



Arman Financial Services Limited

501-504, SAKAR III, OPP. OLD HIGH COURT, OFF ASHRAM ROAD, AHMEDABAD-380 014. GUJARAT, INDIA
PH. : +91-79-40507000, 27541989 e-mail : finance@armanindia.com Web : www.armanindia.com CIN : L55910GJ1992PLC018623

Date: November 13, 2021

To, BSE Limited P. J. Tower, Dalal Street, Mumbai-400001	To, National Stock Exchange of India Limited "Exchange Plaza" C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai- 400051
Script Code: 531179 ISIN: INE109C01017	Symbol: ARMANFIN Series: EQ

Dear Sir,

**SUB: UNAUDITED FINANCIAL RESULTS WITH LIMITED REVIEW REPORT FOR THE QUARTER /
HALF YEAR ENDED ON SEPTEMBER 30, 2021**

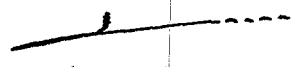
Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we hereby submitting Unaudited Financial Results (Standalone & Consolidated) for the quarter / half year ended on September 30, 2021 as reviewed by audit committee and approved by Board of Directors in it's meeting held on November 13, 2021

The statutory auditor has also carried out a limited review. The Limited Review Certificates of M/s Samir M. Shah & Associates, on Unaudited Financial Results (Consolidated & Standalone) for the quarter / half year ended on September 30, 2021 are also forwarded herewith.

Thanking you,

Yours faithfully,

For, Arman Financial Services Limited


Jayendra Patel
Vice Chairman & Managing Director
(DIN: 00011814)





ARMAN FINANCIAL SERVICES LIMITED

Reg. off: 502-503, SAKAR III, OPP. OLD HIGH COURT, AHMEDABAD-380014

CIN:L55910GJ1992PLC018623 Ph-079-40507000; E-mail: finance@armanindia.com; Website: www.armanindia.com

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED ON SEPTEMBER 30, 2021

(Rs. In Lakhs except per share data)

Sr.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	a. Revenue from Operations						
	i. Interest Income	4,958.61	4,769.05	4,958.00	9,727.66	9,703.79	18,564.13
	ii. Gain on assignment of financial assets	-	-	-	-	-	-
	iii. Fees and Commission Income	87.75	108.97	124.46	196.72	244.99	506.40
	iv. Income from Change in Fair Value of Assets through P&L	(14.53)	54.41	(5.18)	39.88	34.23	201.45
	Total revenue from Operations	5,031.83	4,932.43	5,077.28	9,964.26	9,983.01	19,271.98
	b. Other Income	49.66	37.19	91.71	86.85	124.68	231.91
	Total Income	5,081.49	4,969.62	5,168.99	10,051.11	10,107.69	19,503.89
2	Expenses						
	a. Finance cost	1,969.07	1,984.18	1,863.70	3,953.25	4,098.57	7,922.50
	b. Impairment losses on financial assets	865.33	1,133.53	1,865.52	1,998.86	2,889.95	5,459.22
	c. Employees benefits expense	940.80	940.45	909.63	1,881.25	1,739.51	3,556.60
	d. Depreciation and amortisation expense	21.06	20.52	20.23	41.58	40.96	80.98
	e. Other expenses	549.29	240.83	313.68	790.12	479.74	1,308.24
	Total Expenses	4,345.55	4,319.51	4,972.76	8,665.06	9,248.73	18,327.54
3	Profit / (Loss) before an Exceptional and Tax (1-2)	735.94	650.11	196.23	1,386.05	858.96	1,176.35
4	Exceptional Items	-	-	-	-	-	-
5	Profit / (Loss) before Tax (3 - 4)	735.94	650.11	196.23	1,386.05	858.96	1,176.35
6	Tax Expense (net)						
	- Current tax	423.60	253.60	355.00	677.20	763.90	1,089.70
	- Short / (excess) Provision of Income Tax of earlier years	-	-	-	-	-	6.36
	- Deferred tax liability / (asset)	(172.71)	39.26	(310.15)	(133.45)	(587.18)	(981.31)
	Net Tax Expenses	250.89	292.86	44.85	543.75	176.72	114.75
7	Profit for the period / year from continuing operations (5-6)	485.05	357.25	151.38	842.30	682.24	1,061.60
8	Profit / (loss) from discontinued operations	-	-	-	-	-	-
9	Tax expense of discontinued operations	-	-	-	-	-	-
10	Profit / (loss) from discontinued operations (after tax) (8-9)	-	-	-	-	-	-
11	Profit for the period / year (7+10)	485.05	357.25	151.38	842.30	682.24	1,061.60
12	Other comprehensive income / (loss)						
	(a) (i) Items that will not be reclassified to profit and loss						
	- Remeasurement of Defined Benefit Obligations	5.41	5.40	(2.91)	10.81	(5.83)	21.62
	(ii) Income tax relating to items that will not be reclassified to profit and loss	(1.36)	(1.36)	0.74	(2.72)	1.47	(5.44)
	Sub Total (a)	4.05	4.04	(2.17)	8.09	(4.36)	16.18
	(b) (i) Items that will be reclassified to profit and loss						
	- Fair valuation gain / (loss) on financial instruments measured at FVOCI	(104.20)	(116.00)	303.19	(220.20)	296.38	468.05
	(ii) Income tax relating to items that will be reclassified to profit and loss	26.23	29.19	(77.25)	55.42	(75.54)	(117.80)
	Sub Total (b)	(77.97)	(86.81)	225.94	(164.78)	220.84	350.25
	Net Other comprehensive income / (loss) (a)+(b)	(73.92)	(82.77)	223.77	(156.69)	216.48	366.43
13	Total Comprehensive Income	411.13	274.48	375.15	685.61	898.72	1,428.03
	Paid up Equity Share capital (face value of Rs. 10/-)	849.16	848.84	848.76	849.16	848.76	848.84
14	Earnings per share (of Rs. 10/- Each)(Not Annualised)						
	(a) Basic EPS	5.71	4.21	1.79	9.92	8.07	12.53
	(b) Diluted EPS	5.71	4.21	1.79	9.92	8.06	12.53



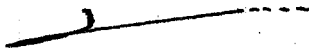
Notes

- 1 These unaudited financial results of Arman Financial Services Limited (the "Parent") and its subsidiary (collectively referred to as the "Group") have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The unaudited Consolidated financial results for the quarter / half year ended September 30, 2021 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on November 13, 2021.
- 3 The Company reports quarterly / half yearly financial results of the Group on a consolidated basis, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with circular dated July 5, 2016. The standalone financial results are available on the website of the Company at www.armanindia.com, the website of BSE Limited ("BSE") at www.bseindia.com and on the website of National Stock Exchange of India Limited ("NSE") at www.nseindia.com.
- 4 The parent Company, during the quarter ended September 30, 2021 has allotted 3,200 equity shares of Rs. 10/- each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- 5 The COVID-19 pandemic has continued to cause a significant disruption of the economic activities across the globe including India throughout the previous year, with second wave of the pandemic emerging in the first quarter of the financial year 2021-22 in India. In assessing the impairment allowance for loan portfolio, the Company has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Further, the management has estimated the impact of the second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the first wave, and has noted that the existing provisioning levels are adequate to cover any further delinquencies. Given the unique nature and scale of this pandemic, its full extent of impact on the Company's operations and financial metrics, more specifically on the borrower's ability to service their obligations on a timely basis, will depend on the severity and duration of the pandemic as well as on highly uncertain future developments including governmental and regulatory measures and the Company's responses thereto. The extent to which the second wave of COVID-19 pandemic that has significantly increased the number of cases in India, will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact.
- 6 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
- 7 M/s Samir M. Shah & Associates, Statutory Auditor of the Company have completed 4 years as a Statutory Auditors of the Company and to comply with the requirements of RBI Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ("RBI Circular"), they have resigned as statutory auditors of the Company w.e.f. October 1, 2021.
Since the RBI Circular has given the relaxation to adopt the above guideline from H2 (second half) of FY 2021-22 in order to ensure that there is no disruption, and accordingly, the Company has availed the services of the existing auditors until the date of signing the limited review for the unaudited financial results for the quarter / half year ended on September 30, 2021.
- 8 The Group is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 9 Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Date: 13.11.2021
Place: Ahmedabad



For, Arman Financial Services Limited


Jayendra Patel
Vice Chairman & Managing Director
DIN-00011814



ARMAN FINANCIAL SERVICES LIMITED

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CONSOLIDATED BALANCE SHEET AS ON SEPTEMBER 30, 2021

Particulars	Rs. in Lakhs	
	September 30, 2021	March 31, 2021
ASSETS		
(1) Financial Assets		
(a) Cash and cash equivalents	4,726.54	8,791.77
(b) Bank Balance other than (a) above	6,298.99	8,045.65
(c) Loans	83,138.79	74,322.03
(d) Investments	4,638.89	317.73
(e) Other Financial assets	918.42	760.65
(2) Non-financial Assets		
(a) Current tax assets (Net)	-	-
(b) Deferred tax Assets (Net)	1,522.92	1,336.75
(c) Property, Plant and Equipment	310.90	326.02
(d) Other Intangible assets	27.76	22.54
(e) Right of Use Assets	51.75	59.15
(f) Other non-financial assets	39.57	25.13
Total Assets	101,674.53	94,007.42
LIABILITIES AND EQUITY		
LIABILITIES		
(1) Financial Liabilities		
(a) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	42.29	76.09
(b) Debt Securities	15,678.62	17,760.55
(c) Borrowings (Other than Debt Securities)	62,624.01	52,881.55
(d) Subordinated Liabilities	1,500.00	1,500.00
(e) Other financial liabilities	1,814.56	2,421.07
(2) Non-Financial Liabilities		
(a) Provisions	119.85	89.55
(b) Current Tax Liabilities (Net)	445.51	486.78
(c) Other non-financial liabilities	79.05	115.88
(3) EQUITY		
(a) Equity Share capital	849.16	848.84
(b) Other Equity	18,521.48	17,827.12
Total Liabilities and Equity	101,674.53	94,007.42





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Consolidated Cash Flow Statement for the half year ended on September 30, 2021

PARTICULARS	Rs. in Lakhs	
	For the Half year ended on September 30, 2021	For the Half year ended on September 30, 2020
Cash from Operating Activities:		
Net profit before taxation	1,386.05	858.96
Adjustment For:		
Depreciation and amortisation	34.19	33.57
Interest Income	(9,727.66)	(9,703.79)
Net gain on equity instruments measured through profit and loss	(39.88)	(34.23)
Finance cost Expense	3,953.25	4,098.57
Provision for impairment on financial assets	1,182.07	2,429.50
Depreciation on Right of Use Assets	7.39	7.39
Loss / (Profit) on sale of Current Investment	(29.74)	(101.10)
Remeasurement of define benefit plan	10.81	(5.83)
Employee Stock Option Plan Expense	7.47	3.47
(Profit) / loss on sale of property, plant and equipment	0.57	-
	(4,601.52)	(3,272.45)
Operating profit before working Capital changes :	(3,215.47)	(2,413.49)
Adjustment For (Increase)/Decrease in operating Assets:		
Loans and Advances	(10,219.03)	14,483.23
Financial Assets	(36.49)	355.59
Non Financial Assets	(14.45)	15.35
Bank balance other than Cash and Cash equivalents	1,746.66	(3,451.87)
Adjustment For Increase/(Decrease) in operating Liabilities:		
Trade Payables	(33.80)	(69.13)
Other Non Financial liability	(36.83)	(81.83)
Other Financial Liabilities	(702.47)	105.85
Provision	30.30	19.20
	(9,266.11)	11,376.39
Cash Generated From Operations	(12,481.58)	8,962.90
Interest Received	9,606.38	8,823.56
Finance Cost Paid	(3,954.90)	(4,099.25)
Income tax paid (Net)	(718.47)	(72.22)
	4,933.01	4,652.09
Net Cash From Operating Activities:	(7,548.57)	13,615.00
Cash Flow From Investment Activities:		
Purchase of Property, Plant & Equipment	(25.05)	(2.04)
Purchase of investments	(15,518.48)	(22,292.63)
Sale of investments	11,248.44	16,527.98
Sale of Property, Plant & Equipment	0.18	-
Net Cash from Investment Activities:	(4,294.91)	(5,766.69)
Cash Flow From Financing Activities :		
Proceeds from issue of share capital (including Premium)	1.60	18.37
Dividend paid	-	(0.06)
Proceeds from long term borrowings	19,582.29	9,668.43
Repayment of borrowings	(9,705.26)	(20,668.62)
Net increase / (decrease) in working capital borrowings	(2,093.78)	839.61
Repayment of Principal Component of Lease Liability	(6.60)	(5.68)
Net Cash from Financing Activities:	7,778.25	(10,147.96)
Net Increase in Cash & Cash Equivalents	(4,065.23)	(2,299.66)
Cash & cash equivalents at the beginning	8,791.77	5,842.09
Cash & cash equivalents at the end	4,726.54	3,542.43



SAMIR M. SHAH & ASSOCIATES

Chartered Accountants

"Heaven", 8, Western Park Society, Nr. Inductotherm,
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Phone : +91- 7622012032

E-mail : samir@smshah.co.in

LIMITED REVIEW REPORT ON UNAUDITED QUARTERLY CONSOLIDATED FINANCIAL RESULTS OF ARMAN FINANCIAL SERVICES LIMITED UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors of
Arman Financial Services Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Arman Financial Services Limited (the "Parent") and its subsidiary (the Parent and its subsidiary together referred to as the "Group"), for the quarter and six months ended September 30, 2021 (the "Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the Company	Relationship
Namra Finance Limited	Wholly owned Subsidiary



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 5 to the consolidated financial results in which the Group describes the uncertainties arising from the COVID 19 pandemic.

Our conclusion on the Statement is not modified in respect of this matter.

7. We did not review the interim financial information/financial results of one subsidiary included in the Statement, whose interim financial information/financial results reflect total assets of ₹79,964.28 lakhs as at September 30, 2021, total revenues of ₹3739.87 lakhs and ₹7389.54 lakhs for the quarter and six months ended September 30, 2021 respectively, total net profit after tax of ₹320.73 lakhs and ₹541.24 lakhs for the quarter and six months ended September 30, 2021 respectively, total comprehensive income of ₹37.67 lakhs and ₹89.88 lakhs for the quarter and six months ended September 30, 2021 respectively and net cash out flows of ₹1082.62 Lakhs for the six months ended September 30, 2021, as considered in the Statement. These interim financial information/ financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

PLACE: AHMEDABAD

FOR, SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.: 122377W

DATE: 13th November, 2021




SAMIR M. SHAH
(PARTNER)

MEMBERSHIP NO. : 111052
UDIN : 21111052AAAAXX1913



ARMAN FINANCIAL SERVICES LIMITED

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2021

(Rs. In Lacs except per share data)

Sr.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	a. Revenue from Operations						
	i. Interest Income based on Effective Interest Method	1,332.02	1,348.61	1,641.85	2,680.63	3,259.73	6,033.51
	ii. Gain on Assignment of Financial Assets	-	-	-	-	-	-
	iii. Fees and Commission Income	2.17	10.10	-	12.27	-	1.31
	iv. Fair Value Gain of units of Mutual Funds	8.05	1.64	1.65	9.69	1.65	-
	Total revenue from Operations	1,342.24	1,360.35	1,643.50	2,702.59	3,261.38	6,034.82
	b. Other Income	72.40	86.51	99.44	158.91	165.17	319.95
	Total Income	1,414.64	1,446.86	1,742.94	2,861.50	3,426.55	6,354.77
2	Expenses						
	a. Finance cost	458.44	411.65	496.95	870.09	1,028.26	1,997.74
	b. Impairment losses on financial assets	219.81	377.60	684.50	597.41	1,131.64	1,791.98
	c. Employees benefits expense	318.50	272.58	292.49	591.08	549.90	1,166.34
	d. Depreciation and amortisation expense	2.25	2.59	2.66	4.84	5.37	10.12
	e. Other expenses	160.86	82.32	72.18	243.18	120.64	449.11
	Total Expenses	1,159.86	1,146.74	1,548.78	2,306.60	2,835.81	5,415.29
3	Profit / (Loss) before an Exceptional and Tax (1-2)	254.78	300.12	194.16	554.90	590.74	939.48
4	Exceptional Items	-	-	-	-	-	-
5	Profit / (Loss) before Tax (3 - 4)	254.78	300.12	194.16	554.90	590.74	939.48
6	Tax Expense (net)						
	- Current tax	109.00	88.50	184.70	197.50	383.70	525.70
	- Short / (excess) Provision of Income Tax of earlier years	-	-	-	-	-	6.36
	- Deferred tax liability / (asset)	(58.38)	3.53	(160.66)	(54.85)	(288.58)	(392.31)
	Net Tax Expenses	50.62	92.03	24.04	142.65	95.12	139.75
7	Profit for the period / year from continuing operations (5-6)	204.16	208.09	170.12	412.25	495.62	799.73
8	Profit / (loss) from discontinued operations	-	-	-	-	-	-
9	Tax expense of discontinued operations	-	-	-	-	-	-
10	Profit / (loss) from discontinued operations (after tax) (8-9)	-	-	-	-	-	-
11	Profit for the period / year (7+10)	204.16	208.09	170.12	412.25	495.62	799.73
12	Other comprehensive income / (loss)						
	(a) (i) Items that will not be reclassified to profit and loss						
	- Fair valuation gain / (loss) on financial instruments measured at FVOCI	-	-	-	-	-	-
	- Remeasurement of Defined Benefit Obligations	1.81	1.82	(1.22)	3.63	(2.44)	7.27
	(ii) Income tax relating to items that will not be reclassified to profit and loss	(0.45)	(0.46)	0.30	(0.91)	0.61	(1.83)
	Sub Total (a)	1.36	1.36	(0.92)	2.72	(1.83)	5.44
	(b) (i) Items that will be reclassified to profit and loss						
	- Fair Value changes on Advances	(50.27)	(42.64)	(76.14)	(92.91)	(82.89)	232.37
	(ii) Income tax relating to items that will not be reclassified to profit and loss	12.65	10.73	18.21	23.38	19.91	(58.48)
	Sub Total (b)	(37.62)	(31.91)	(57.93)	(69.53)	(62.98)	173.89
	Net Other comprehensive income / (loss) (a)+(b)	(36.26)	(30.55)	(58.85)	(66.81)	(64.81)	179.34
13	Total Comprehensive Income	167.90	177.54	111.27	345.44	430.81	979.07
	Paid up Equity Share capital (face value of Rs. 10/-)	849.16	848.84	848.76	849.16	848.76	848.84
14	Earnings per share (In Rs.) (Not Annualised)						
	(a) Basic EPS	2.41	2.45	2.01	4.86	5.86	9.44
	(b) Diluted EPS	2.40	2.45	2.01	4.85	5.86	9.44



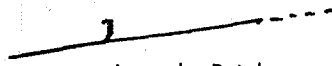
Notes

- 1 These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The unaudited standalone financial results for the quarter / half year ended September 30, 2021 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at it's meeting held on November 13, 2021.
- 3 The Company, during the quarter ended September 30, 2021 has allotted 3,200 equity shares of Rs. 10/- each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- 4 The COVID-19 pandemic has continued to cause a significant disruption of the economic activities across the globe including India throughout the previous year, with second wave of the pandemic emerging in the first quarter of the financial year 2021-22 in India. In assessing the impairment allowance for loan portfolio, the Company has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Further, the management has estimated the impact of the second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the first wave, and has noted that the existing provisioning levels are adequate to cover any further delinquencies. Given the unique nature and scale of this pandemic, its full extent of impact on the Company's operations and financial metrics, more specifically on the borrower's ability to service their obligations on a timely basis, will depend on the severity and duration of the pandemic as well as on highly uncertain future developments including governmental and regulatory measures and the Company's responses thereto. The extent to which the second wave of COVID-19 pandemic that has significantly increased the number of cases in India, will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact.
- 5 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
- 6 M/s Samir M. Shah & Associates, Statutory Auditor of the Company have completed 4 years as a Statutory Auditors of the Company and to comply with the requirements of RBI Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ("RBI Circular"), they have resigned as statutory auditors of the Company w.e.f. October 1, 2021.
Since the RBI Circular has given the relaxation to adopt the above guideline from H2 (second half) of FY 2021-22 in order to ensure that there is no disruption, and accordingly, the Company has availed the services of the existing auditors until the date of signing the limited review for the unaudited financial results for the quarter / half year ended on September 30, 2021.
- 7 The Company is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 8 Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Date: 13.11.2021
Place: Ahmedabad



For, Arman Financial Services Limited


Jayendra Patel
Vice Chairman & Managing Director
DIN-00011814



ARMAN FINANCIAL SERVICES LIMITED

Reg. off: 502-503, SAKAR III, OPP. OLD HIGH COURT, AHMEDABAD-380014

CIN:L55910GJ1992PLC018623 Ph-079-40507000; E-mail: finance@armanindia.com; Website: www.armanindia.com

STANDALONE BALANCE SHEET AS ON SEPTEMBER 30, 2021

Particulars	Rs. in Lakhs	
	September 30, 2021	March 31, 2021
ASSETS		
(1) Financial Assets		
(a) Cash and cash equivalents	1,923.95	4,906.56
(b) Bank Balance other than (a) above	1,772.66	1,778.46
(c) Loans	14,566.23	15,174.61
(d) Investments	10,153.02	6,171.85
(e) Other Financial assets	113.04	142.17
(2) Non-financial Assets		
(a) Current tax assets (Net)	-	-
(b) Deferred tax Assets (Net)	515.82	438.49
(c) Property, Plant and Equipment	77.18	75.86
(d) Other Intangible assets	0.40	0.40
(e) Other non-financial assets	6.63	10.81
Total Assets	29,128.93	28,699.21
LIABILITIES AND EQUITY		
LIABILITIES		
(1) Financial Liabilities		
(a) Debt Securities	5,123.89	6,484.03
(b) Borrowings (Other than Debt Securities)	9,981.93	8,351.71
(c) Subordinated Liabilities	500.00	500.00
(d) Other financial liabilities	419.48	478.11
(2) Non-Financial Liabilities		
(a) Provisions	52.43	39.20
(b) Current Tax Liabilities (Net)	58.36	38.80
(c) Other non-financial liabilities	52.68	24.05
(3) EQUITY		
(a) Equity Share capital	849.16	848.84
(b) Other Equity	12,091.00	11,934.47
Total Liabilities and Equity	29,128.93	28,699.21





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Standalone Cash Flow Statement for the half year ended on September 30, 2021

PARTICULARS	Rs. in Lakhs	
	For the Half year ended on September 30, 2021	For the Half year ended on September 30, 2020
Cash from Operating Activities:		
Net profit before taxation	554.90	590.74
Adjustment For:		
Depreciation and amortisation	4.84	5.37
Interest Income	(2,680.63)	(3,259.73)
Net gain on equity instruments measured through profit and loss	(9.69)	-
Finance cost Expense	870.09	1,028.26
Provision for impairment on financial assets	415.48	1,056.48
Loss / (Profit) on sale of Current Investment	(4.62)	(1.65)
Remeasurement of define benefit plan	3.63	(2.44)
Employee Stock Option Plan Expense	3.67	3.03
Financial Guarantee Income	(111.19)	(143.64)
	(1,508.41)	(1,314.33)
Operating profit before working Capital changes :	(953.51)	(723.59)
Adjustment For (Increase)/Decrease in Operating Assets:		
Loans and Advances	99.99	5,548.68
Other Financial Assets	7.46	110.43
Other Non Financial Assets	4.18	12.19
Bank balance other than Cash and Cash equivalents	5.80	(1,209.50)
Adjustment For Increase/(Decrease) in Operating Liabilities:		
Other Non Financial liability	28.63	(32.24)
Other Financial Liabilities	(44.32)	52.12
Provision	13.23	7.07
	114.97	4,488.74
Cash Generated From Operations	(838.54)	3,765.15
Interest Income Received	2,702.30	3,140.31
Finance Cost Paid	(856.90)	(1,049.62)
Income tax paid	(177.94)	(32.69)
	1,667.46	2,058.00
Net Cash From Operating Activities:	828.92	5,823.15
Cash Flow From Investment Activities:		
Purchase of Property, Plant & Equipment	(6.16)	(0.30)
Purchase of investments	(5,354.16)	(1,999.90)
Sale of investments	1,304.62	-
Net Cash from Investment Activities:	(4,055.70)	(2,000.20)
Cash Flow From Financing Activities :		
Proceeds from issue of share capital (including Premium)	1.60	18.37
Dividend paid	-	(0.06)
Share Issue Expense	-	-
Proceeds from long term borrowings	3,000.00	668.43
Repayment of borrowings	(2,494.77)	(2,832.97)
Net increase / (decrease) in working capital borrowings	(262.66)	759.46
Net Cash from Financing Activities:	244.17	(1,386.77)
Net Increase in Cash & Cash Equivalents	(2,982.61)	2,436.18
Cash & cash equivalents at the beginning	4,906.56	34.15
Cash & cash equivalents at the end	1,923.95	2,470.33



SAMIR M. SHAH & ASSOCIATES

Chartered Accountants

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Bopal, Ahmedabad – 380058

Phone : +91- 7622012032

E-mail : samir@smshah.co.in

LIMITED REVIEW REPORT ON UNAUDITED QUARTERLY STANDALONE FINANCIAL RESULTS OF ARMAN FINANCIAL SERVICES LIMITED UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors of
Arman Financial Services Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Arman Financial Services Limited (the "Company"), for the quarter and six months ended September 30, 2021 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended).
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to Note 4 to the standalone financial results in which the Company describes the uncertainties arising from the COVID 19 pandemic.

Our conclusion on the Statement is not modified in respect of this matter.

PLACE: AHMEDABAD

FOR, SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.: 122377W

DATE: 13th November, 2021



SAMIR M. SHAH
(PARTNER)

MEMBERSHIP NO. : 111052
UDIN : 21111052AAAAXY1434