of the holding company who are on deputation with the Company. Since these stock options are issued by the holding company directly to the employees of the holding company, and the related costs, if any, will be borne by the holding company, no provision is made in the accompanying financials statements.

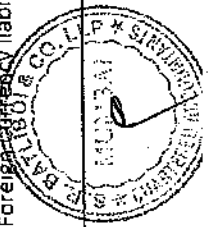


AXIS FINANCE LIMITED

42. Asset Liability Management Maturity pattern of certain items of assets and liabilities

Particulars	Financial year 2015-16								Total
	Up to 30-31 days	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 month & upto 6 months	Over 6 month & upto 1 years	Over 1 year and upto 3 years	Over 3 years & upto 5 years	Over 5 years	
Deposit	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -
Advances	1,532,336,995	387,403,899	2,572,510,851	3,883,270,771	13,234,326,409	7,686,356,463	1,539,958,333	-	31,036,163,722
Investments	22,271,860	-	-	-	510,000,000	150,000,000	1,200,000,000	529,485,000	2,411,756,860
Borrowings	11,896,555,374	5,086,801,135	1,963,573,157	488,710,914	250,000,000	5,404,789,863	800,000,000	-	25,890,430,443
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

Particulars	Financial year 2014-15								Total
	Up to 30-31 days	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 month & upto 6 months	Over 6 month & upto 1 years	Over 1 year and upto 3 years	Over 3 years & upto 5 years	Over 5 years	
Deposit	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -
Advances	1,452,242,212	370,833,333	1,212,051,526	4,177,028,074	6,790,228,694	6,622,717,575	281,200,000	46,900,000	20,953,201,414
Investments	12,025,990,073	20,566,667	20,666,667	62,000,000	624,000,000	780,666,667	-	5,187,000	13,539,177,074
Borrowings	8,565,989,695	3,461,091,559	3,485,618,916	1,760,508,912	8,524,314,086	1,354,000,000	1,530,000,000	-	28,681,523,168
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-



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43. Investments

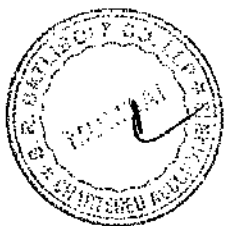
		(Amount in ₹)	
Particulars		Current Year	Previous Year
(1)	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	2,411,756,861	13,539,177,074
	(b) Outside India,	-	-
	(ii) Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India,	-	-
	(iii) Net Value of Investments		
(a) In India	2,411,756,861	13,539,177,074	
(b) Outside India.	-	-	
(2)	Movement of provisions held towards depreciation on investments.		
(i)	Opening balance	-	-
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

44. There are no securitisation transactions entered into by the Company during the current year and previous year. Also, the Company does not have any securitisation exposures during the current year and previous year.

45. The Company has not sold any financial assets to Securitisation/Reconstruction Company for asset reconstruction and also not undertaken any assignment transactions during the current year and previous year.

46. The Company has not purchased/sold any non performing financial assets during the current year and previous year.

47. There has not been any financing of parent Company products by the Company during the current year and previous year.



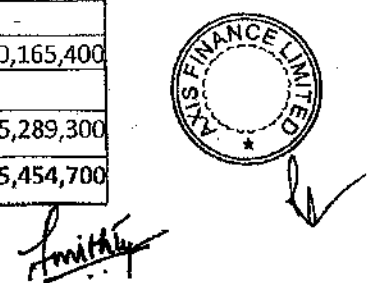
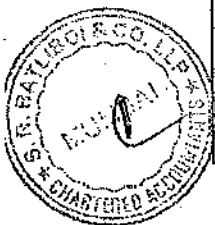
48. Exposure to Capital Market

		(Amount in ₹)	
Particulars		2015-16	2014-15
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;		
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	4,529,618,738	1,335,605,140
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	11,689,008,857	9,773,698,513
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;		
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	4,103,563	
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		
(vii)	bridge loans to companies against expected equity flows / issues;		
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)		
Total Exposure to Capital Market		16,222,731,158	11,109,303,653

49. Provisions and Contingencies

The break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account is as below:

Particulars	Current Year ₹	Previous Year ₹
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax	616,191,460	400,165,400
Other Provisions and Contingencies		
Provision for Standard Assets	71,852,459	25,289,300
Total	687,454,215	425,454,700



50. There have been no drawn down reserves during the current year and previous year.

51. Concentration of Advances

Particulars	2015-16	2014-15
Total Advances to Twenty Largest Borrowers	Rs. 1,590.73 crores	₹ 1145.47 crores
Percentage of Advances to Twenty Largest Borrowers to Total Advances	51.25%	54.67%

52. Concentration of Exposures

Particulars	2015-16	2014-15
Total Exposure to Twenty Largest Borrowers / customers	Rs. 1,709.44 crores	₹ 1145.47 crores
Percentage of Exposures to Twenty Largest Borrowers / Customers to Total Exposure of Axis Finance on borrowers / customers	43.68%	53.80%

53. There are no NPAs of the Company for the current year as well as previous year.

54. There are no Off-Balance Sheet SPVs of the Company for the current year as well as previous year.

55. Customer Complaints

	Particulars	2015-16	2014-15
(a)	No. of complaints pending at the beginning of the year	NIL	NIL
(b)	No. of complaints received during the year	NIL	NIL
(c)	No. of complaints redressed during the year	NIL	NIL
(d)	No. of complaints pending at the end of the year	NIL	NIL

56. Previous year figures have been re-grouped, re-classified wherever necessary to conform to current year's presentation.



57. Amount Spent towards Corporate Social Responsibility (CSR)

	Particulars	2015-16		2014-15
		₹		₹
a)	Gross amount required to be spent by the company during the year	12,224,577		5,356,390
b)	Amount spent during the year ending on 31st March, 2016:	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset			
(ii)	On purposes other than (i) above	12,224,577	-	12,224,577
b)	Amount spent during the year ending on 31st March, 2015:	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset			
(ii)	On purposes other than (i) above	5,356,390	-	5,356,390

For S.R. BATLIBOI & CO. LLP
Firm Registration No.301003E
Chartered Accountants

For and on behalf of the board of Axis Finance Limited

Jitendra H. Ranawat

per Jitendra H. Ranawat
Partner
Membership No. :- 103380
Place: Mumbai
Date: April 12, 2016

Srinivasan

Srinivasan Varadarajan
Chairman
DIN No: 00033882

Bipin

Bipin Kumar Saraf
Managing Director
DIN No: 06416744



Amith Iyer

Amith Iyer
Chief Financial Officer

Rajneesh Kumar
Rajneesh Kumar
Company Secretary
Membership No: A31230



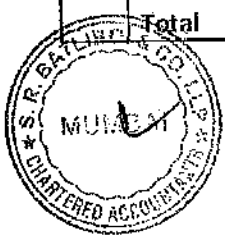
AXIS FINANCE LIMITED

(4)	Break-up of Investments :	As at Mar 31, 2016	As at Mar 31, 2015
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds	22,271,861	503,718,212
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		
	2. Unquoted :		
	(i) Shares : (a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds	510,000,000	
	(iii) Units of mutual funds	-	12,000,000,000
	(iv) Government Securities		
	(v) Others (please specify)		
	Long Term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds	1,879,485,000	275,458,862
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		
	2. Unquoted :		
	(i) Shares : (a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds	-	760,000,000
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		
		2,411,756,861	13,539,177,074



(5)	Borrower group-wise classification of assets financed as in (2)			Amount net of provisions as at Mar 31, 2015			
	Category	Amount net of provisions as at Mar 31, 2016			Secured	Unsecured	Total
		Secured	Unsecured	Total			
	1. Related Parties **						
	(a) Subsidiaries						
	(b) Companies in the same group						
	(c) Other related parties						
	2. Other than related parties	29,336,163,722	1,700,000,000	31,036,163,722	19,703,201,496	1,250,000,000	20,953,201,496
	Total	29,336,163,722	1,700,000,000	31,036,163,722	19,703,201,496	1,250,000,000	20,953,201,496

(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
	Category	Market Value / Break up or fair value or NAV* as at Mar 31, 2016	Book Value (Net of Provisions) as at Mar 31, 2016	Market Value / Break up or fair value or NAV* as at Mar 31, 2015	Book Value (Net of Provisions) as at Mar 31, 2015
	1. Related Parties **				
	(a) Subsidiaries				
	(b) Companies in the same group				
	(c) Other related parties				
	2. Other than related parties	2,503,065,085	2,411,756,861	13,553,419,164	13,539,177,072
	Total	2,503,065,085	2,411,756,861	13,553,419,164	13,539,177,072



Sanjay

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AXIS FINANCE LIMITED

* Disclosure is made in respect of available information

** As per Accounting Standard of ICAI (Please see Note 3)

(7) Other information		2016	2015
	Particulars	Amount	Amount
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(iii)	Assets acquired in satisfaction of debt	-	-

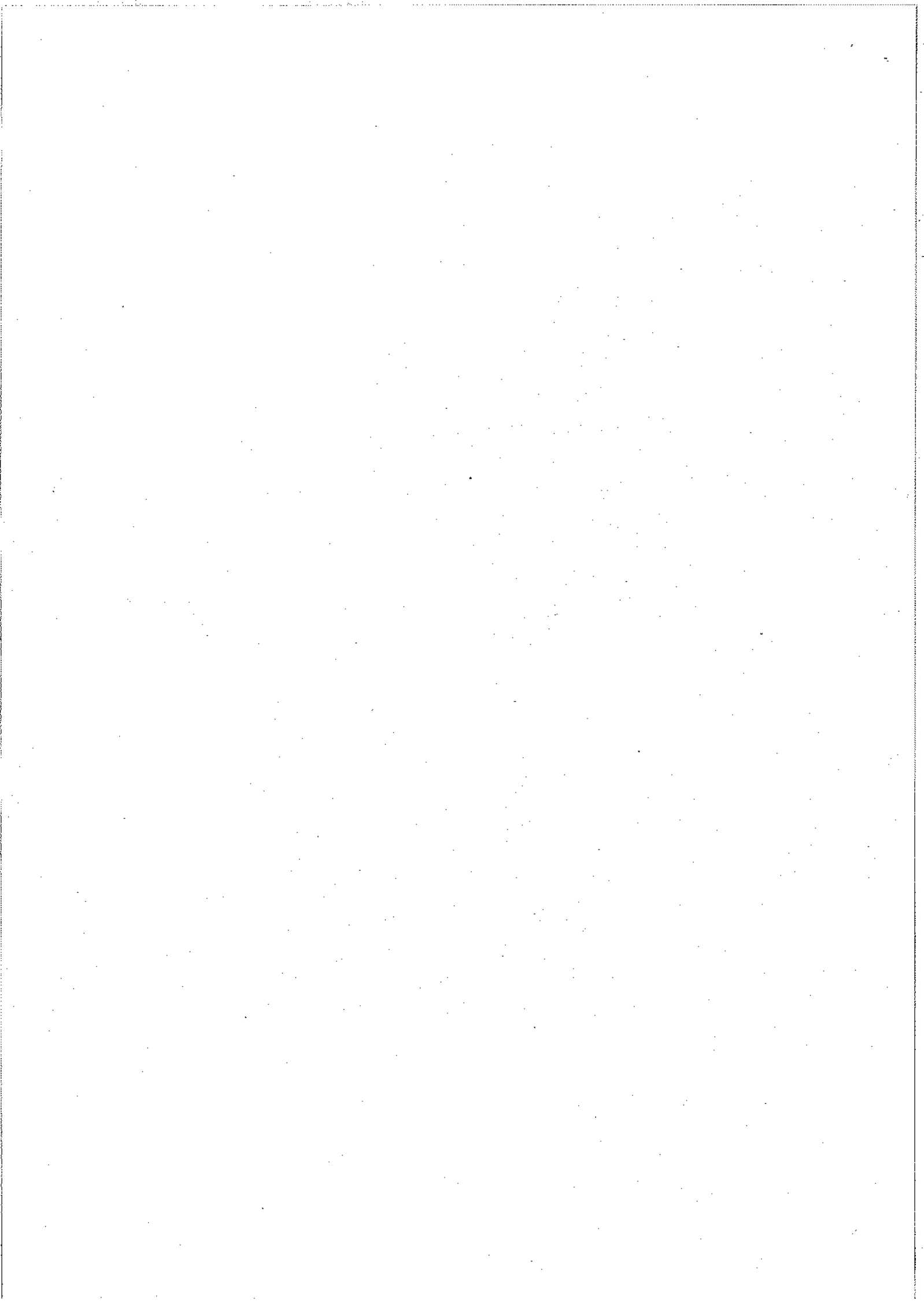
Notes :

1. As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for calculation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.



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**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE BOARD MEETING OF
AXIS FINANCE LIMITED HELD ON 12.04.2016 AT AXIS HOUSE, WORLI, MUMBAI**

ISSUE OF NON CONVERTIBLE DEBENTURES

"RESOLVED THAT in supersession of the earlier resolution in this regard and in accordance with the Companies Act, 2013, as amended, and rules framed thereunder and all other applicable Laws, Rules, Regulations, Guidelines etc. and subject to the members approval and the provisions of Memorandum of Association of the Company and Articles of Association of the Company and / or approvals / permissions / confirmation from other regulatory authority, all other concerned Statutory and Governmental Authorities and Departments, if any required, and such other approvals, permissions and sanctions, as may be necessary, including the approval of any lenders of the Company, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions and which may be agreed to by the Board, approval of the Board be and is hereby given to borrow funds through Private Placement of Debentures, in the nature of Listed, Redeemable, Non-Convertible Debentures ("Debentures" or "NCD"), for the aggregate amount up to **Rs.2000** Crores (Rupees Two Thousand Crores only) ("Issue"), with the option of issuance of secured or unsecured Debentures, in one or more series with or without Green Shoe Option and to create security on any of the assets/receivables of the Company in relation to the Debentures or NCDs.

"FURTHER RESOLVED THAT Mr. Bipin Kumar Saraf, Managing Director (MD) & CEO of the Company be and is hereby authorised to get the borrowing programme rated by an external agency, appoint arrangers to the issue, if any, and approve all terms and conditions for appointment, wherever such measures are deemed necessary."

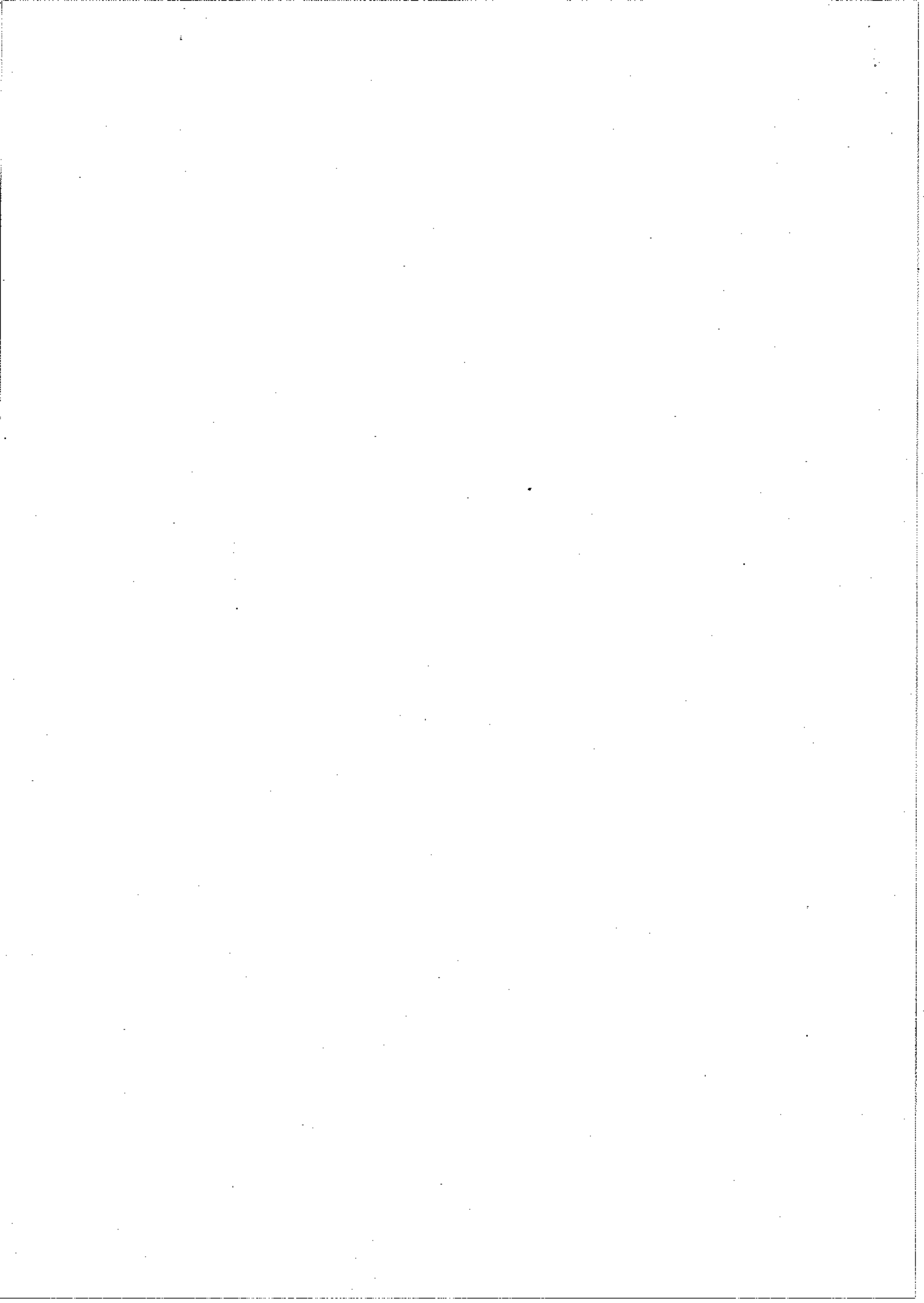
"FURTHER RESOLVED THAT the Company do create such security, including security over its investments, cash flows, fixed deposits and other moveable properties in favour of the debenture trustee by way of execution of the debenture trust deed, deed of hypothecation or such other documents, deeds, indentures or undertakings, as may be required in this regard and Mr. Bipin Kumar Saraf, Managing Director (MD) & CEO of the Company be and is hereby authorized to severally negotiate, finalise, approve and accept all terms and sign all such documents, deeds, undertakings, indentures, etc."

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@axis-finance.in ; Website: www.axis-finance.co.in ; CIN: U65921MH1995PLC212675





"FURTHER RESOLVED THAT necessary applications be made with the National Stock Exchange Limited and / or Bombay Stock Exchange Limited or any other Stock Exchange, if required, for listing of the Debentures and signing of Listing Agreement and other documents as may be required for the purpose of listing the Debentures and that the Common Seal of the company be affixed to these Agreements and/or instruments as may be required."

"FURTHER RESOLVED THAT the Shelf Disclosure Document(s) / Tranche Disclosure Document(s) / Form PAS - 4 i.e. Private Placement Offer Letter and all other Offering document(s) and Circular thereof for the issue of the Debentures in one or more series and/or tranches to be made by the Company may be finalised and approved by the MD & CEO."

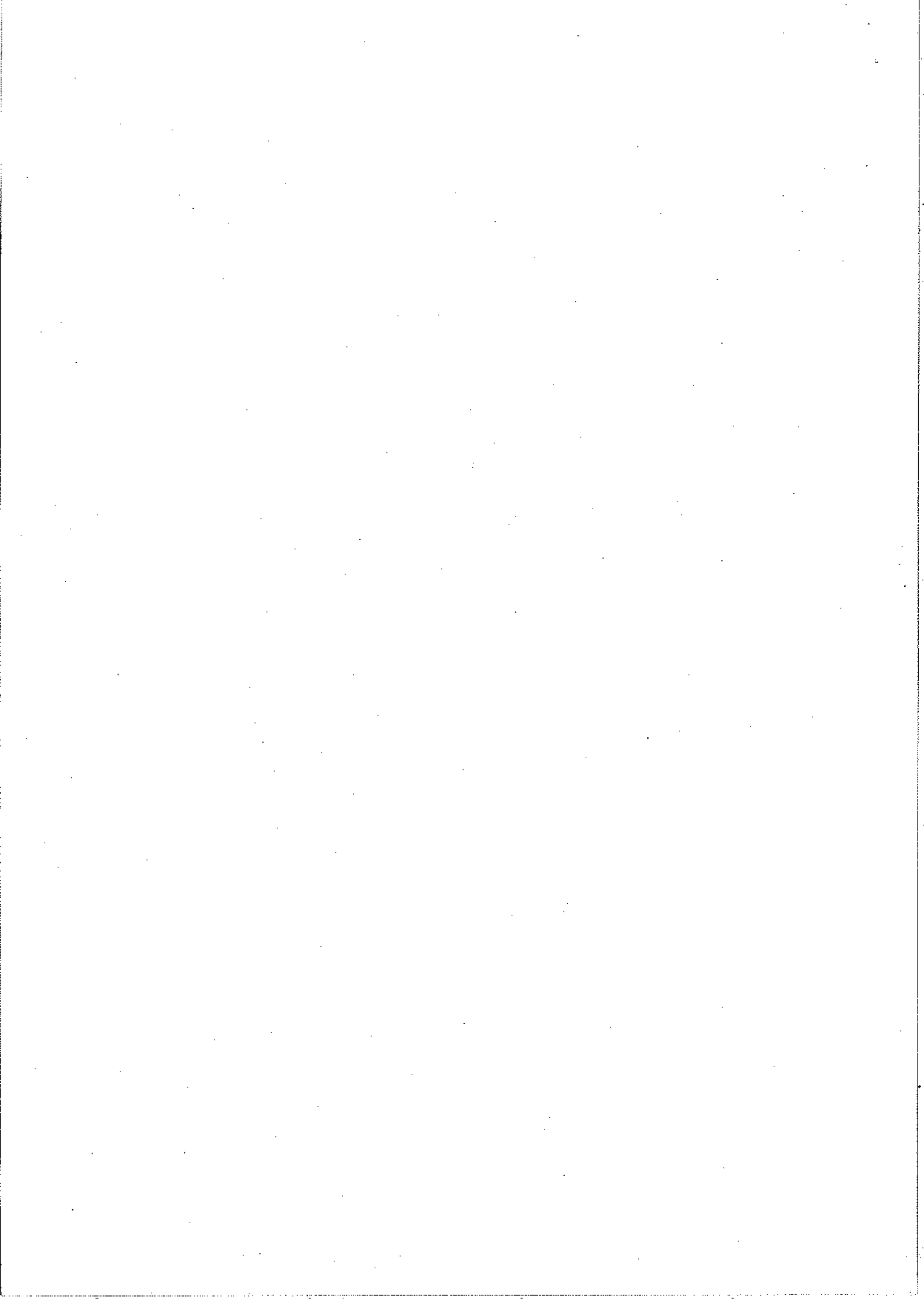
"FURTHER RESOLVED THAT MD & CEO of the Company be and is hereby authorised to appoint Debenture Trustees registered with SEBI/ any other authority in respect of INR instrument, settle a trust in their favour and to approve the terms and conditions for appointment."

"FURTHER RESOLVED THAT MD & CEO of the Company be and is hereby authorized to appoint the Registrar to the Issue, or such intermediaries as required for the purpose of the Issue and register the said issue with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)."

"FURTHER RESOLVED THAT MD & CEO, be and is hereby and is hereby, authorized to accept terms and conditions of the Trustee, Registrar and Transfer agent, Collecting Bankers, Bombay Stock Exchange Ltd., National Securities and Depositories Limited, and Central Depository Services (India) Limited and/or National Securities Depository Limited (NSDL) for the mobilization of funds through Private placement of the Debentures."

"FURTHER RESOLVED THAT the Committee of Directors be and is hereby authorised to make the allotment of Debentures to the investors and to do all such acts, deeds, matters and things as may be necessary to give effect to the said Allotment."

AXIS FINANCE LIMITED



"FURTHER RESOLVED THAT MD & CEO be and is hereby authorised and empowered to approve and accept any terms and conditions stipulated by the subscribers to the Debentures."

"FURTHER RESOLVED THAT the MD & CEO be and is hereby also authorised to delegate to any other senior officer of the Company the authority to perform any or all of the above functions."

"FURTHER RESOLVED THAT Mr. Bipin Kumar Saraf, MD & CEO , Mr. Amritanshu Mohanty – Sr. Vice President, Mr. Rajneesh Kumar, Company Secretary and Mr. Amith Iyer, CFO, be and are hereby, authorized, on a several basis, to execute Information Memorandum and file the relevant documents with the SEBI, the Registrar of Companies ("ROC"), RBI, Stock Exchanges and any other authority(ies) as may be required, relevant agreement/ documents/deeds, etc. in connection with the above proposed Debenture issue and listing the same with the National Stock Exchange / Bombay Stock Exchange Ltd., obtaining Demat account with NSDL and CDSL, Trustee, Collection Bankers and Registrar & Transfer Agent for mobilizing the above said debenture Issue and/or any other pre- and post-issue/listing formalities in this regard under the common seal of the company or otherwise."

"FURTHER RESOLVED THAT the permission of the Board is hereby given for shifting of the common seal of the Company from the registered office at Mumbai to any other place in India, if required."

"FURTHER RESOLVED THAT the common seal of the Company be affixed to any of the deeds, documents, agreements, and writings, in respect of the above, if required, in the presence of Mr. Bipin Kumar Saraf, Managing Director, or such other official of the Company as duly authorized by him in writing."

For AXIS FINANCE LIMITED

Rajneesh Kumar

**(RAJNEESH KUMAR)
Company Secretary
ACS 31230**

**Address: Axis House, Gr. Floor,
Wadia International Centre, worli,
Mumbai 400 025**

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