

Financial Statements  
for the year ended 31st March 2019

**AXIS CAPITAL LIMITED**

Registered Office:  
Axis House, 8th Floor  
Wadia International Centre  
Pandurang Budhkar Marg, Worli - 400025  
Mumbai, Maharashtra

## INDEPENDENT AUDITOR'S REPORT

To the Members of Axis Capital Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Axis Capital Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, 2019, its profit and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## 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 section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (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 purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements read with Notes comply with the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
  - e. On the basis of the written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. 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 has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 23 on Contingent Liabilities to the financial statements;

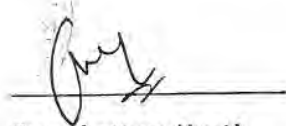
(ii) The Company has long term contracts as at March 31, 2019 for which there were no material foreseeable losses. The Company did not have any derivative contracts hence the question of any material foreseeable losses on account of same does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048



**Purushottam Nyati**

Partner

Membership No. 118970

Place: Mumbai

Date: April 11, 2019

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Axis Capital Limited on the financial statements for the year ended March 31, 2019]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) During the year, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.  
  
(c) The Company does not have any immovable properties, therefore of paragraph 3(i) (c) of the Order is not applicable to the Company.
- (ii) The Company's stock-in trade comprises of securities, which is held in dematerialised form. Securities held as stock-in-trade by the custodian are verified with the confirmation statement received from them on a regular basis during the year. In our opinion, the frequency of these verifications is reasonable. The Company is maintaining proper records of securities held as stock-in-trade and no material discrepancies were noticed on comparing the statement from custodian with book records.
- (iii) As informed, 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 Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under section 148(1) of the Act and the rules framed there under.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, income tax, goods and service tax and any other material statutory dues applicable to it, however, delays in deposit have not been serious. The provisions relating to employee's state insurance, custom duty, sales tax and excise duty are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, goods and service tax and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.



(b) According to the information and explanation given to us, the dues outstanding with respect to income tax and service tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income Tax and Interest	637,376	A.Y. 2009 - 2010	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income Tax and Interest	18,554,588	A.Y. 2010 - 2011	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income Tax and Interest	57,261,830	A.Y. 2012 - 2013	Assistant Commissioner of Income Tax
Income tax Act, 1961	Income Tax and Interest	197,660	A.Y. 2014 - 2015	Assistant Commissioner of Income Tax
Municipal Corporation Act, 1888	Tax and Interest	6,306,470	April 2001 to September 2012	Supreme Court
Finance Act, 1994	Service Tax and Penalty	205,882,046	July 2012 to September 2014	Customs Excise and Service tax Appellate Tribunal
Finance Act, 1994	Service Tax	1,556,524	August 2003 to October 2004	Supreme Court
Finance Act, 1994	Service Tax	253,996	September 2002 to March 2004	Supreme Court
Finance Act, 1994	Service Tax and Penalty	693,428	April 2003 to October 2005	Customs Excise and Service tax Appellate Tribunal

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to bank. Further, the Company does not have any dues payable to financial institutions, governments or debenture holders.
- (ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

# HARIBHAKTI & CO. LLP

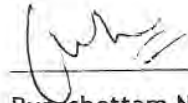
Chartered Accountants

- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



Purushottam Nyati

Partner

Membership No. 118970



Place: Mumbai

Date: April 11, 2019



## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Axis Capital Limited on the financial statements for the year ended March 31, 2019]

**Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Axis Capital Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the 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 with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 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 Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 Company's internal financial controls with reference to financial statements.



### Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Purushottam Nyati

Partner

Membership No. 118970



Place: Mumbai

Date: April 11, 2019

AXIS CAPITAL LIMITED

BALANCE SHEET AS AT 31 MARCH 2019

(Amount in ₹)


	Note No.	As at 31 March 2019	As at 31 March 2018
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	3	735,000,000	735,000,000
Reserves and surplus	4	2,743,453,122	3,525,331,812
		<u>3,478,453,122</u>	<u>4,260,331,812</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term provisions	5	119,651,386	182,333,193
		<u>119,651,386</u>	<u>182,333,193</u>
<b>CURRENT LIABILITIES</b>			
Short term borrowings	6	195,442,812	-
Trade payables	7		
Due to micro and small enterprises		1,193,126	-
Due to others		3,267,104,666	8,242,624,025
Other current liabilities	8	100,789,385	281,168,009
Short term provisions	5	298,487,598	646,011,778
		<u>3,863,017,587</u>	<u>9,169,803,812</u>
		<u><b>7,461,122,095</b></u>	<u><b>13,612,468,817</b></u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	9		
Property, plant and equipment		8,344,696	7,983,041
Intangible assets		2,491,371	2,849,766
Intangible assets under development		2,673,100	974,050
		<u>13,509,167</u>	<u>11,806,857</u>
Non-current investments	10	49,587,760	-
Deferred tax assets (net)	31	5,285,413	10,411,648
Long term loans and advances	11	137,387,044	115,832,546
Other non-current assets	12	20,965,278	287,122,650
		<u>213,225,495</u>	<u>413,366,844</u>
<b>CURRENT ASSETS</b>			
Current investments	10	1,182,042,492	1,008,522,334
Stock-in-trade	13	-	-
Trade receivables	14	3,606,298,544	8,674,844,945
Cash and bank balances	15	2,355,114,516	3,348,340,412
Short-term loans and advances	11	45,601,467	97,372,575
Other current assets	12	45,330,414	58,214,850
		<u>7,234,387,433</u>	<u>13,187,295,116</u>
		<u><b>7,461,122,095</b></u>	<u><b>13,612,468,817</b></u>

Summary of significant accounting policies

2.1


The accompanying notes are an integral part of the financial statements

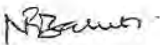
As per report of even date  
For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

  
Purushottam Nyati  
Partner  
Membership No. :- 118970


Place: Mumbai  
Date: 11 April 2019


For and on behalf of the Board of Directors

  
Amitabh Chaudhry  
Chairman  
DIN No. :- 0531120

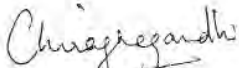
  
Neelesh Baheti  
Chief Financial Officer

Place: Mumbai

  
Salil Pitale  
Jt. MD and Co-CEO  
DIN No. :- 07824218

  
M. Natarajan  
Company Secretary

Date: 11 April 2019

  
Chirag Negandhi  
Jt. MD and Co-CEO  
DIN No. :- 06988113



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in ₹)

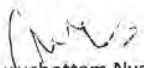
	Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operation	16	2,144,349,887	4,022,715,933
Other income	17	296,109,836	322,345,743
		<u>2,440,459,723</u>	<u>4,345,061,676</u>
Employee benefit expense	18	797,625,979	1,256,760,525
Finance costs	19	4,183,360	4,617,253
Depreciation and amortization	20	6,117,296	4,382,110
Other expenses	21	668,229,336	935,579,310
		<u>1,476,155,971</u>	<u>2,201,339,198</u>
<b>Profit/(loss) before tax</b>		<b>964,303,752</b>	<b>2,143,722,478</b>
<b>Tax expenses:</b>			
Current tax		340,700,000	746,000,000
Excess provision for tax of earlier years		(17,374,052)	(7,206,647)
Deferred Tax		5,126,235	17,054,630
<b>Total tax expense</b>		<u>328,452,183</u>	<u>755,847,983</u>
<b>Profit/(loss) for the year</b>		<u><b>635,851,569</b></u>	<u><b>1,387,874,495</b></u>
<b>Earning per equity share:</b>			
[Nominal value per share ₹10 (31 March 2018: ₹10)]			
Basic		8.65	18.88
Diluted		8.65	18.88

Summary of significant accounting policies

2.1

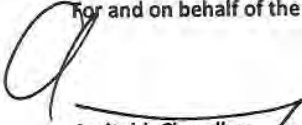
The accompanying notes are an integral part of the financial statements

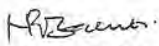
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ICAI Firm Registration No. 103523W / W100048

  
Purushottam Nyati  
Partner  
Membership No. :- 118970

Place: Mumbai  
Date: 11 April 2019


For and on behalf of the Board of Directors

  
Amitabh Chaudhry  
Chairman  
DIN No. :- 0531120

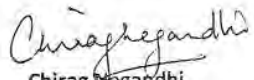
  
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Chief Financial Officer

Place: Mumbai

  
Salil Pitale  
Jt. MD and Co-CEO  
DIN No. :- 07824218

  
M. Natarajan  
Company Secretary

Date: 11 April 2019

  
Chirag Megandhi  
Jt. MD and Co-CEO  
DIN No. :- 06988113



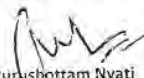
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

Particulars	Year ended	Year ended
	31 March 2019	31 March 2018
	₹	₹
<b>A) Cash flows from operating activities</b>		
Profit/(loss) before taxes	964,303,752	2,143,722,478
Non cash & non operating adjustments:		
Profit on sale of current investment	(75,478,724)	(77,383,293)
Interest income	(205,265,570)	(208,648,509)
Reversal of liability no longer required	(9,826,300)	(18,275,499)
Depreciation and amortisation	6,117,296	4,382,110
Unrealised foreign (gain)/loss	(704,899)	(294,018)
Provision for contingent liabilities	1,406,025	1,973,000
Provision for doubtful advances	-	262,922
Bad advances written off	262,922	2,211,391
Reversal of provision for doubtful advances	(262,922)	(2,250,838)
Provision for bad and doubtful debts	10,482,784	23,278,293
Bad debts and sundry balances written off	17,056,408	9,082,539
Reversal of provision of doubtful debts	(23,188,495)	(8,282,152)
Loss / (profit) on sale of fixed assets	(225,450)	-
<b>Operating profit/(loss) before working capital changes</b>	<b>684,676,827</b>	<b>1,869,778,424</b>
Movement in working capital:		
Decrease / (increase) in long term loan & advances	(8,731,745)	(303,497)
Decrease / (increase) in short term loan & advances	51,771,108	377,767,447
Decrease / (increase) in trade receivables	5,064,744,772	(1,558,071,760)
Decrease / (increase) in stock-in-trade	-	2,313
Decrease / (increase) in other current assets	8,645,968	(7,083,380)
Increase / (decrease) in long term provisions	(62,681,807)	50,451,505
Increase / (decrease) in short term provisions	(337,069,215)	188,010,296
Increase / (decrease) in trade payables	(4,965,056,101)	997,318,864
Increase / (decrease) in other current liabilities	(177,633,605)	231,586,930
<b>Cash generated from operations</b>	<b>258,666,202</b>	<b>2,149,457,142</b>
Direct taxes paid (net of refund)	(347,297,692)	(739,782,374)
<b>Net cash from operating activities</b>	<b>(88,631,490)</b>	<b>1,409,674,768</b>
<b>B) Cash flow from investing activities</b>		
Purchase of fixed assets including cwip	(10,564,626)	(3,921,494)
Proceeds from sale of fixed assets	225,450	-
Purchase of investments	(13,899,400,000)	(7,065,085,471)
Sale of investments	13,801,358,566	7,604,629,828
Investment in subsidiary	(49,587,760)	-
Investment in bank fixed deposit	(2,046,939,556)	(3,901,000,000)
Redemption of bank fixed deposit	2,810,875,000	3,262,201,492
Interest received	212,400,967	276,949,453
<b>Net cash used in investing activities</b>	<b>818,368,041</b>	<b>173,773,808</b>
<b>C) Cash flows from financing activities</b>		
Equity dividend paid	(1,176,000,000)	(1,029,000,000)
Tax on equity dividend paid	(241,730,259)	(209,480,188)
Proceeds from short term borrowings	195,442,812	-
<b>Net cash used in financing activities</b>	<b>(1,222,287,447)</b>	<b>(1,238,480,188)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(492,550,896)</b>	<b>344,968,388</b>
Cash and cash equivalents at the beginning of the year	526,065,412	181,097,024
<b>Cash and cash equivalents at the end of the year</b>	<b>33,514,516</b>	<b>526,065,412</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	40,566	55,679
Balances with banks:		
-On current accounts	33,473,950	526,009,733
<b>Total</b>	<b>33,514,516</b>	<b>526,065,412</b>

Note: The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 - Cash Flow Statement.

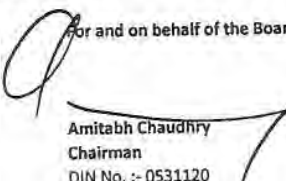
The accompanying notes are an integral part of the financial statements.

As per our report on even date  
For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

  
Purushottam Nyati  
Partner  
Membership No. :- 118970

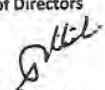
Place: Mumbai  
Date: 11 April 2019

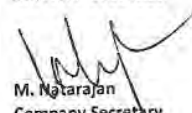
For and on behalf of the Board of Directors

  
Amitabh Chaudhry  
Chairman  
DIN No. :- 0531120

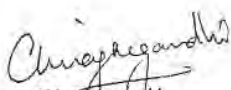
  
Neelesh Baheti  
Chief Financial Officer

Place: Mumbai

  
Salil Pitale  
Jt. MD and Co-CEO  
DIN No. :- 07824218

  
M. Natarajan  
Company Secretary

Date: 11 April 2019

  
Chirag Vegandhi  
Jt. MD and Co-CEO  
DIN No. :- 06988113



# AXIS CAPITAL LIMITED

## Notes to financial statements for the year ended 31 March 2019

### 1. Nature of operations

Axis Capital Limited ('the Company') is a public company domiciled in India. The Company is a wholly owned subsidiary of Axis Bank Limited ('the Bank'). The Company is in the business of institutional broking, investment banking and distribution of financial products.

### 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 with relevant rules framed thereunder ('the Act'). The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criterion set out in the Schedule III of the Act.

#### 2.1 Summary of significant accounting policies

##### i. Use of estimates

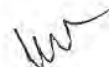
The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. 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. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from derecognition of property, plant and equipment 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.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.



**iii. Depreciation on property, plant and equipment**

Depreciation on plant, property and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its property, plant and equipment.

	Useful lives estimated by the management (years)	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3	3
Furniture and fixtures	10	10
Office equipment	3 - 10	5
Vehicles	4	10

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets based on historical experience of the Company, though these rates in certain cases are different from lives prescribed under Schedule II of Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**iv. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset 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.

A summary of amortization policies applied to the Company's intangible assets is as below:

	Rates (SLM)
Computer software	20%
Website development cost	20%

**v. Impairment of property, plant and equipment and intangible assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired, if any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs



## AXIS CAPITAL LIMITED

### Notes to financial statements for the year ended 31 March 2019

to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

#### vi. 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.

#### vii. 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.

##### Brokerage -

- a. Brokerage income in relation to stock broking activity is recognized as per contracted rates at the execution of transactions on behalf of the customers on a trade date basis.
- b. Gains/losses on dealing in securities are recognized on a trade date basis.

##### Investment Banking -

- a. Revenue from issue management, loan syndication, and financial advisory services is recognized based on the stage of completion of assignments and terms of agreement with the client.
- b. Selling commissions/brokerage generated from primary market operations i.e. procuring subscriptions from investors for public offerings of companies, mutual funds, etc. are recorded on determination of the amount due to the Company, once the allotment of securities are completed.

##### Interest and dividend -

- a. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.
- b. Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

#### viii. Stock-in-trade

Securities acquired with the intention of short-term holding and trading are classified as stock-in-trade. The securities held as stock-in-trade are valued at lower of cost arrived at on first in first out basis or marketable fair value. Any loss on valuation is routed through statement of profit and loss.



## AXIS CAPITAL LIMITED

### Notes to financial statements for the year ended 31 March 2019

#### ix. Retirement and other employee benefits

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.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation using the projected unit credit method, made at the end of each year. Actuarial gains and losses for the defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss of the year.

Accumulated leave, which is expected to be utilized within the next 12 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 reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term 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 year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

As part of its variable pay structure, the Company operates Long term Deferred Variable Pay Structure Plan in which it defers a part of the entitlement which is to be settled in instalments over a period of three years at an amount which would be equivalent to the prevailing price of equity share of Axis Bank at the time of settlement. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at year-end using projected unit credit method.

#### x. Income taxes

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.

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.

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.

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 or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.



## AXIS CAPITAL LIMITED

### Notes to financial statements for the year ended 31 March 2019

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 reasonably certain or virtually certain, as the case may be, 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 reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### xi. Investment

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. 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. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

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.

#### xii. Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs to the extent related/attribution to the acquisition/construction of assets that takes substantial period of time to get ready for their intended use are capitalized along with the respective fixed asset up to the date such asset is ready for use. Other borrowing costs are charged to the Statement of Profit and Loss in the period they occur.

#### xiii. Foreign currency transactions and balances

##### (i) Initial recognition

Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### (ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.



# AXIS CAPITAL LIMITED

## Notes to financial statements for the year ended 31 March 2019

### (iii) Exchange differences

All exchange differences arising out of monetary items are recognized as income or as expenses in the period in which they arise.

### xiv. Earnings Per Share

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

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 period are adjusted for the effects of all dilutive potential equity shares.

### xv. 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.

### xvi. Contingent liabilities

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. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### xvii. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



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**3. Share capital**

	31-Mar-19 ₹	31-Mar-18 ₹
<b>Authorised share capital</b>		
175,000,000 (31 March 2018: 175,000,000) equity shares of ₹10/- each)	1,750,000,000	1,750,000,000
<b>Issued share capital</b>		
73,500,000 (31 March 2018: 73,500,000) equity shares of ₹10/- each)	735,000,000	735,000,000
<b>Subscribed and fully paid-up shares</b>		
73,500,000 (31 March 2018: 73,500,000) equity shares of ₹10/- each)	735,000,000	735,000,000

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Equity shares	31-Mar-19		31-Mar-18	
	No.	₹	No.	₹
At the beginning of the year	73,500,000	735,000,000	73,500,000	735,000,000
Issued during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Outstanding at the end of the year	73,500,000	735,000,000	73,500,000	735,000,000

**(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. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2019, the amount of per share dividend recognized as distributions to equity shareholders was ₹16 (31 March 2018: ₹14/-).

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

**(c) 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	31-Mar-19		31-Mar-18	
	₹	% of holding	₹	% of holding
Axis Bank Limited, the holding Company and its nominees 73,500,000 (31 March 2018: 73,500,000) equity shares of ₹10/- each)	735,000,000	100%	735,000,000	100%

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

Name of shareholder	31-Mar-19		31-Mar-18	
	No. of shares	% of holding	No. of shares	% of holding
Axis Bank Limited, the holding Company and its nominees 73,500,000 (31 March 2018: 73,500,000) equity shares of ₹10/- each)	73,500,000	100%	73,500,000	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**(e) Proposed dividends on Equity shares**

The Board proposed dividend on equity shares after the balance sheet date:

	31-Mar-19 ₹	31-Mar-18 ₹
Proposed dividend on equity shares for the year ended on 31 March 2019: ₹4.50 per share (31 March 2018: ₹16/- per share)	330,750,000	1,176,000,000
Dividend Distribution Tax on proposed dividend on equity shares	67,986,635	241,730,259
<b>Total</b>	<b>398,736,635</b>	<b>1,417,730,259</b>

*[Handwritten signatures]*



4. Reserve & Surplus

	31-Mar-19 ₹	31-Mar-18 ₹
<b>General Reserve</b>		
Balance as per last financial statements	129,237,420	129,237,420
Addition	-	-
Balance at the end of the year	<b>A 129,237,420</b>	<b>129,237,420</b>
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	3,396,094,392	3,246,700,085
Profit for the year	635,851,569	1,387,874,495
Less: Appropriations		
Final equity dividend (amount per share ₹16/- (31 March 2018: ₹14))	(1,176,000,000)	(1,029,000,000)
Tax on equity dividend	(241,730,259)	(209,480,188)
Total appropriations	(1,417,730,259)	(1,238,480,188)
Balance at the end of the year	<b>B 2,614,215,702</b>	<b>3,396,094,392</b>
<b>Total</b>	<b>(A+B) 2,743,453,122</b>	<b>3,525,331,812</b>

5. Provisions

	Long-term		Short-term	
	31-Mar-19 ₹	31-Mar-18 ₹	31-Mar-19 ₹	31-Mar-18 ₹
<b>Provision for employee benefits</b>				
Gratuity payable (funded)	-	-	-	23,550,602
Provision for compensated absences	-	-	761,335	1,049,728
Provision for bonus	119,554,800	181,024,198	280,661,096	594,447,484
	<b>119,554,800</b>	<b>181,024,198</b>	<b>281,422,431</b>	<b>619,047,814</b>
<b>Other provisions</b>				
Provision for tax [net of advance tax of ₹330,874,192 (Previous Year: ₹724,720,928)]	-	-	9,825,808	21,130,630
Lease equalization	96,586	1,308,995	-	-
Provision for litigation (refer note 35)	-	-	7,239,359	5,833,334
	<b>96,586</b>	<b>1,308,995</b>	<b>17,065,167</b>	<b>26,963,964</b>
<b>Total</b>	<b>119,651,386</b>	<b>182,333,193</b>	<b>298,487,598</b>	<b>646,011,778</b>

6. Short term borrowings

	31-Mar-19 ₹	31-Mar-18 ₹
Bank overdraft (secured against fixed deposits)	195,442,812	-
<b>Total</b>	<b>195,442,812</b>	<b>-</b>

7. Trade Payables

	31-Mar-19 ₹	31-Mar-18 ₹
Trade payables		
-Due to micro and small enterprises	1,193,126	-
-Due to holding company 'Axis Bank Limited'	51,254	2,777,434
-Due to others	3,267,053,412	8,239,846,591
<b>Total</b>	<b>3,268,297,792</b>	<b>8,242,624,025</b>

8. Others current liabilities

	31-Mar-19 ₹	31-Mar-18 ₹
Other payable		
-Statutory dues	99,137,107	277,753,636
-Other outstanding liabilities	1,544,278	561,353
-Capital Creditors	108,000	2,853,020
<b>Total</b>	<b>100,789,385</b>	<b>281,168,009</b>

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

9. Fixed Assets

Assets	Gross Block				Depreciation				Net Block	
	As at 31 March, 2018	Additions during the year	Deductions during the year	As at 31 March, 2019	As at 31 March, 2018	Charge for the year	Deductions during the year	As at 31 March, 2019	As at 31 March, 2019	As at 31 March, 2018
<b>Property, plant and equipment</b>										
Computers	38,477,105	5,184,756	5,720,298	37,941,563	31,538,890	4,858,381	5,720,298	30,676,973	7,264,590	6,938,215
Furniture	265,996	-	-	265,996	147,621	22,848	-	170,469	95,527	118,375
Vehicles	13,066	-	-	13,066	13,066	-	-	13,066	-	-
Office Equipment										
Printers etc.	2,005,919	20,400	-	2,026,319	1,804,083	134,181	-	1,938,264	88,055	201,836
Fax, UPS, Batteries etc.	360,131	-	-	360,131	339,321	9,288	-	348,609	11,522	20,810
EPABX etc.	74,648	276,900	-	351,548	74,648	28,449	-	103,097	248,451	-
Others	1,395,654	57,750	-	1,453,404	691,849	125,004	-	816,853	636,551	703,805
	<b>42,592,519</b>	<b>5,539,806</b>	<b>5,720,298</b>	<b>42,412,027</b>	<b>34,609,478</b>	<b>5,178,151</b>	<b>5,720,298</b>	<b>34,067,331</b>	<b>8,344,696</b>	<b>7,983,041</b>
<b>Intangible assets</b>										
Software	4,149,968	-	-	4,149,968	1,300,202	829,995	-	2,130,197	2,019,771	2,849,766
Website development cost	-	580,750	-	580,750	-	109,150	-	109,150	471,600	-
	<b>4,149,968</b>	<b>580,750</b>	<b>-</b>	<b>4,730,718</b>	<b>1,300,202</b>	<b>939,145</b>	<b>-</b>	<b>2,239,347</b>	<b>2,491,371</b>	<b>2,849,766</b>
<b>Intangible assets under development</b>										
	974,050	2,279,800	580,750	2,673,100	-	-	-	-	2,673,100	974,050
<b>Total</b>	<b>47,716,537</b>	<b>8,400,356</b>	<b>6,301,048</b>	<b>49,815,845</b>	<b>35,909,680</b>	<b>6,117,296</b>	<b>5,720,298</b>	<b>36,306,678</b>	<b>13,509,167</b>	<b>11,806,857</b>



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

9. Fixed Assets

Assets	Gross Block				Depreciation				Net Block	
	As at 31 March, 2017	Additions during the year	Deductions during the year	As at 31 March, 2018	As at 31 March, 2017	Charge for the year	Deductions during the year	As at 31 March, 2018	As at 31 March, 2018	As at 31 March, 2017
<b>Property, plant and equipment</b>										
Computers	34,062,198	4,414,907	-	38,477,105	28,200,445	3,338,445	-	31,538,890	6,938,215	5,861,753
Furniture	265,996	-	-	265,996	124,773	22,848	-	147,621	118,375	141,223
Vehicles	13,066	-	-	13,066	13,066	-	-	13,066	-	-
Office Equipment	1,873,169	132,750	-	2,005,919	1,656,736	147,347	-	1,804,083	201,836	216,433
Printers etc.	360,131	-	-	360,131	330,033	9,288	-	339,321	20,810	30,098
Fax, UPS, Batteries etc.	74,648	-	-	74,648	74,648	-	-	74,648	-	-
EPABX etc.	1,370,442	25,212	-	1,395,654	568,677	123,172	-	691,849	703,805	801,765
Others	38,019,650	4,572,869	-	42,592,519	30,968,378	3,641,100	-	34,609,478	7,983,041	7,051,272
<b>Intangible assets</b>										
Software	2,741,528	1,408,440	-	4,149,968	559,192	741,010	-	1,300,202	2,849,766	2,182,336
<b>Intangible assets under development</b>										
	235,500	1,926,990	1,188,440	974,050	-	-	-	-	974,050	235,500
<b>Total</b>	<b>40,996,678</b>	<b>7,908,299</b>	<b>1,188,440</b>	<b>47,716,537</b>	<b>31,527,570</b>	<b>4,382,110</b>	<b>-</b>	<b>35,909,680</b>	<b>11,806,857</b>	<b>9,469,108</b>

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10. Investment

	Non-current		Current	
	31-Mar-19 ₹	31-Mar-18 ₹	31-Mar-19 ₹	31-Mar-18 ₹
<b>Investment in subsidiaries</b> (Unquoted, Valued at cost)				
Axis Capital USA, LLC (membership contribution)	49,587,760	-	-	-
<b>Units of Mutual Funds</b> (Unquoted, valued at lower of cost and fair value)				
Axis Liquid Fund - Direct - Growth	-	-	-	500,522,334
Axis Overnight Fund – Direct – Growth	-	-	1,182,042,492	-
Axis short Term Fund – Direct - Growth*	-	-	-	100,000,000
Axis Banking & PSU Debt Fund – Direct - Growth*	-	-	-	408,000,000
<b>Total</b>	<b>49,587,760</b>	<b>-</b>	<b>1,182,042,492</b>	<b>1,008,522,334</b>

\* pledged to Stock Exchange and Bankers amounting to ₹Nil (31 March 2018: ₹393,325,002 )

11. Loans and advances

	Non-current		Current	
	31-Mar-19 ₹	31-Mar-18 ₹	31-Mar-19 ₹	31-Mar-18 ₹
<b>Security/margin deposit</b>				
Unsecured, considered good	20,122,500	18,711,500	10,000	2,510,000
<b>A</b>	<b>20,122,500</b>	<b>18,711,500</b>	<b>10,000</b>	<b>2,510,000</b>
<b>Advances recoverable in cash or kind</b>				
Unsecured, considered good				
-Recoverable from Subsidiary 'Axis Capital USA, LLC'	-	-	2,714,312	2,558,479
-Recoverable from others	-	-	26,756,797	27,784,721
	-	-	29,471,109	30,343,200
Unsecured, considered doubtful				
-Recoverable from others	-	-	-	262,922
Provision for doubtful advances	-	-	-	(262,922)
<b>B</b>	<b>-</b>	<b>-</b>	<b>29,471,109</b>	<b>30,343,200</b>
<b>Other loans and advances</b> (Unsecured, considered good)				
Loans to employees	-	-	400,360	527,806
Advance income-tax [net of provision of ₹3,676,452,865 (Previous year: ₹3,701,200,000)]	109,551,474	96,884,553	-	-
Prepaid expenses	87,809	236,493	5,081,529	4,672,120
Deposit with service tax authorities paid under protest	7,625,261	-	-	-
Balance with statutory/government authorities	-	-	10,638,469	59,319,449
<b>C</b>	<b>117,264,544</b>	<b>97,121,046</b>	<b>16,120,358</b>	<b>64,519,375</b>
<b>Total</b>	<b>(A+B+C) 137,387,044</b>	<b>115,832,546</b>	<b>45,601,467</b>	<b>97,372,575</b>

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12. Other assets

	Non-current		Current	
	31-Mar-19 ₹	31-Mar-18 ₹	31-Mar-19 ₹	31-Mar-18 ₹
<b>Unsecured, considered good unless stated otherwise</b>				
Non-current bank balances	19,439,556	282,700,000	-	-
<b>Others</b>				
Interest accrued on fixed deposits	1,525,722	4,422,650	44,395,894	48,634,362
Interest Receivable	-	-	-	9,470,488
Income receivable	-	-	-	110,000
Gratuity Assets (funded)	-	-	934,520	-
<b>Total</b>	<b>20,965,278</b>	<b>287,122,650</b>	<b>45,330,414</b>	<b>58,214,850</b>

13. Stock-in-trade

	31-Mar-19		31-Mar-18	
	No. of shares	₹	No. of shares	₹
Opening	-	-	50	2,313
Purchase	1,226,215	418,686,237	2,318,861	561,976,408
Sale (at cost)*	1,226,215	418,686,237	2,318,911	561,978,721
Closing	-	-	-	-

\* Loss (net) of ₹484,200 (Previous Year: ₹294,465) on sale of these shares has been disclosed under Note 21 "Other expenses"

14. Trade receivables

	Non-current		Current	
	31-Mar-19 ₹	31-Mar-18 ₹	31-Mar-19 ₹	31-Mar-18 ₹
<b>Unsecured, considered good unless stated otherwise</b>				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	-	-
<b>Unsecured, considered good</b>				
Receivable from holding company 'Axis Bank Limited'	-	-	-	-
Receivable from Others	-	-	6,000,669	41,541,464
Doubtful	-	-	10,572,582	23,278,293
	-	-	16,573,251	64,819,757
Provision for doubtful receivables	-	-	(10,572,582)	(23,278,293)
<b>A</b>	-	-	6,000,669	41,541,464
<b>Other receivables</b>				
<b>Unsecured, considered good</b>				
Receivable from holding company 'Axis Bank Limited'	-	-	-	1,913,330
Receivable from Others	-	-	3,600,297,875	8,631,390,151
Doubtful	-	-	-	-
	-	-	3,600,297,875	8,633,303,481
Provision for doubtful receivables	-	-	-	-
<b>B</b>	-	-	3,600,297,875	8,633,303,481
<b>Total (A+B)</b>	-	-	3,606,298,544	8,674,844,945

15. Cash and bank balances

	Non-current		Current	
	31-Mar-19 ₹	31-Mar-18 ₹	31-Mar-19 ₹	31-Mar-18 ₹
<b>Cash and cash equivalents</b>				
-Cash on hand	-	-	40,566	55,679
Balances with banks:				
-On current accounts	-	-	33,473,950	526,009,733
<b>A</b>	-	-	33,514,516	526,065,412
<b>Other bank balances</b>				
<b>Fixed deposits with original maturity of more than 12 months</b>				
-Lien marked deposits (The period of lien is in line with the period of fixed deposit)	19,439,556	272,800,000	2,171,600,000	2,817,508,334
-Other Deposits	-	9,900,000	150,000,000	4,766,666
<b>B</b>	19,439,556	282,700,000	2,321,600,000	2,822,275,000
<b>Amount disclosed under non-current assets (refer note no. 12)</b>				
<b>C</b>	19,439,556	282,700,000	-	-
<b>Total (A+B-C)</b>	-	-	2,355,114,516	3,348,340,412

16. Revenue from operations

	For the year ended 31 March 2019 ₹	For the year ended 31 March 2018 ₹
Fees from advisory services and other professional services	1,035,479,337	2,534,458,658
Brokerage income	1,085,878,956	1,403,116,094
Other operating income		
-Interest Income on margin money funding	22,991,594	85,141,181
<b>Total</b>	<b>2,144,349,887</b>	<b>4,022,715,933</b>

17. Other income

	For the year ended 31 March 2019 ₹	For the year ended 31 March 2018 ₹
Profit on sale of current investment	75,478,724	77,383,293
Interest Income on fixed deposit	205,265,570	208,648,509
Interest Income on income tax refund	-	16,375,217
Reversal of provision/liability no longer required	9,826,300	18,275,499
Profit on sale of fixed assets	225,450	-
Gratuity provision no longer required	934,520	-
Miscellaneous Income	4,379,272	1,663,225
<b>Total</b>	<b>296,109,836</b>	<b>322,345,743</b>

18. Employee benefits expense

	For the year ended 31 March 2019 ₹	For the year ended 31 March 2018 ₹
Salaries, wages and bonus	776,208,774	1,217,288,090
Contribution to provident and other funds	9,375,298	6,592,160
Gratuity expense (refer note no. 29)	-	23,550,602
Staff welfare expenses	12,041,907	9,329,673
<b>Total</b>	<b>797,625,979</b>	<b>1,256,760,525</b>

19. Finance costs

	For the year ended 31 March 2019 ₹	For the year ended 31 March 2018 ₹
Interest on overdraft	4,183,360	4,613,507
Other borrowing cost	-	3,746
<b>Total</b>	<b>4,183,360</b>	<b>4,617,253</b>

20. Depreciation and amortization expense

	For the year ended 31 March 2019 ₹	For the year ended 31 March 2018 ₹
Depreciation of tangible assets	5,178,151	3,641,100
Amortization of intangible assets	939,145	741,010
<b>Total</b>	<b>6,117,296</b>	<b>4,382,110</b>

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21. Other expenses

	For the year ended 31 March 2019 ₹	For the year ended 31 March 2018 ₹
Stamp duty	33,443,447	37,307,090
Trade confirmation charges	46,729,519	39,448,074
Brokerage expenses	132,767,898	292,258,513
Stock exchange expenses	43,142,899	41,102,384
Printing and stationary*	7,691,224	12,167,724
Electricity & water charges	8,210,139	8,574,428
Rent (refer note no. 28)	78,594,653	79,567,055
Repairs & maintenance - others	9,098,100	12,929,525
CSR expenditure (refer note no. 32)	37,910,000	34,376,000
Insurance	844,802	845,290
Rates and taxes	5,184,004	4,894,899
Professional fees*	125,767,126	139,388,588
Office expenses*	2,120,373	55,578,272
Deputation expenses	26,821,368	34,868,714
Telephone, fax & internet	8,316,690	8,878,373
Foreign exchange loss	-	101,911
Loss on sale of devolved securities/dealing error	1,306,261	960,462
Travelling & conveyance expenses	36,470,824	41,360,311
Director's sitting fees	1,450,000	1,453,250
Auditors remuneration:		
- For audit	1,287,500	1,250,000
- Other	100,000	-
Miscellaneous expenses	56,621,812	63,966,292
Provision for doubtful advances		
- Provision for bad and doubtful advances	-	262,922
- Bad advances written off	262,922	2,211,391
- Reversal of provision of doubtful advances	(262,922)	(2,250,838)
Bad debts		
- Provision for bad and doubtful debts	10,482,784	23,278,293
- Bad debts written off	17,056,408	9,082,539
- Reversal of provision of doubtful debts	(23,188,495)	(8,282,152)
<b>Total</b>	<b>668,229,336</b>	<b>935,579,310</b>

\*includes direct expenses pertaining to advisory services and other professional services amounting to ₹6,80,02,073 (Previous Year: ₹164,575,710).

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## AXIS CAPITAL LIMITED

Notes to financial statements for the year ended 31 March 2019

### 22. Earnings per Share (EPS)

	2018 - 2019 ₹	2017 - 2018 ₹
Profit/ (loss) after tax	635,851,569	1,387,874,495
Net profit/ (loss) for calculation of basic EPS and diluted EPS	635,851,569	1,387,874,495
	No.	No.
Weighted average number of equity shares in calculating diluted EPS	73,500,000	73,500,000
<b>Earnings per share (Basic and diluted) (in ₹)</b>	<b>8.65</b>	<b>18.88</b>

### 23. Contingent Liabilities

	31 March 2019 ₹	31 March 2018 ₹
(A) Claims against the Company not acknowledged as debts*	2,500,000	2,500,000
(B) Tax demand under litigation#		
- For Service Tax	216,011,255	216,011,255
- For Income Tax	1,563,612	11,282,677
- For Property Tax	6,306,570	6,306,570
(C) Outstanding bank guarantee	-	500,000
<b>Total</b>	<b>226,381,437</b>	<b>236,600,502</b>

\*The Company is facing certain litigations with respect to alleged non disclosures in respect of investment banking jobs handled by the Company. The Management believes that its position will likely be upheld and the outcome of these proceeding will not have a material adverse effect on the Company's financial position and result of operations.

#The Company is contesting the demands and the management believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

### 24. Capital and other commitments

(A) Estimated amount of contracts remaining to be executed on capital account and not provided for:

	31 March 2019 (₹)	31 March 2018 (₹)
Commitment for addition/acquisition of software	700,900	567,226
<b>Total</b>	<b>700,900</b>	<b>567,226</b>

(B) The Company in the ordinary course of its business has syndicated certain secured instruments aggregating to ₹1,533,300,000 (31 March, 2018: ₹5,250,000,000) wherein the Company is mandated to monetize the underlying security on occurring of certain events to meet the Issuer's obligations and fulfill the shortfall, if any.



## AXIS CAPITAL LIMITED

Notes to financial statements for the year ended 31 March 2019

(C) For commitments in respect of Leases, refer Note No. 28.

### 25. Details of Foreign Currency Transactions\*

	2018 - 2019 ₹	2017-2018 ₹
<b>Earnings in foreign currency</b>		
a) Fees from advisory services and other professional services	302,431,045	244,269,439
<b>Expenditure in foreign currency</b>		
a) Deputation expenses	25,490,177	22,674,175
b) Professional fees	2,875,820	2,672,280
c) Travelling and conveyance	11,663,438	8,613,404
d) Trade confirmation charges	17,003,452	16,542,656
e) Others	5,762,919	4,693,779

\*on accrual basis

### 26. Segment information

The Company's various business activities in respect of capital market transactions carry similar risks and returns and hence considered as a single reportable business segment. Further, the Company operates in a single geographical segment. Hence, no disclosures are required to be given in accordance with AS 17 on Segment Reporting.

### 27. Related Party Disclosures

#### Names of related parties

Holding Company	Axis Bank Limited ("ABL")
Key Management Personnel	Mr. Dharmesh Mehta (Managing Director and CEO till 4 <sup>th</sup> December, 2018) Mr. Chirag Negandhi (Joint Managing Director and Co CEO w.e.f. 4 <sup>th</sup> December, 2018) Mr. Salil Pitale (Joint Managing Director and Co CEO w.e.f. 4 <sup>th</sup> December, 2018) Mr. Mitesh Mehta (Relative of Managing Director and CEO till 4 <sup>th</sup> December, 2018) Mr. Natarajan Mahadevan (Company Secretary) Mr. Neelesh Baheti (Chief Financial Officer)
Subsidiary	Axis Capital USA LLC ("ACUL") (w.e.f. 02/08/2017)
Fellow Subsidiary	Axis Private Equity Limited ("APEL") Axis Trustee Services Limited ("ATSL") Axis Finance Limited ("AFL") Axis Securities Limited ("ASL")



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**AXIS CAPITAL LIMITED**

Notes to financial statements for the year ended 31 March 2019

Transactions of transactions

Particulars	Holding Company	Subsidiary Company	Fellow Subsidiary	Key Management Personnel	Total
	(₹)	(₹)	(₹)	(₹)	(₹)
<b>Income</b>					
Brokerage Income	1,245,483	-	-	-	1,245,483
	(2,496,426)	-	-	-	(2,496,426)
Brokerage Income (ASL)	-	-	142,460	-	142,460
	-	-	(911,560)	-	(911,560)
Bank interest	91,093,521	-	-	-	91,093,521
	(103,058,856)	-	-	-	(103,058,856)
Other reimbursement (APEL)	-	-	-	-	-
	-	-	(748,307)	-	(748,307)
Advisory Income	2,333,331	-	-	-	2,333,331
	(123,421,665)	-	-	-	(123,421,665)
Service charges (AFL)	-	-	-	-	-
	-	-	(1,134,711)	-	(1,134,711)
<b>Expenses</b>					
<b>Remuneration of Key Management Personnel#</b>					
Mr. Chirag Negandhi (from 04-12-2018)	-	-	-	3,142,097	3,142,097
	-	-	-	-	-
Mr. Salil Pitale (from 04-12-2018)	-	-	-	3,019,147	3,019,147
	-	-	-	-	-
Mr. Dharmesh Mehta (upto 04-12-2018)	-	-	-	104,763,047	104,763,047
	-	-	-	(77,987,252)	(77,987,252)
Mr. Mitesh Mehta (upto 04-12-2018)	-	-	-	16,714,407	16,714,407
	-	-	-	(13,407,147)	(13,407,147)
Mr. Neelesh Baheti (from 01-06-2018)	-	-	-	8,118,057	8,118,057
	-	-	-	-	-
Mr. Natarajan Mahadevan	-	-	-	21,531,523	21,531,523
	-	-	-	(16,772,221)	(16,772,221)
Reimbursement of expense*	138,959,895	-	-	85,229	139,045,124
	(160,949,028)	-	-	(29,616)	(160,978,644)
Interest expense	4,183,360	-	-	-	4,183,360
	(4,613,507)	-	-	-	(4,613,507)
Bank charges	383,388	-	-	-	383,388
	(102,774)	-	-	-	(102,774)
Bank Guarantee Charges	-	-	-	-	-
	(3,746)	-	-	-	(3,746)
Demat charges	106,802	-	-	-	106,802
	(127,775)	-	-	-	(127,775)
Brokerage expense	1,387,311	-	-	-	1,387,311
	(3,839)	-	-	-	(3,839)



*Handwritten signatures and initials.*



# AXIS CAPITAL LIMITED

## Notes to financial statements for the year ended 31 March 2019

Brokerage expense (ASL)	-	-	<b>1,985,268</b>	-	<b>1,985,268</b>
	-	-	(826,348)	-	(826,348)
Fees paid (ATSL)	-	-	-	-	-
	-	-	(300,000)	-	(300,000)
<b>Other Transactions</b>					
Reimbursement of expense on behalf of Subsidiary**	-	-	-	-	-
	-	(2,558,479)	-	-	(2,558,479)
Dividend paid	<b>1,176,000,000</b>	-	-	-	<b>1,176,000,000</b>
	(1,029,000,000)	-	-	-	(1,029,000,000)
Bank guarantee availed	(500,000)	-	-	-	(500,000)
Purchase of fixed assets	-	-	<b>28,262</b>	-	<b>28,262</b>
	-	-	-	-	-
Investment	-	<b>49,587,760</b>	-	-	<b>49,587,760</b>
	-	-	-	-	-
<b>Balances outstanding as at the year end</b>					
Fixed deposit (including interest accrued)	<b>1,215,916,332</b>	-	-	-	<b>1,215,916,332</b>
	(1,058,468,285)	-	-	-	(1,058,468,285)
Current account	<b>33,260,008</b>	-	-	-	<b>33,260,008</b>
	(520,707,657)	-	-	-	(520,707,657)
Overdraft Account Balance***	<b>195,442,812</b>	-	-	-	<b>195,442,812</b>
	-	-	-	-	-
Trade payables	<b>51,254</b>	-	-	-	<b>51,254</b>
	(2,777,434)	-	-	-	(2,777,434)
Other receivables	-	<b>2,714,312</b>	-	-	<b>2,714,312</b>
	-	(2,558,479)	-	-	(2,558,479)
Trade receivables	-	-	-	-	-
	(1,913,330)	-	-	-	(1,913,330)
Outstanding bank guarantee	-	-	-	-	-
	(500,000)	-	-	-	(500,000)
Equity share capital	<b>735,000,000</b>	-	-	-	<b>735,000,000</b>
	(735,000,000)	-	-	-	(735,000,000)
Investment	-	<b>49,587,76</b>	-	-	<b>49,587,760</b>
	-	-	-	-	-

Note: Figures in bracket pertain to the previous year.

\*Reimbursement of expenses to the holding company includes ₹1,331,191 (Previous Year: ₹8,569,850) in respect of remuneration of Neelesh Baheti (CFO).

\*\* Foreign exchange gain/(loss) on closing balances has not been considered in current year's transaction.

\*\*\* Closing credit line obtained by the Company from Axis Bank is ₹2,000,000,000 (Previous Year: ₹2,000,000,000)



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## AXIS CAPITAL LIMITED

### Notes to financial statements for the year ended 31 March 2019

#Deferred bonus considered in remuneration on payment basis.

As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to key managerial personnel and relative of key managerial personnel are not included above.

#### 28. Leases

Operating Lease:

Office premises are obtained on operating lease. These leases have an average life between one year to seven years with further renewals option included in the contract. There are no restrictions imposed by lease arrangements. There are no subleases.

	Operating Lease	
	2018-2019 (₹)	2017-2018 (₹)
Minimum lease payments :		
-Not later than one year	24,489,751	79,266,570
-Later than one year but not later than five years	10,339,656	38,827,152
-Later than five years	-	3,636,321
Lease payment for the year	78,594,653	79,567,055

#### 29. Employee Benefits

The following table sets forth the status of the Provident fund and Gratuity plan of the Company and the amounts recognized in the Balance Sheet and Statement of Profit & Loss as required under AS 15 :

##### a) Defined contribution plan

The company has recognized the following amount in the Statement of Profit and Loss under the head Contribution to provident and other funds in Employee Benefit Expense for the year:

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Employer's contribution to Provident Fund	9,369,730	6,586,448

##### b) Defined benefit plan

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 of 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.

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AXIS CAPITAL LIMITED

Notes to financial statements for the year ended 31 March 2019

Statement of profit and loss

Net employee benefit expense recognized in employee cost

	2018-2019 (₹)	2017-2018 (₹)
Current service cost	7,825,675	5,629,901
Interest cost on benefit obligation	8,044,731	5,748,857
Expected return on plan assets	(6,236,045)	(5,204,804)
Net actuarial (gain)/ loss recognised in the year	(10,568,881)	(9,385,619)
Past Service Cost - Vested benefit recognized during the period	-	26,762,267
<b>Net benefit expense</b>	<b>(934,520)</b>	<b>23,550,602</b>
Actual return on plan assets	6,120,435	6,631,910

Balance sheet

Details of provision for gratuity

	2018-2019 (₹)	2017-2018 (₹)
Defined benefit obligation	97,127,389	104,749,099
Fair value of plan assets	(98,061,909)	(81,198,497)
Plan (Assets) / Liability	(934,520)	23,550,602

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

	2018-2019 (₹)	2017-2018 (₹)
Opening defined benefit obligation	104,749,099	84,294,094
Interest cost	8,044,731	5,748,857
Current service cost	7,825,675	5,629,901
Benefits paid	(14,755,745)	(9,727,507)
Actuarial (gains)/losses on obligation	(8,736,371)	(7,958,513)
Past Service Cost - Vested benefit recognized during the period	-	26,762,267
<b>Closing defined benefit obligation</b>	<b>97,127,389</b>	<b>(104,749,099)</b>

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

	2018-2019 (₹)	2017-2018 (₹)
Opening fair value of plan assets	81,198,497	76,316,769
Expected return	6,236,045	5,204,804
Contributions by employer	25,498,722	7,977,325
Benefits paid	(14,755,745)	(9,727,507)
Actuarial gains/(losses)	(115,610)	1,427,106
<b>Closing fair value of plan assets</b>	<b>98,061,909</b>	<b>81,198,497</b>

*[Handwritten signatures and initials]*



## AXIS CAPITAL LIMITED

### Notes to financial statements for the year ended 31 March 2019

The Company expects to contribute ₹Nil (Previous year ₹23,550,602) to gratuity in the next year.

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

	Gratuity	
	31 March 2019	31 March 2018
Investment with insurer	100%	100%

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

	Gratuity	
	2018-19	2017-18
	%	%
Discount rate	7.48	7.68
Expected rate of return on assets*	7.48	7.68
Employee turnover	10.00	10.00
Salary escalation rate#	7.00	7.00

\* 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 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 and previous four years are as follows:

	2018-19 (₹)	2017-18 (₹)	2016-17 (₹)	2015-16 (₹)	2014-15 (₹)
Defined benefit obligation	97,127,389	104,749,099	84,294,094	83,633,206	82,605,892
Plan assets	98,234,008	81,198,497	76,316,769	81,044,631	79,641,374
Surplus / (deficit)	934,520	(23,550,602)	(7,977,325)	(2,588,575)	(2,964,518)
Experience adjustments on plan liabilities	(9,724,353)	(28,923,544)	(3,311,704)	(5,436,991)	(9,086,211)
Experience adjustments on plan assets	(115,610)	1,427,106	(1,099,802)	(360,387)	993,882

30. The outstanding balance on account of principal and interest as on 31 March 2019 remaining unpaid to any supplier registered as small and medium enterprises under "The Micro, Small and Medium Enterprises Development (MSMED) Act 2006" is ₹1,193,126 (Previous Year: Nil). The Company has not delayed in making payments to any of the parties registered as small and medium enterprises under MSMED, and there has been no interest accrued or paid in this regard.

*(Handwritten signatures)*



# AXIS CAPITAL LIMITED

## Notes to financial statements for the year ended 31 March 2019

### 31. Deferred Tax Asset of the Company is as follows:-

	31 March 2019 (₹)	31 March 2018 (₹)
Deferred tax Assets comprise timing difference on account of :		
-Depreciation	1,283,479	1,343,952
-Provision for doubtful debts	3,699,769	8,146,006
-Provision for doubtful advances	-	92,007
-Provision for lease equalization charges	33,799	458,070
-Provision for Compensated Absences	266,422	367,342
-Stamp Duty due but not paid	1,944	4,271
<b>Total</b>	<b>5,285,413</b>	<b>10,411,648</b>

### 32. Details of CSR expenditure:

	2018-2019 (₹)	2017-2018 (₹)
Gross amount required to be spent by the Company during the year	37,909,300	34,375,190
Amount spent during the year for purposes other than Construction / acquisition of any asset (in cash)	37,910,000	34,376,000

### 33. Particulars of unhedged foreign currency exposure as at the balance sheet date

Particulars	31 March 2019		31 March 2018	
	₹	Amount in foreign currency	₹	Amount in foreign currency
Trade Receivables	23,467,035	USD 339,370	158,906,341	USD 2,438,147
	396,932	GBP 10,650	784,38	GBP 850
Advances	31,059	USD 350	-	-

34. The Company has received margin money in the form of securities from the clients in the normal course of business which are either pledged in favour of the Company or are transferred to the Company's Depository Participant account. Such securities are kept by the Company in a separate Depository Participant account maintained by the Company for all such purposes.

### 35. Provisions made for litigation for the year ended March 31, 2019 comprises of:-

Particulars	Opening Balance (₹)	Provided during the year (₹)	Provision utilised / reversed during the year (₹)	Closing Balance (₹)
Provision for litigation	5,833,334	1,406,025	-	7,239,359
	(3,860,334)	(2,500,000)	(527,000)	(5,833,334)



**AXIS CAPITAL LIMITED**

**Notes to financial statements for the year ended 31 March 2019**

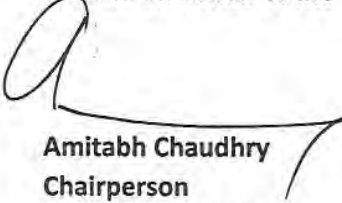
36. Previous year figures have been re-grouped / reclassified wherever necessary to confirm the current year classification.

As per report of even date  
For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

  
**Purushottam Nyati**  
Partner  
Membership No. :- 118970

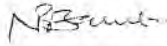
Place: Mumbai  
Date: 11 April 2019


**For and on behalf of the board of Directors**

  
**Amitabh Chaudhry**  
Chairperson  
DIN No. :- 0531120

  
**Salil Pitale**  
Jt. MD & Co-CEO  
DIN No. :- 07824218

  
**Chirag Negandhi**  
Jt. MD & Co-CEO  
DIN No. :- 06988113

  
**Neelesh Baheti**  
Chief Financial Officer

  
**M. Natarajan**  
Company Secretary

Place: Mumbai

Date: 11 April 2019

