

AFL/2016-17/

18-11-2016

**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 30th September 2016 for NCDs issued.

Dear Sir,

We refer to your letter dated October 3, 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. and CRISIL AAA/Stable by CRISIL Ltd.
2. Debt – Equity Ratio – **4 Times**
3. Previous due dates for payment of interest / principal : As per **Annexure A**, the same has been paid
4. Next due dates for payment of interest/principal: As per **Annexure B**
5. Debenture Redemption Reserve- Not Applicable
6. Net Worth- **Rs. 901.86 crores**
7. Net Profit after Tax- **Rs. 76.48 crores**
8. Earnings Per Share- **Rs. 3.87**

You are requested to take the above on record.

Thanking You,

Yours faithfully,

For Axis Finance Ltd


Authorised Signatory

For Catalyst Trusteeship Ltd

Authorised Signatory

Annexure A**Details of redemption & payment of interest during last half year ending 30.09.2016:**

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



Annexure B

Series / Tranche	Type	Due date of payment	Amount
	(Principal / Interest)		(Rs.)
07/2014-15	Interest	09-Mar-2017	44,22,000.00
02/2015-16	Interest	28-Nov-2016	2,13,83,250.00
04/2015-16	Interest	30-Jan-2017	88,74,200.00
03/2014-15	Principal	03-Mar-2017	25,00,00,000.00
03/2014-15	Interest	03-Mar-2017	4,87,53,000.00

AFL/2016-17/

18-11-2016

Catalyst 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 30th Sep 2016 for NCDs issued.

Dear Sir,

We refer to your letter dated October 03, 2016 on the captioned subject and submit information as required under Part II & Part III as under:

Part II

- a) A copy of the unaudited financial results along with the limited review certificate from our statutory auditors and also the certificate of utilization from our statutory auditors are enclosed for your perusal.
- b)
 - i. Not applicable
 - 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

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

1. We have reviewed the accompanying statement of unaudited financial results of Axis Finance Limited (the 'Company') for the period April 1, 2016 to September 30, 2016 ('the Statement'). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

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


per Jitendra H. Ranawat
Partner
Membership No.: 103380
Mumbai
16 November 2016




Axis Finance Limited

Unaudited financial results for the period ended September 30, 2016

(Rs. in lakh)

Particulars	6 months ended September 30		Year ended March 31	
	2016	2015	2016	2015
	Unaudited	Unaudited	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	23,332.98	15,085.70	32,524.40	18,327.98
(a) Interest/disc. on advances/ bills	21,812.86	14,301.05	30,833.41	17,486.01
(b) Income on investments	1,520.12	784.65	1,690.99	841.97
(c) Interest on balances with Reserve Bank of India and other interbank funds	-	-	-	-
(d) Others	-	-	-	-
2. Other Income	5,262.97	2,093.80	4,774.57	4,098.12
3. Total Income (1+2)	28,595.95	17,179.50	37,298.96	22,426.11
4. Interest Expended	15,732.65	8,451.02	18,122.24	9,331.62
5. Operating Expenses (i)+(ii)	1,099.90	641.08	1,468.31	1,102.42
(i) Employees cost	524.65	395.73	806.80	648.97
(ii) Other operating expenses	575.25	245.35	661.51	453.45
6. Total Expenditure ((4+5) excluding provisions and contingencies)	16,832.55	9,092.10	19,590.54	10,434.04
7. Operating Profit before Provisions and Contingencies (3-6)	11,763.40	8,087.40	17,708.42	11,992.07
8. Provisions (other than tax) and Contingencies	42.99	287.44	718.52	252.89
9. Exceptional Items	-	-	-	-
10. Profit (+)/ Loss (-) from Ordinary Activities before tax (7-8-9)	11,720.41	7,799.96	16,989.89	11,739.17
11. Tax expense	4,072.61	2,692.22	5,913.39	3,922.72
12. Net Profit(+)/ Loss(-) from Ordinary Activities after tax (10-11)	7,647.80	5,107.73	11,076.50	7,816.45
13. Extraordinary items (net of tax expense)	-	-	-	-
14. Net Profit (+)/Loss (-) for the period (12-13)	7,647.80	5,107.73	11,076.50	7,816.45
15. Paid-up equity share capital (Face Value of ₹ 10 each)	41,825.00	3,1825.00	36,825.00	31,825.00
16. Reserves excluding Revaluation Reserves	-	-	35,723.72	27,191.91
17. Analytical Ratios				
(i) Capital Adequacy Ratio (%)	24.54	22.60	21.81	17.81
(ii) Earnings Per Share (EPS)	1.94#	1.60#	3.29	2.88
18) NPA Ratios				
a) Gross/Net NPA	-	-	-	-
b) % of Gross/Net NPA	-	-	-	-
c) Return on Assets (annualised) (%)	3.76	4.04	4.04	4.89

Not annualised

SIGNED FOR IDENTIFICATION
 BY 
S. R. DATLIBOI & CO. LLP
MUMBAI

AXIS FINANCE LIMITED.

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

Tel: 022 - 2425 2525 ; Fax: 022 - 4325 3085 ; Email: info@axisfinance.in ; Website: www.axisfinance.co.in ; CIN: U65921MH1995PLC212675

Notes:

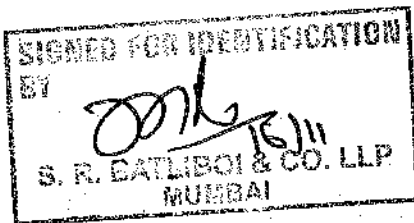
1. The above financial results have been reviewed by the Audit Committee and approved by the Board at its Meeting held on November 16, 2016.
2. Return on assets have been computed as a percentage of net profit after tax to the average income earning assets during the period.
3. Previous year/ period figures have been regrouped/ rearranged wherever necessary to conform to the current year/period figures.
4. The above financial results for the half year ended 30 September 2016 are reviewed by the statutory auditors, S.R. Batliboi & Co. LLP Chartered Accountants.

For and on behalf of the Board of Directors,



Place: Mumbai
Date: November 16, 2016

Managing Director & CEO



INDEPENDENT AUDITORS' CERTIFICATE

The Board of Directors
Axis Finance Limited,
Axis House,
C - 2, Wadia International Centre,
Pandurang Budhkar Marg, Worli,
Mumbai - 400 025.

Kind attention : Mr. Bipin Saraf

Dear Sirs,

1. This certificate is issued to Axis Finance Limited ('the Company') in terms of the Master Engagement Agreement ('MEA') dated 6 February, 2015.
2. The accompanying Statement contains utilization of proceeds from issue of non-convertible debentures ('NCDs') ('the Statement') during the half year ended 30 September 2016, initialed by us for identification purposes.

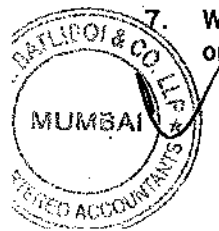
Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the Company complies with the conditions stated in the information memorandum/PAS - 4 for the NCDs issued during the half year ended 30 September 2016.

Independent Auditor's Responsibility

5. It is our responsibility to provide a limited assurance on whether the Company has utilized the funds raised through the issue of NCD during the half year ended 30 September 2016, for the purpose as given in the Statement attached.
6. A limited assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria. Accordingly, we have performed the following procedures in respect of the accompanying Statement:
 - a. Obtained the information memorandum/PAS -4, in respect of each series of NCDs issued by the Company during the half year ended 30 September 2016 as listed in the Statement;
 - b. Noted the purpose of issue of the NCDs, as given in the Statement, with the information memorandum/PAS - 4 of the NCDs, provided by the Company;
 - c. Obtained unaudited cash flow statement for the half year ended 30 September 2016;
 - d. Traced the outflow of funds as mentioned in the Statement, to the bank statements provided by the Company; and
 - e. Examined the outflow of funds, from the bank statements provided by the Company.

7. We have performed the procedures in accordance with the requirements of the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants



Axis Finance Limited

Certificate on utilization of proceeds from issue of non-convertible debentures Page 2 of 2

of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. 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.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Conclusion

9. Based on the information, explanation and management representations provided and procedures performed by us as stated in paragraph 6 above, nothing has come to our attention that causes us to believe that the the Company has not utilized the funds raised through the issue of NCD during the half year ended 30 September 2016, for the purpose as given in the Statement attached.

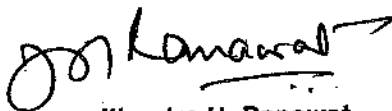
Restriction of use

10. This certificate is solely for the purpose of for submission to the debenture trustees as required by regulation 15(1A) of Securities and Exchange Board of India (Debentures Trustees) Regulations, 1993 and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. This certificate relates only to the items specified above and does not extend to any financial statements of the Company taken as a whole.

For S.R.Batlilboi & Co. LLP

ICAI Firm registration number: 301003E/E300005

Chartered Accountants



per Jitendra H. Ranawat

Partner

Membership No. 103380



Place: Mumbai

Date: 18 November 2016

Statement of utilization of proceeds from non convertible debentures (NCDs) issued during the half year ended 30 September 2016

Sr. No	Description of NCD	Date of Issue	Proceeds from issue	Purpose of issuance (as per information memorandum/PAS - 4)*	Description of utilisation of funds
1	8.50% AFL, 17th May 2018	17-May-16	100,000,000	Long term Augmentation of Resources	The object of the Issue is to augment long-term resources of the Company in its line of business, to repay our existing loans and business operations including for capital expenditure and working capital requirements. Interim Use of Proceeds The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities.
2	8.80% AFL Sub Debt, 5 th August 2026	05-Aug-16	2,000,000,000	Long term Augmentation of Resources	The object of the Issue is to augment long-term resources of the Company in its line of business, to repay our existing loans and business operations including for capital expenditure and working capital requirements. Interim Use of Proceeds The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities.
3	Zero% AFL, 27th August 2019	15-Sep-16	50,000,000	Long term Augmentation of Resources	The object of the Issue is to augment long-term resources of the Company in its line of business, to repay our existing loans and business operations including for capital expenditure and working capital requirements. Interim Use of Proceeds The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities.
4	Zero% AFL, 24th September 2019	15-Sep-16	50,000,000	Long term Augmentation of Resources	The object of the Issue is to augment long-term resources of the Company in its line of business, to repay our existing loans and business operations including for capital expenditure and working capital requirements. Interim Use of Proceeds The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities.
5	Zero% AFL, 26th December 2019	15-Sep-16	150,000,000	Long term Augmentation of Resources	The object of the Issue is to augment long-term resources of the Company in its line of business, to repay our existing loans and business operations including for capital expenditure and working capital requirements. Interim Use of Proceeds The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities.
	Total		2,350,000,000		

* The purpose is similar across all tranches

For Axis Finance Limited

Bipin Saraf

MD& CEO

For Identification Purpose Only.

