



## Investor Presentation

### Quarterly Results Q1FY24

Launching the all new **One View - Multi Bank Aggregator feature** by Axis Bank

Using **One View**, you can now check your **other bank account balances** and **download account statements** using **AXIS MOBILE**



Presenting  
**DIGITAL DUKAAN**

- Cards & QR payments
- Stock management & tracking
- Offers & promotions via SMS and much more

Scan to view the film



Axis Bank wins the Infosys Finacle Award for:

**Platinum Level**

Corporate to Bank (C2B) digitalization of trade products through Swift India Channel and Innovative Product offering – Finacle LMS

AI implementation for banking AML compliance unit

**Gold Level**

Merchant cash advance and Neo API banking suite – API developer Portal for Corporates

# Axis Bank at a glance



## Axis Bank



**3<sup>rd</sup>**  
largest Private Bank in India

**41 mn+**  
Customers

**94,800+**  
Employees

**4,945**  
Branches\*

## Market Share



**5.3%**  
Assets<sup>1</sup>

**4.9%**  
Deposits<sup>1</sup>

**5.9%**  
Advances<sup>1</sup>

**14.1%**  
Credit Cards<sup>2</sup>

## Profitability



**4.10%**  
Net Interest Margin<sup>3</sup>

**2.32%**  
Cost to Assets<sup>3</sup>

**2.73%**  
Operating Profit Margin<sup>3</sup>

## Balance Sheet



**17.74% | 14.38%**  
CAR\*\*\* CET 1\*\*\*

**₹118 Bn | 1.39%**  
Cumulative provisions  
(standard + additional non-NPA)

**80% | 0.41%**  
PCR Net NPA

## Key Subsidiaries



**29%**  
Growth in Axis Finance  
PAT (Q1FY24)

**₹91 Cr**  
Axis AMC  
PAT (Q1FY24)

**2<sup>nd</sup>**  
Axis Capital's position  
in ECM<sup>4</sup>

**14%**  
Growth in Axis Securities  
PAT (Q1FY24)

<sup>1</sup> Based on Jun'23 data    <sup>2</sup> Credit Cards in force as of Jun'23    <sup>3</sup> for Q1FY24    <sup>4</sup> As per Prime Database rankings for Equity Capital Markets for Q1FY24

\*domestic network including extension counters

\*\*\*CAR – Capital Adequacy ratio; CET 1 – Common Equity Tier 1 ratio; including profits

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment Performance

Asset Quality

Sustainability

Subsidiaries' Performance

Other Important Information

# Major highlights



**Q1FY24 PAT at ₹5,797 crores, up 41% YOY, consolidated ROE at 19.44%, up 388 bps YOY driven by healthy business momentum and strong all round operating performance**

## Strong operating performance

- Net Interest Income grew **27%** YOY and **2%** QOQ, Net Interest Margin at **4.10%**, up by **50** bps YOY
- Fee income grew **28%** YOY, granular fee constituted **94%** of overall fees, Retail fee grew **37%** YOY and **1%** QOQ
- Operating profit grew **50%** YOY, Core operating profit grew **27%** YOY
- Consolidated ROA (annualized) at **1.83%**, up **35** bps YOY, with subsidiaries contributing **3** bps

## Robust loan growth delivered across all business segments

- Advances grew **22%** YOY and **2%** QOQ; Domestic loan book grew **26%** YOY and **2%** QOQ
- Retail loans grew **21%** YOY & **2%** QOQ of which Rural loans grew **22%** YOY, SBB<sup>1</sup> book grew **46%** YOY & **8%** QOQ
- Corporate loans grew **25%** YOY and **2%** QOQ, Mid-Corporate (MC) up **38%** YOY, SME loans grew **24%** YOY
- SBB+SME+MC mix at ₹**1,726** bn | **20%** of total loans, up over ~**600** bps in last 3 years

## Steady growth in granular deposits, improving quality visible

- On QAB basis, CASA stood at **44%**, up **151** bps YOY and **31** bps QOQ, SA grew by **20%** YOY & **10%** QOQ, CA grew **17%** YOY
- On QAB basis, deposits grew by **15%** YOY & **6%** QOQ; term deposits grew by **12%** YOY & **5%** QOQ
- On MEB basis, deposits grew by **17%** YOY; SA grew **22%** YOY, CA grew **23%** YOY with CASA ratio at **46%** up **182** bps YOY
- Average LCR during Q1FY24 was ~**123%**, growing **6%** YOY, Average LCR Outflow rates improved by ~**460** bps in last 2 years

## Well capitalized with self-sustaining capital structure; adequate liquidity buffers

- Self sustaining capital structure with net accretion to CET-1 of **36** bps in Q1FY24
- Overall capital adequacy ratio (CAR) stood at **17.74%** with CET 1 ratio of **14.38%**
- ₹**5,012** crores of COVID provisions not considered for CAR calculation, provides cushion of **50** bps over the reported CAR
- Excess SLR of ₹ **57,120** crores

## Continue to maintain strong position in Payments and Digital space

- 1.11** million credit cards acquired in Q1FY24, incremental CIF market share of ~**14%** in last six months <sup>2</sup>
- 2<sup>nd</sup>** largest player in Merchant Acquiring with terminal market share of **18.4%**, incremental share of **28%** in last one year <sup>2</sup>
- Axis Mobile app is the **world's highest** <sup>3</sup> rated mobile banking app on Google Play store with ratings of **4.8** and ~**12 million** MAU
- 400+** APIs hosted on Bank's API Developer Portal with **285** Retail APIs

## Declining NPAs and slippages, moderate credit costs

- GNPA at **1.96%** declined by **80** bps YOY, NNPA at **0.41%** declined **23** bps YOY, PCR healthy at **80%**
- Coverage <sup>4</sup> ratio at **145%**, Standard Covid-19 restructuring implemented loans at **0.21%** of GCA and declined **24** bps YOY
- Gross slippage ratio (annualized) at **1.87%**, declined **18** bps YOY, Net slippage ratio (annualized) at **0.80%**
- Annualized credit cost at **0.50%**

## Key subsidiaries continue to deliver steady performance

- Total Q1FY24 PAT of subsidiaries at ₹**303** crs, up **16%** YOY; Return on investments in domestic subsidiaries at **45%**
- Axis Finance Q1FY24 PAT grew **29%** YOY, ROE at **15.1%**, asset quality metrics improve with net NPA **0.31%**
- Axis AMC's Q1FY24 PAT at ₹**91** crores
- Axis Securities Q1FY24 PAT up **14%** YOY, Axis Capital executed **14** investment banking deals in Q1FY24

# Key metrics for Q1FY24

Snapshot (As on 30<sup>th</sup> June 2023)



Profit & Loss

	Absolute (₹ Cr)				
	Q1FY24	Q1FY23	Q4FY23	YOY	QOQ
Net Interest Income	11,959	9,384	11,742	27%	2%
Fee Income	4,488	3,506	4,568	28%	(2%)
Operating Expenses	8,232	6,425	7,362	28%	12%
Operating Profit	8,814	5,887	9,168	50%	(4%)
Profit after Tax (reported)*	5,797	4,125	(5,728)	41%	-

Balance Sheet

	Q1FY24	YOY Growth
Total Assets	13,02,839	13%
Net Advances	8,58,511	22%
Total Deposits	9,41,690	17%
Shareholders' Funds	1,30,950	10%

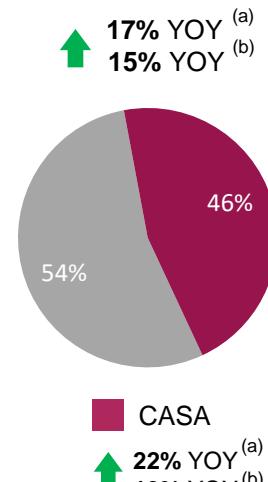
Key Ratios

	Q1FY24	Q1FY23
Diluted EPS (Annualised in ₹)	75.40	53.76
Book Value per share (in ₹)	425	389
Standalone ROA (Annualised)	1.80%	1.44%
Standalone ROE (Annualised)	19.17%	15.07%
Cons ROA (Annualised)	1.83%	1.48%
Cons ROE (Annualised)	19.44 %	15.56%
Gross NPA Ratio	1.96%	2.76%
Net NPA Ratio	0.41%	0.64%
Basel III Tier I CAR ^	14.90%	15.79%
Basel III Total CAR ^	17.74%	17.83%

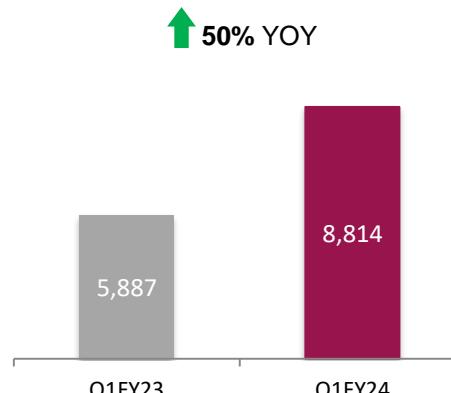
\*Exceptional Items (EI) for Q4FY23 comprise of (i) full amortization of Intangibles and Goodwill (ii) impact of policy harmonization on operating expenses and provisions; and (iii) one-time stamp duty costs, pertaining to acquisition of Citibank India Consumer Business, profit excluding exceptional items ₹6,625 crores

(a) Period end balances (b) Quarterly average balance (c) Overall (d) Domestic book ^ including profit after tax for Q1

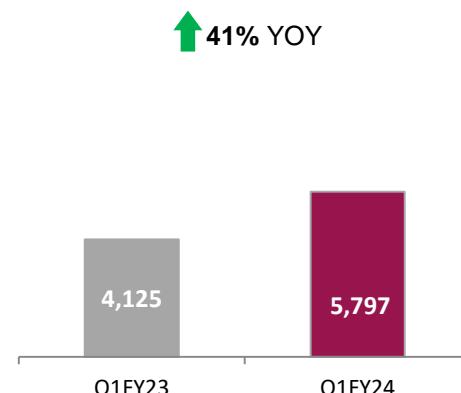
## Deposits



## Operating Profit (in ₹ Crores)



## Profit After Tax (in ₹ Crores)



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Capital and Liquidity Position

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Sustainability

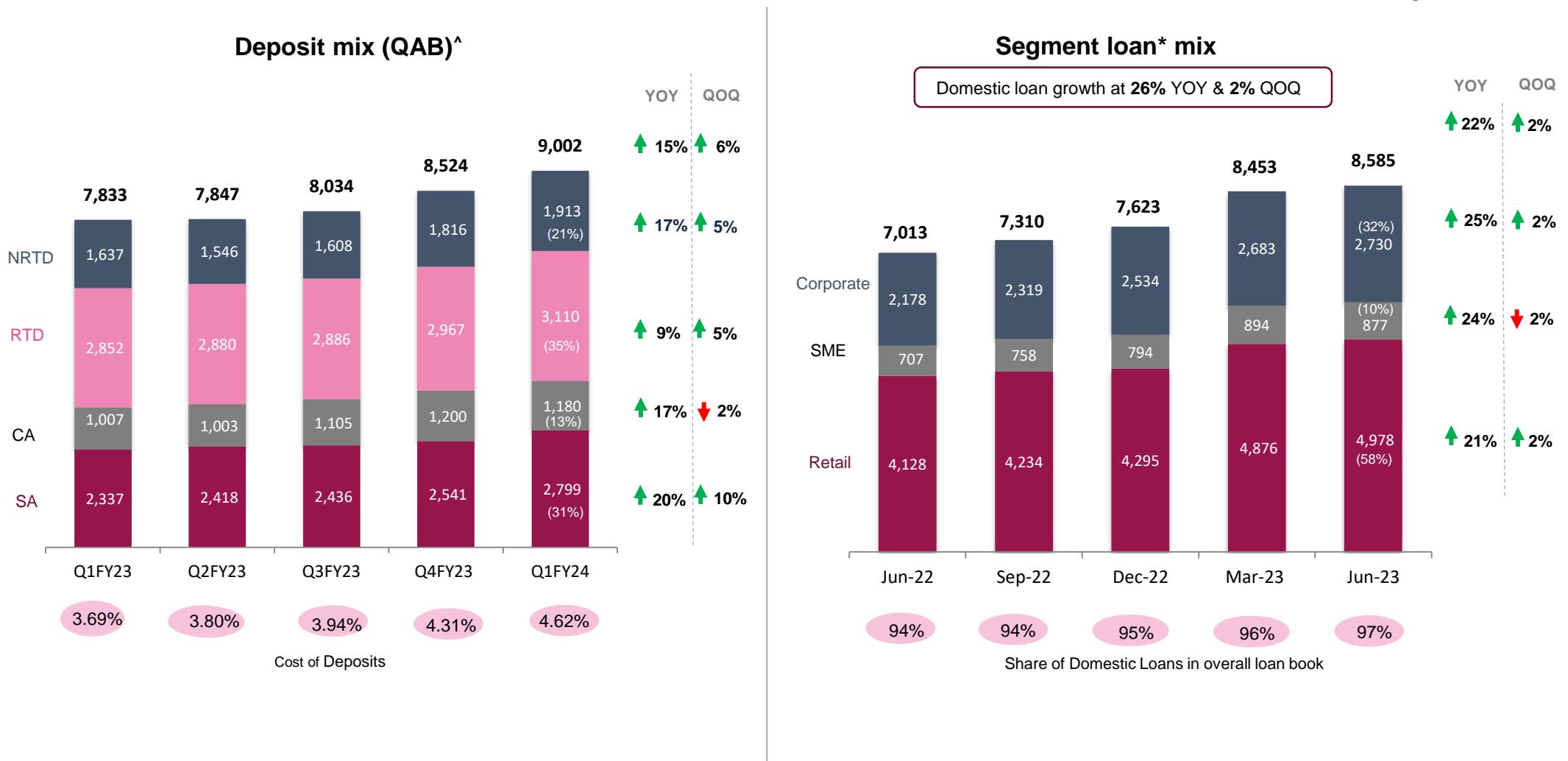
Subsidiaries' Performance

Other Important Information

# Deposit and Loan growth performance



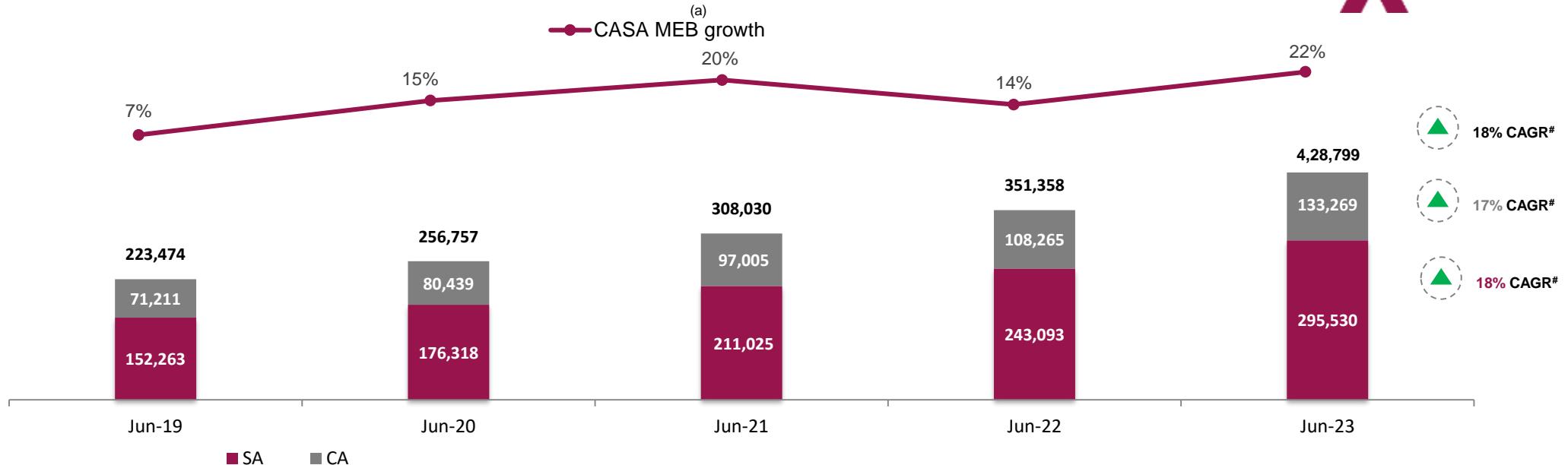
All figures in ₹ Billion



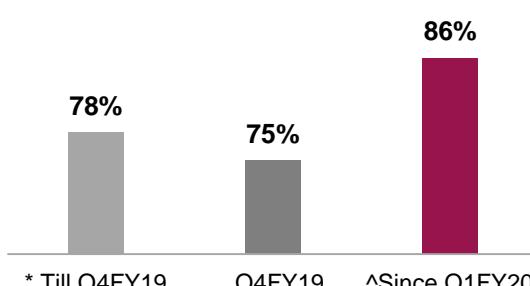
<sup>^</sup> Quarterly Average Balance

\* There has been inter business segment migration of some customers in Q1FY24, leading to change in mix

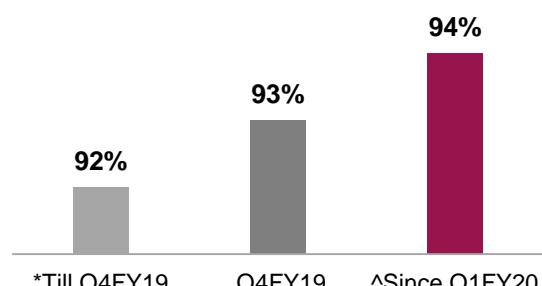
# Trend in CASA growth



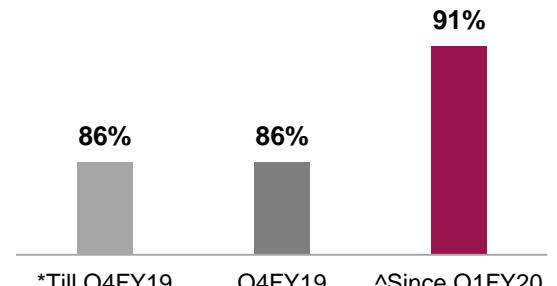
(b)  
CA QAB as % of period end  
CA balances



(b)  
SA QAB as % of period end  
SA balances

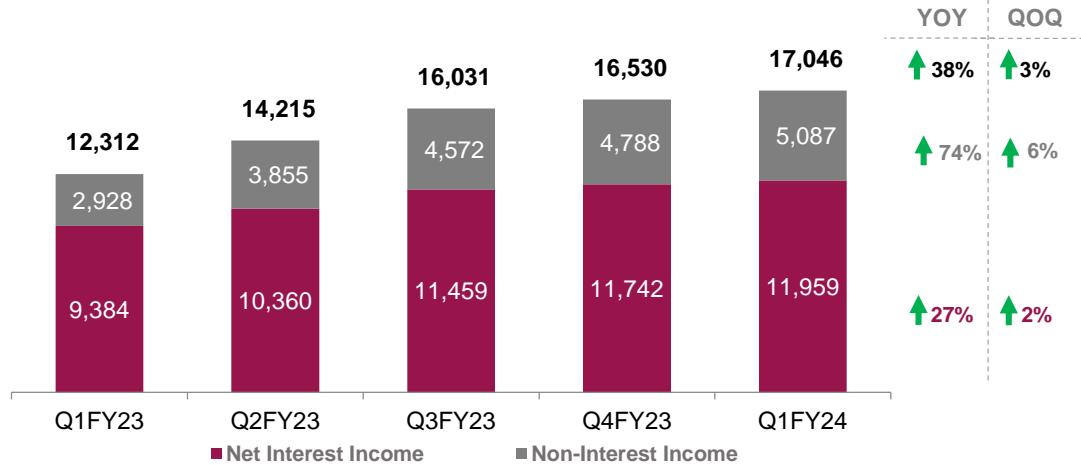


(b)  
CASA QAB as % of period  
end CASA balances

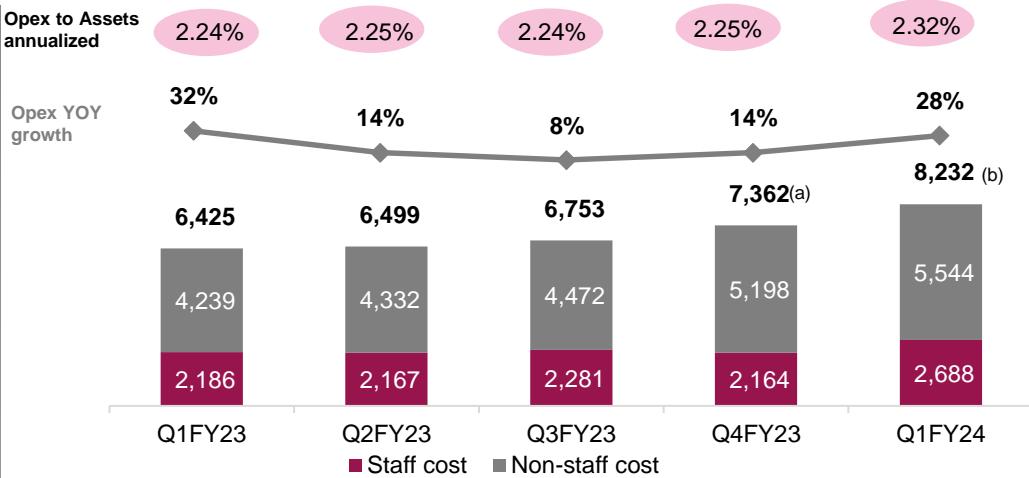


# Operating profit up 50% YOY, PAT up 41% YOY

## Operating revenue



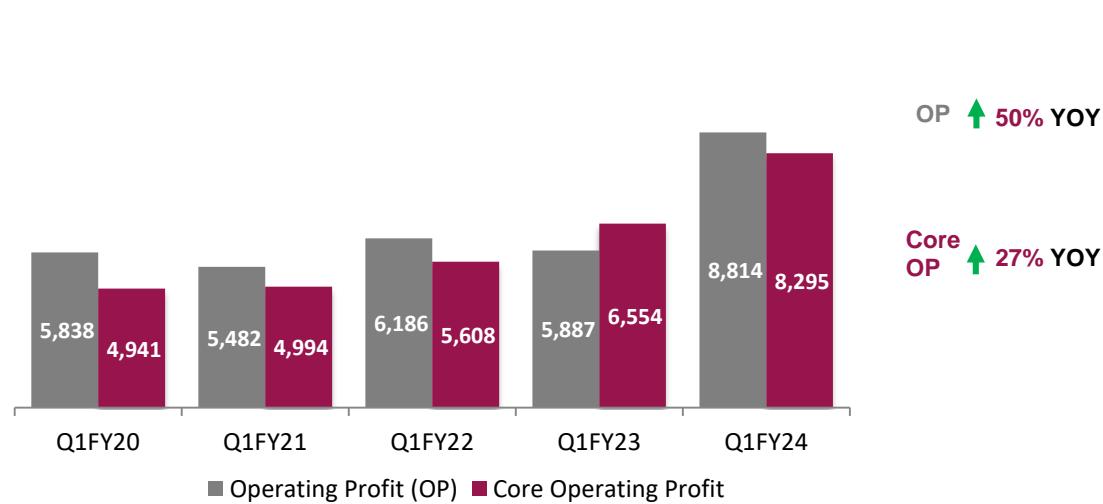
## Operating expense



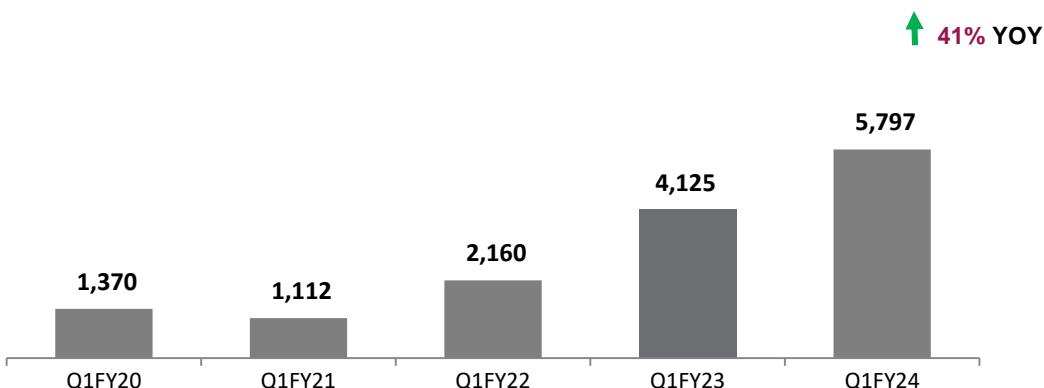
<sup>(a)</sup> Including one month integration expenses plus Citi business operating expenses

<sup>(b)</sup> Including three month's integration expenses plus Citi business operating expenses

## Operating profit & Core Operating profit



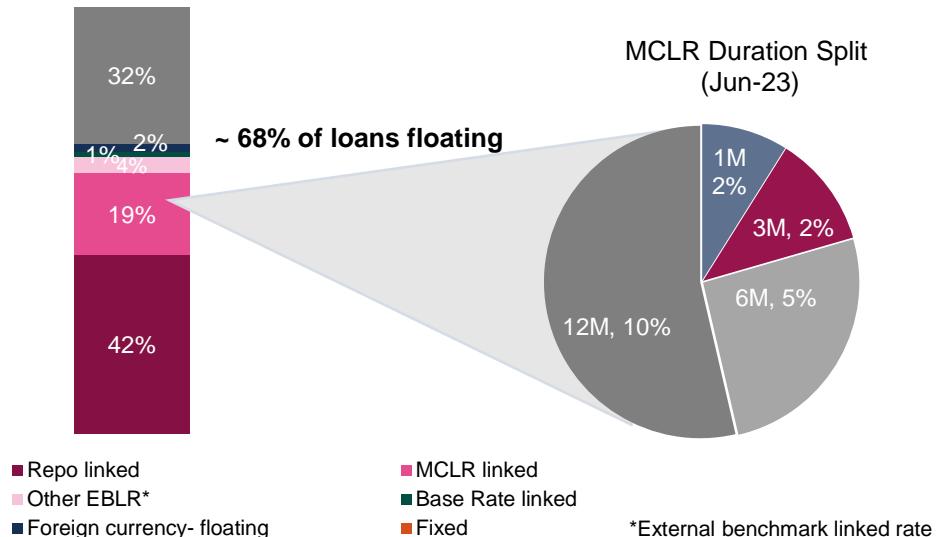
## Profit after tax



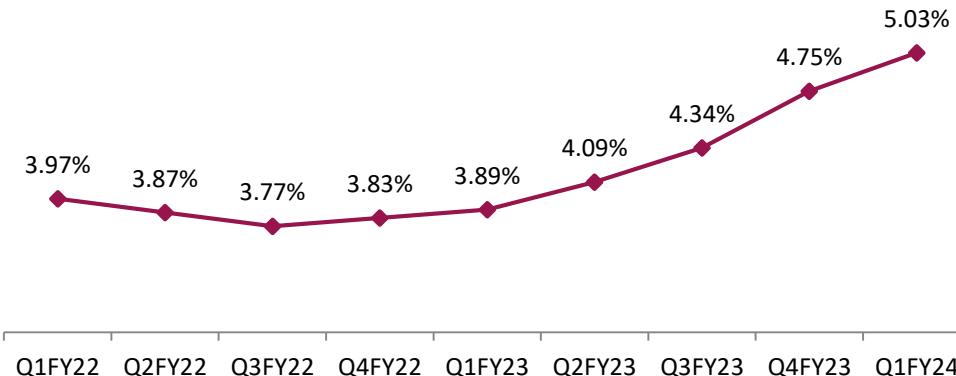
# Net interest margin improved 50 bps YOY



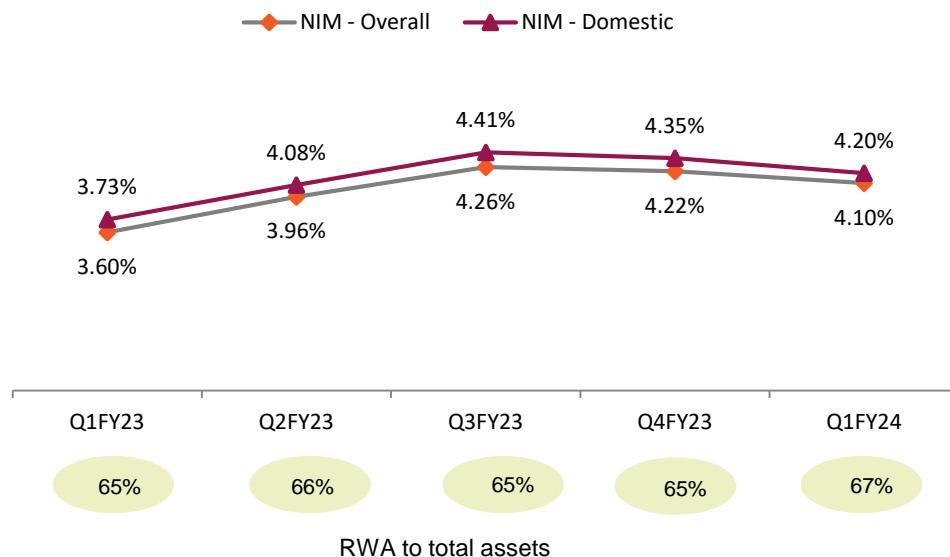
## Advances mix by rate type



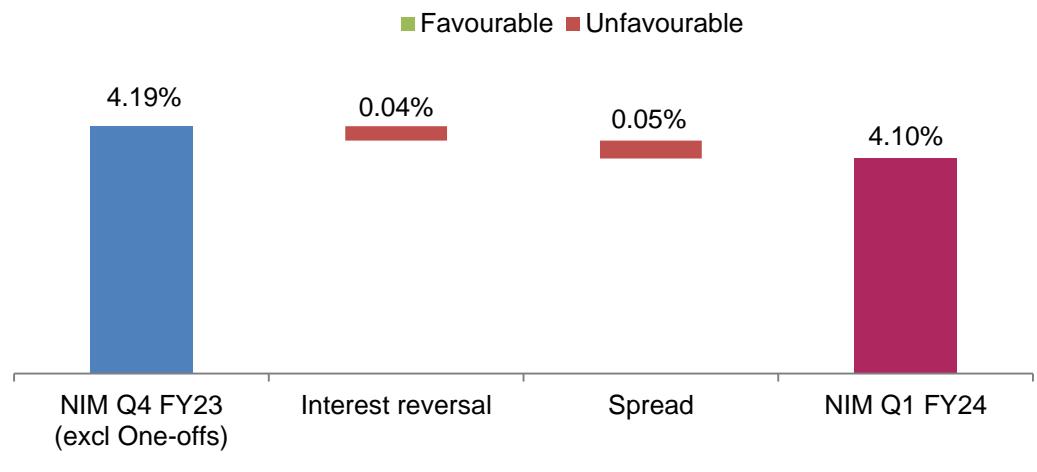
## Cost of Funds



## Net interest Margin (NIM)



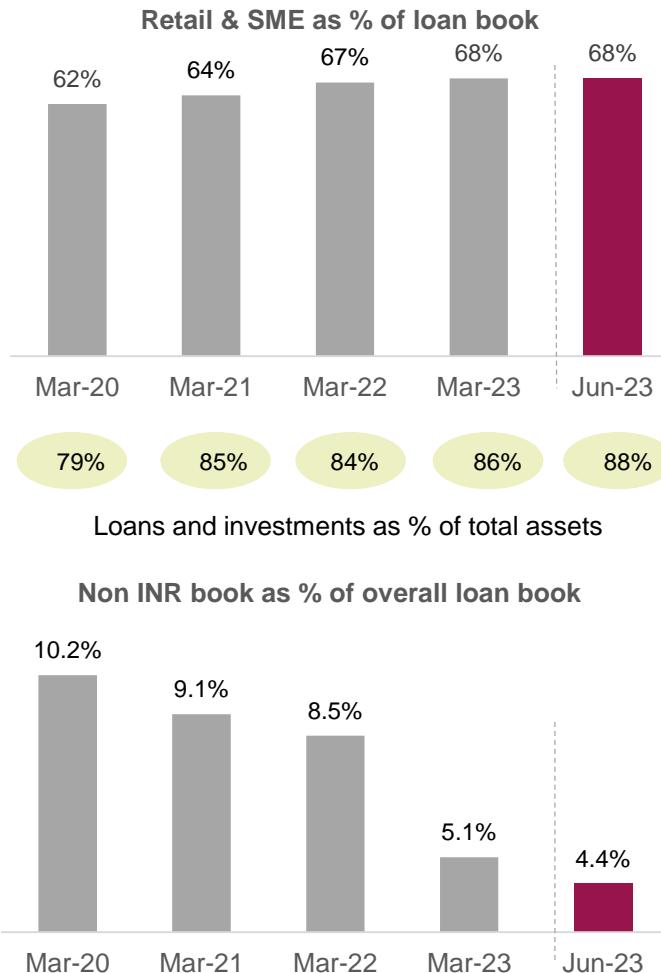
## NIM Movement - Q4 FY23 to Q1 FY24



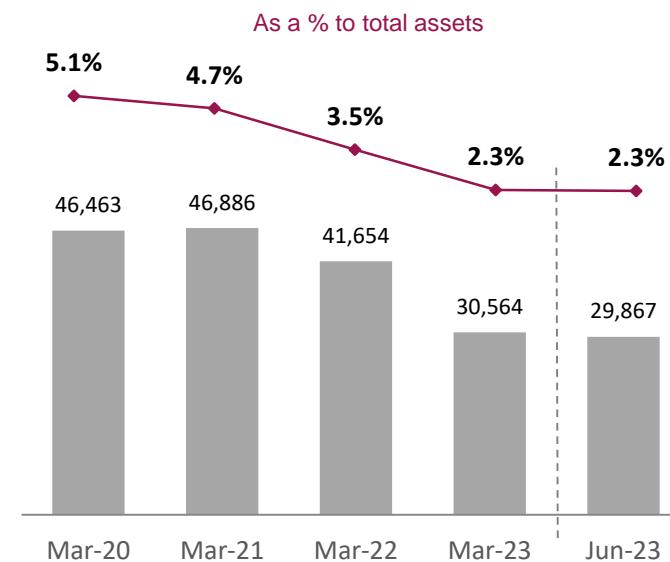
# NIM improvement led by structural drivers across the businesses



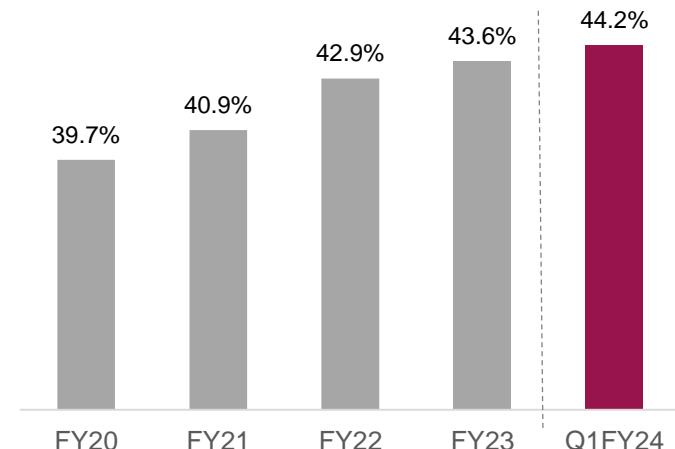
## 1 Improvement in balance sheet mix



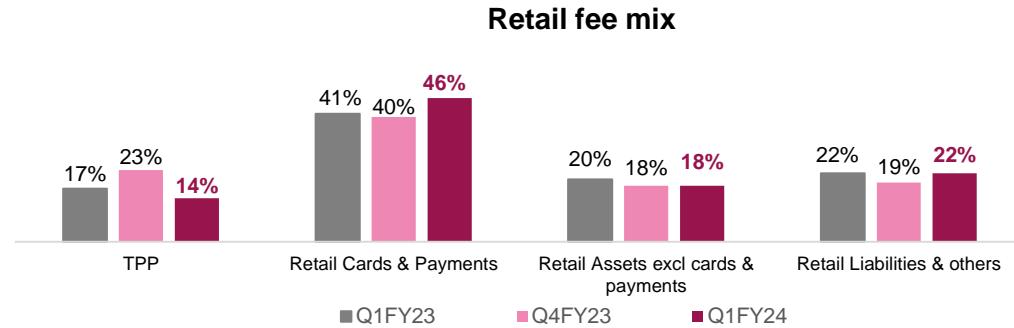
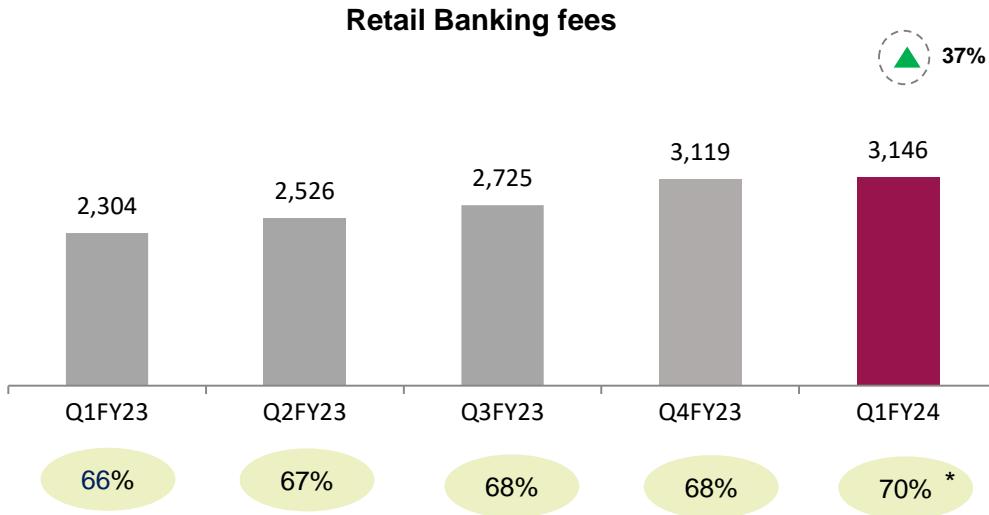
## 2 Reducing share of low yielding RIDF bonds



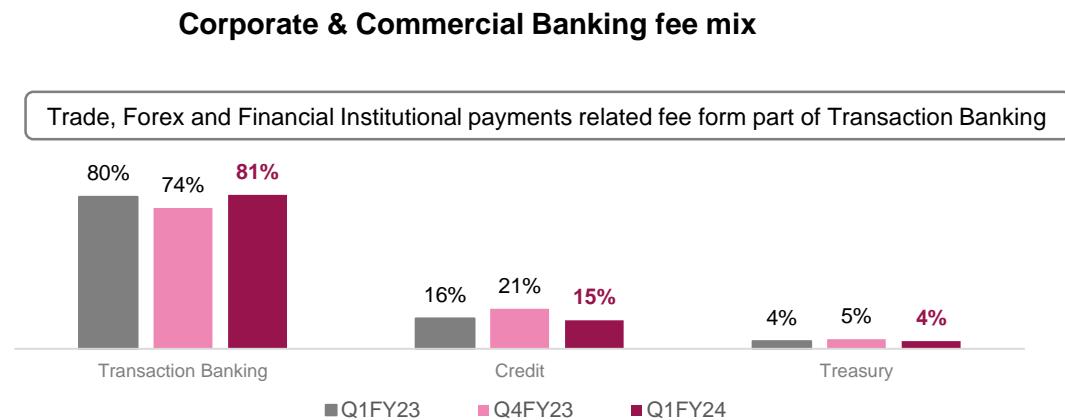
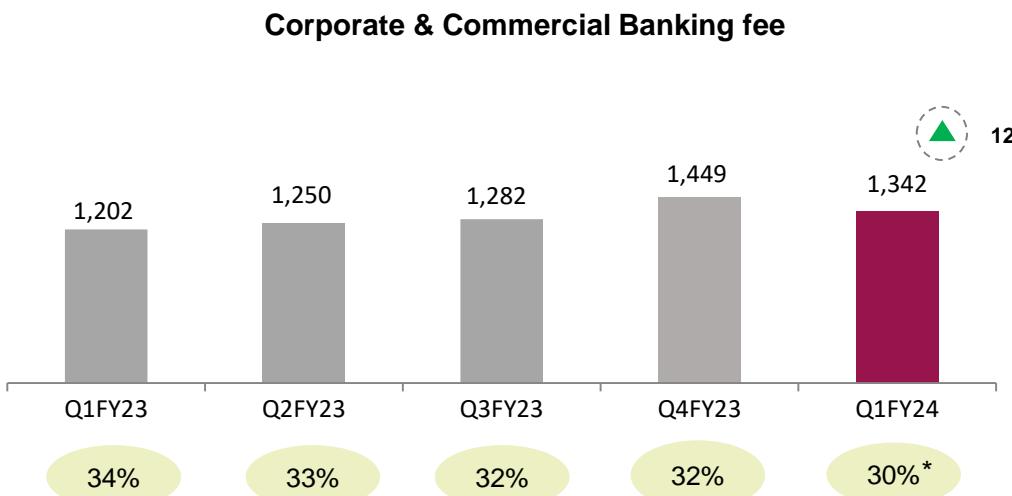
## 3 Improvement in composition reflected through improvement in average CASA%



# Strong growth in fees; granularity built across our business segments



- **53% YOY & 17% QOQ** growth in Retail Cards & payments fees;
- **22% YOY** growth in Retail Assets fees (excl cards & payments)
- **35% YOY** growth in Retail liabilities and others



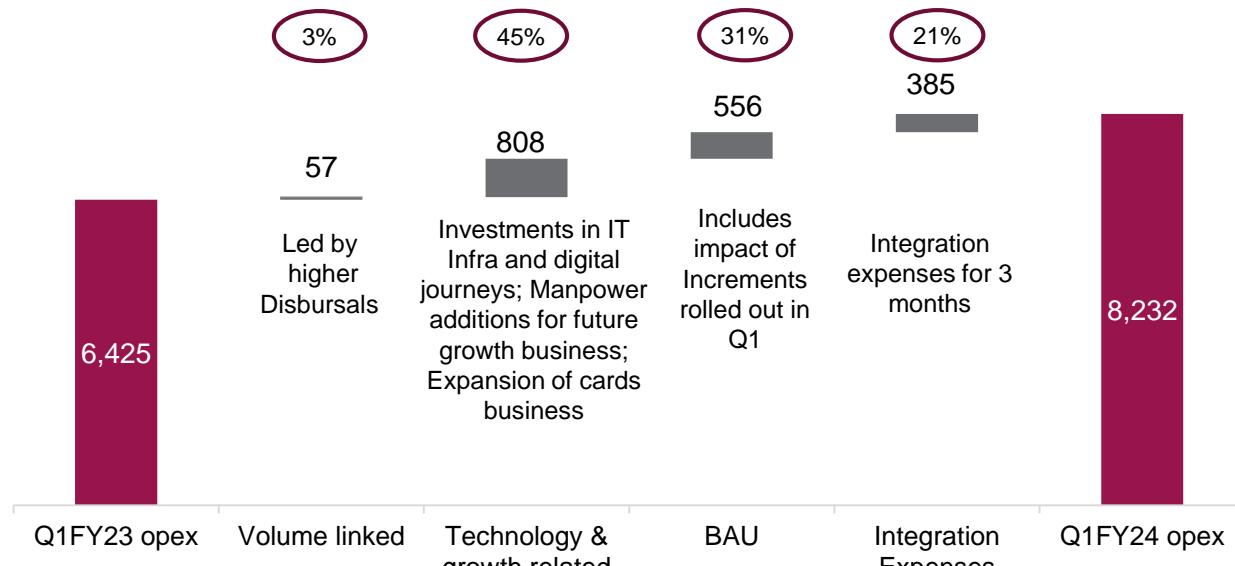
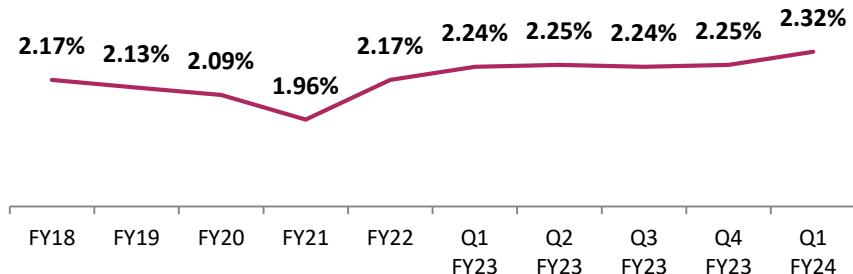
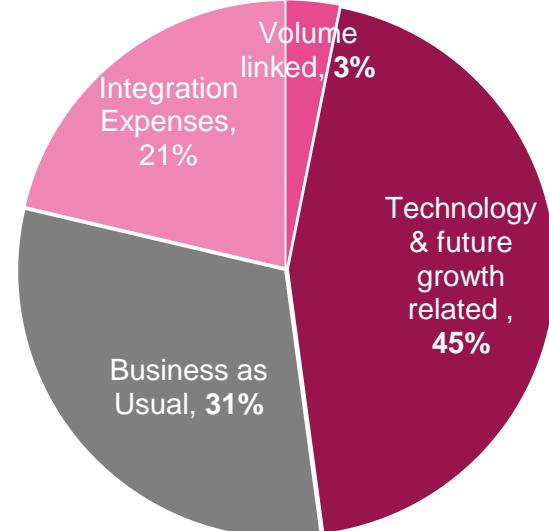
- **17% YOY & 4% QOQ** growth in traditional Transactional Banking fees excluding forex & trade

# Cost growth at 28% YoY; Integration expenses account for 21% of YoY growth and 28% of QoQ growth; continue to invest in technology and growth related businesses;



YoY Incremental Opex in Q1FY24 driven by technology, growth and integration related expenses

Incremental YOY cost break up  
(Rs 1,807 Crore) (YoY ↑ 28%)



- Given the strong momentum across our businesses; we remain committed to consciously invest in our focus business segments.
- We remain committed to achieving a cost to asset ratio of around 2% in the medium term (excluding CITI bank expense and integrations costs)

Executive Summary

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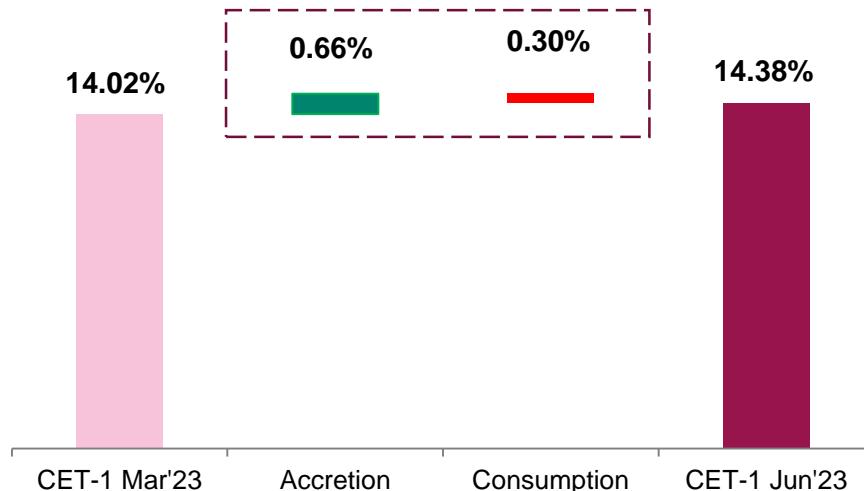
Subsidiaries' Performance

Other Important Information

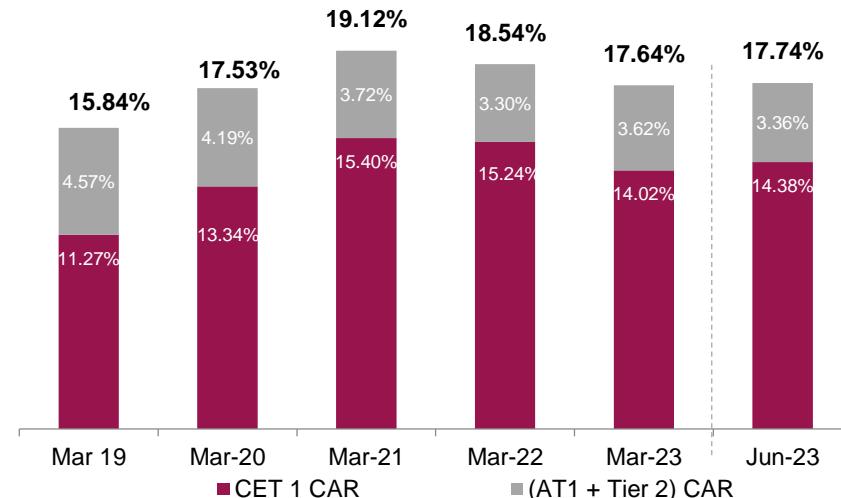
# Strong capital position with adequate liquidity



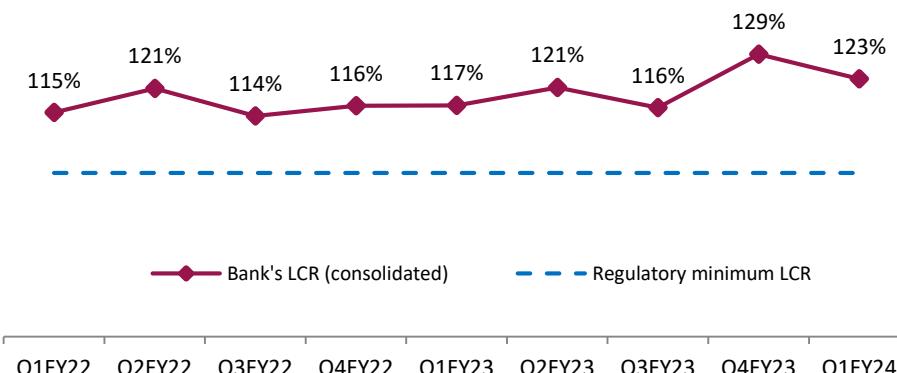
Net accretion to CET-1 of 36 bps in Q1FY24



Bank's Capital Adequacy Ratio

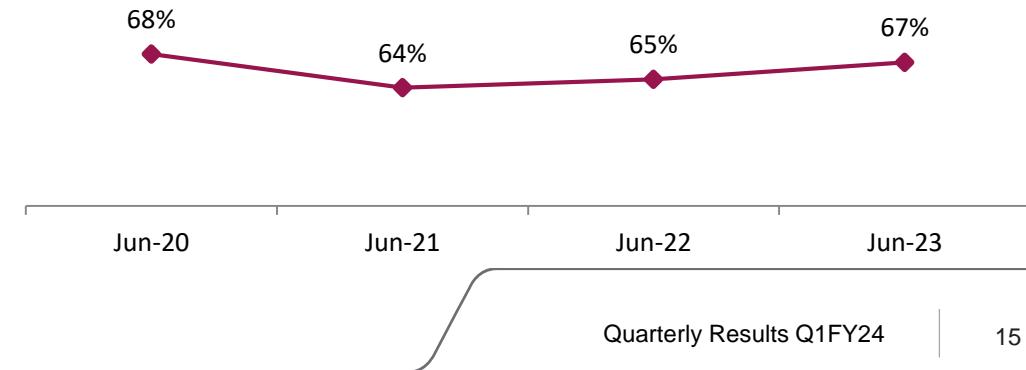


Liquidity Coverage Ratio (consolidated)



- The Bank holds excess SLR of ₹57,120 crores

RWA to Total Assets



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# Retail Banking

**~29 Mn**  
*SA customers*

**4<sup>th</sup>**  
*Largest issuer of  
Credit Cards*

**₹4.29 Tn**  
*AUM in wealth  
management*

**21%**  
*YOY growth in  
Retail advances*

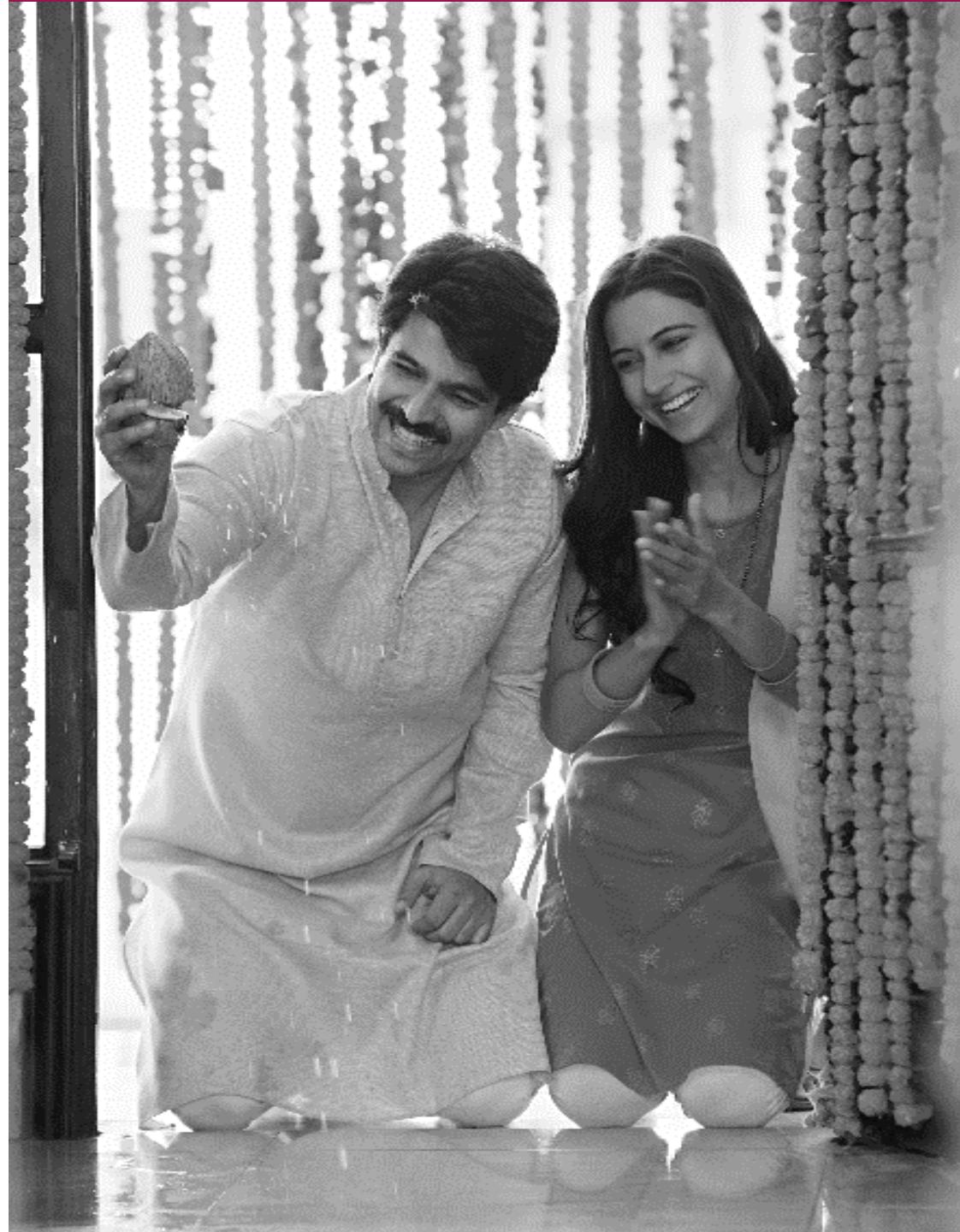
**22%**  
*YOY growth in  
Rural advances*

**58%**  
*Share of  
Advances<sup>~</sup>*

**22%**  
*YOY Growth in SA  
MEB\* deposits*

**46%**  
*CASA ratio  
(MEB\*)*

**70%**  
*Share in  
total fee<sup>^</sup>*

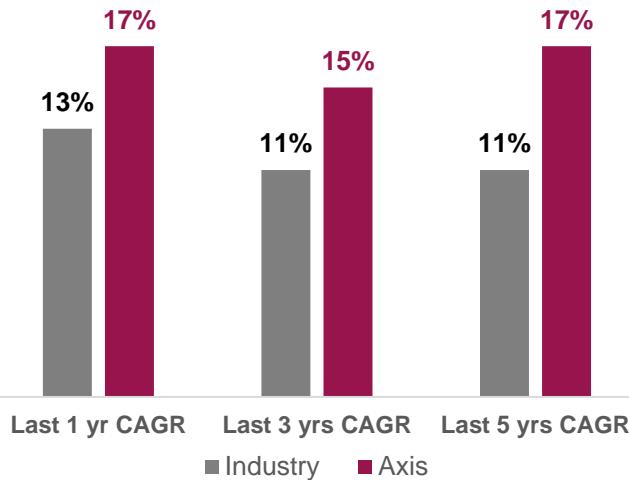


<sup>~</sup> share in Bank's total advances, <sup>^</sup> share in Bank's total fee for Q1FY24

\*MEB: Month End Balance

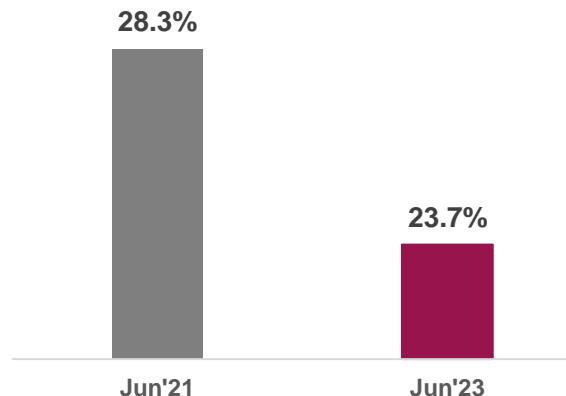
## Deposit franchise continues to grow faster than the industry with improvement in quality and composition...

We have grown faster than industry consistently...



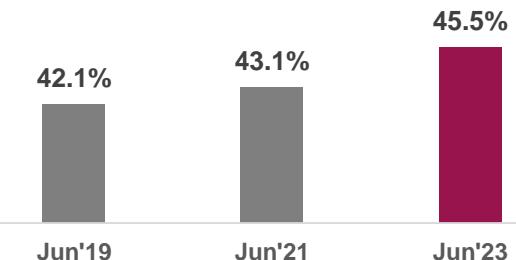
...with improvement in the quality of deposits...

**~460 bps reduction in outflow rates in last 2 years**

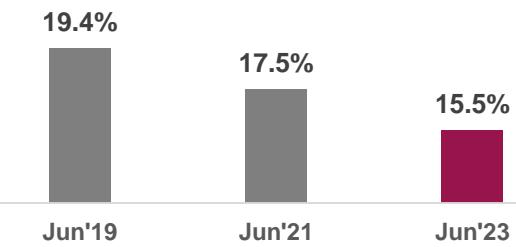


...while delivering healthy CASA levels and reducing borrowings consistently

CASA ratio\* (in %)



Borrowings as % of  
(Deposits\* + Borrowings)



Gained incremental market share of **6.3%** in last 1 year as against closing market share of 4.9% as of Jun'23

Aiding us to drive higher loan growth with loan to deposit ratio at **91%**

\* On MEB

Source: RBI, Axis Bank reported data

## ...led by multiple initiatives across the Bank

Focus on Productivity & Micro market strategy	Premiumization	Exclusively curated product propositions	Bharat Banking	Digital, transformation Partnerships
<p><b>52%</b> increase in # of districts with total deposits market share of over 5% in last 3 years</p> <p><b>67%</b> of customer requests serviced digitally as part of <b>Branch of the Future</b></p> <p><b>Calibrated</b> branch expansion strategy; added <b>850+</b> branches in last 4 yrs</p>	<p><b>31%</b> CAGR in <b>Burgundy</b> wealth management AUM over last 6 years</p> <p><b>Project Triumph</b> and “Right fit” strategy to accelerate Premiumization’</p> <p><b>‘Burgundy Promise’ &amp; ‘Burgundy Circle of Trust’</b> launched industry first servicing proposition</p>	<p><b>63%</b> YOY growth in new salary labels acquired in Q1FY24</p> <p><b>ULTIMA Salary</b> remains amongst the best offerings available in the market today</p> <p>New ‘<b>PRIORITY</b>’ and ‘<b>Silver Linings</b>’ launched in FY23 gaining traction</p>	<p><b>61K+</b> extensive distribution network of Common Service Centers (CSC) VLEs*</p> <p><b>New SA propositions</b> for RuSu locations launched</p> <p>eKYC BioM based <b>CASA platform</b>, enabling deepening of liabilities products through partnership ecosystem</p>	<p><b>Project NEO</b> aiding higher contribution from transaction-oriented flow businesses</p> <p><b>100%</b> YOY growth in individual RTD deposits sourced digitally</p> <p><b>Siddhi</b> empowering Axis bank colleagues to engage with customers seamlessly</p>

**1.26 mn**

new SA accounts acquired in Q1FY24

**17%**

growth in deposits from Bharat banking

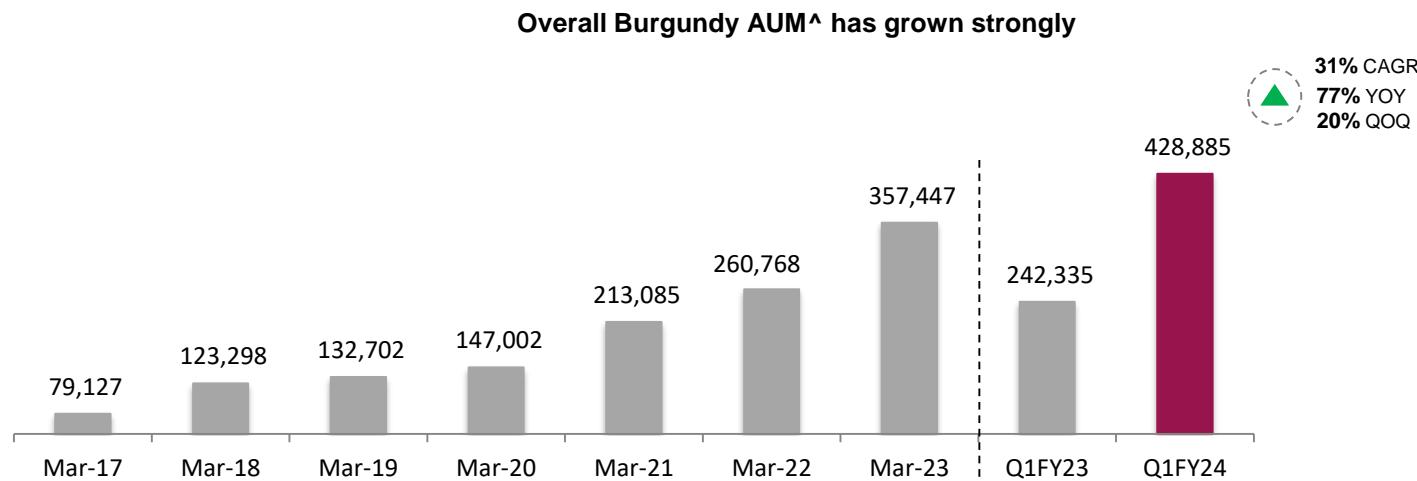
**1.61 mn**

Retail Term Deposits acquired in Q1FY24

# The Bank is a leading player in India's Wealth Management space

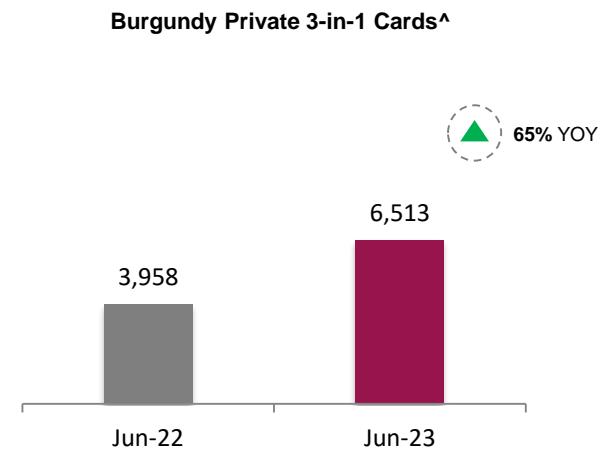
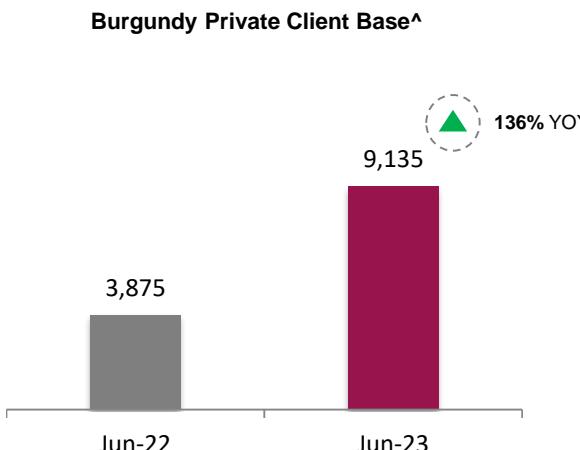
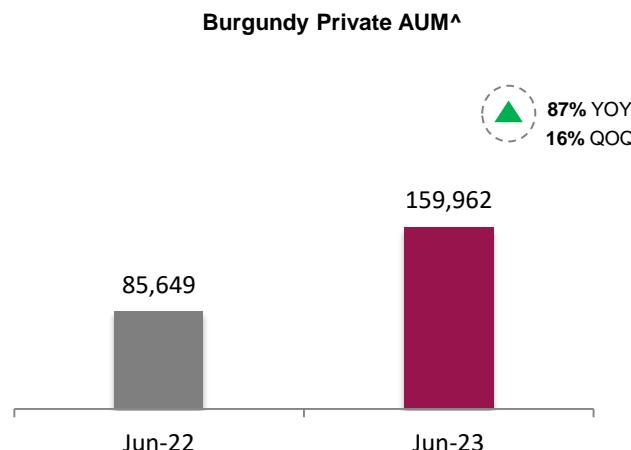


All figures In ₹ Cr



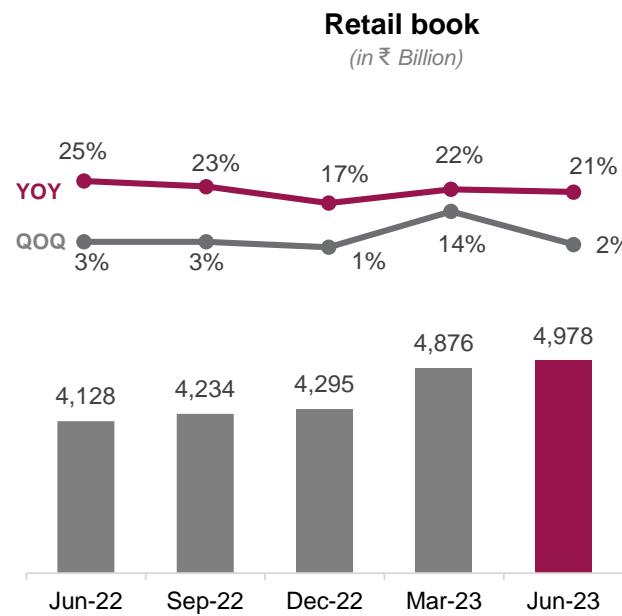
5<sup>th</sup> Annual Wealth Tech Awards

\* CAGR for period Mar-17 to Jun-23



<sup>^</sup> includes Burgundy Private AUM as well along with acquired wealth management portfolio of Citibank India Consumer business

# ₹5 trillion Retail loan book remains well diversified

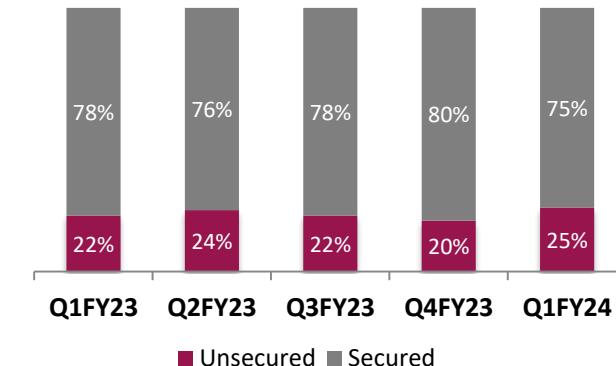


~ 77% of our retail book is secured

in Rs Crores	Jun-23	QOQ	YOY	% Prop
<b>Home Loans</b>	1,56,646	(0.5%)	8%	32%
<b>Rural loans</b>	71,626	1%	22%	14%
<b>Personal loans</b>	56,895	4%	21%	12%
<b>Auto loans</b>	53,513	2%	19%	11%
<b>LAP</b>	50,626	(0.3%)	17%	10%
<b>SBB</b>	46,274	8%	46%	9%
<b>Credit Cards</b>	34,731	10%	91%	7%
<b>Comm Equipment</b>	10,982	0.4%	46%	2%
<b>Others<sup>1</sup></b>	16,517	3%	2%	3%
<b>Total Retail</b>	<b>4,97,810</b>	<b>2%</b>	<b>21%</b>	<b>100%</b>

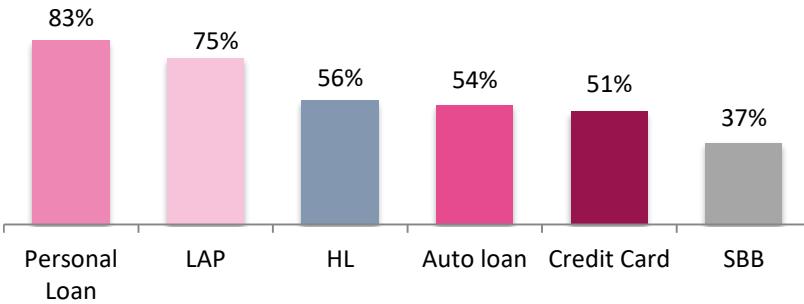
(1) Others comprise of supply chain finance loans, education loans, gold loans etc.

Disbursement mix in retail loans



■ Unsecured ■ Secured

## ETB<sup>^</sup> mix in retail portfolio

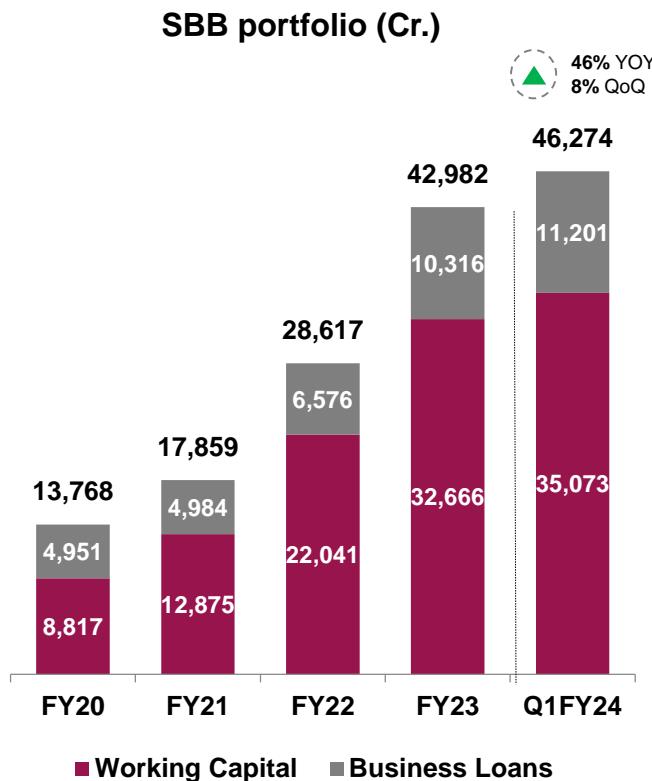


100% of PL and 75% of Credit Cards portfolio is to salaried segment



Average LTVs:  
53% in overall home loan portfolio  
36% in LAP portfolio

# Small Business Banking segment is well diversified and continues to grow strongly...

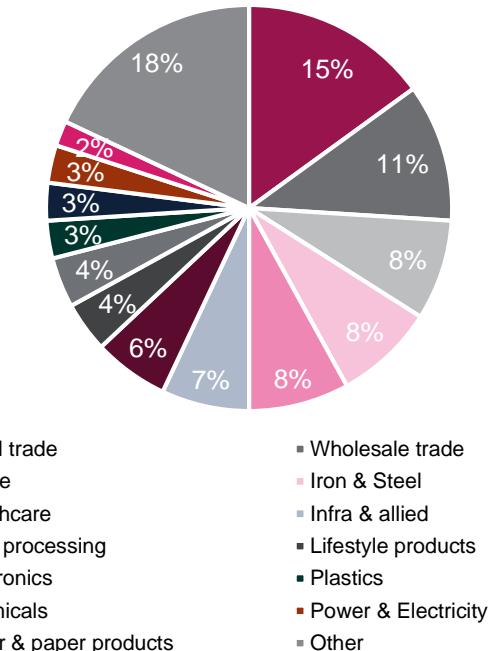


- **~₹46,274** crores overall book with Business Loan book of ₹11,201 crores
- **78%** value contribution from Secured products (working capital, overdraft, term loans, etc.)
- **75 lakh+** average ticket size of working capital secured loans
- **90%+** of SBB working capital portfolio is PSL compliant
- **EWS** portfolio monitoring indicates risks well under control
- **Digital Quick OD** launched
- **85%** Branch contribution to total business



**24x7 Business loans :**  
End to End digital lending contributes **50%+** to overall unsecured BL disbursements

## Well diversified customer base



...led by our innovative product offerings and transformation initiatives



**SBB Working Capital Loan**

**24x7 Quick OD**  
Digital | Instant | Simple



**Features**

- Loan up to Rs. 15 lacs
- Paperless & Convenient
- Instant decision in 3 steps
- Collateral Free
- Interest only on utilization

**Requirements:**

- Minimum business vintage of 2 Years.
- Sole banking relationship with Axis bank

**SBB Business Loans**

- 24 X 7 Business Loan – Paperless Journey
- Phygital Processing with Integrated Work Flow



**SBB Equipment Finance**

- Loans up to 10Cr for Industrial & Health Care Equipment



**Industrial**  
Machine Tools  
Plastic Injection  
Packaging  
Printing

**Healthcare**  
Diagnostic  
Therapeutic  
Imaging  
Pathology  
Life support

### One Axis approach

- Platinum & Bharat Bank franchise driving branch growth
- Synergies with Merchant Acquiring
- Leveraging AVC Channel for better lead conversion

'SBB Sankalp' project to further improve efficiencies and deliver superior TATs by re-imagining and digitizing underwriting systems and loan disbursals

# 'Bharat Banking' strategy delivering early results



- Drive higher business growth and increase market share in Rural and Semi Urban markets through asset led liability strategy
- Lending opportunities in RuSu markets to complement the Bank's overall PSL strategy meaningfully

## Focus on building a distinctive model for Bharat through



**Distinctive Bharat specific**  
capability stack



**One Axis**  
solutioning approach



**Embed banking** in the digital  
ecosystem of the clients



**Enhancing Brand** in the  
RuSu markets



**Develop Alternate ecosystems**  
to underwrite UW customers better

... with increased coverage in Semi Urban and Rural markets

**~2,250**

Bharat Banking  
branches end of  
Jun'23

**61,800+**

CSC\* VLE at  
the end of  
Jun'23

**~3x**

YoY growth in CSC  
disb in Q1FY24

- CSC continues to show **strong growth momentum** backed by a well **diversified product mix**
- Tie up with **Airtel Payments Bank** to further improve reach

... has delivered strong growth across key metrics

**22%**

YOY growth in  
Rural advances

**34%**

YOY growth in  
disbursements  
^ (ex IBPC)

**17%**

YOY growth  
in deposits^

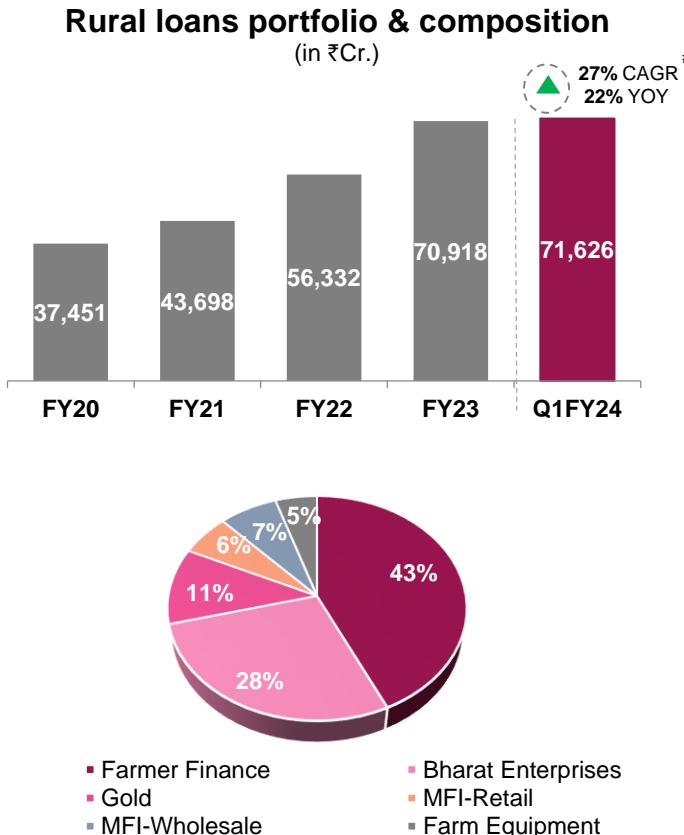
^ from Bharat Banking segment

\* Common Service Center Village Level Entrepreneurs

# Rural portfolio is well diversified, offering holistic and integrated financial solutions by leveraging technology and partnerships



**Well diversified rural lending portfolio with presence across 660 districts across India**



**The book is well diversified across regions**

**... focused on capitalizing opportunities in each segment...**

## **Farmer Funding**

- Launched new region and crop specific products & expanded scope of existing products
- Working with RBI-Innovation hub to build a **digital KCC** that will significantly improve credit coverage

## **Bharat Enterprises**

- Widen the product suite to cover multiple financing needs of the enterprises in the agri value chain
- Building propositions for lower ticket segments and cover wider range of collaterals

## **Farm Mechanization Loans**

- Enhanced proposition for existing customers, standalone farm equipment, and used tractors

## **Gold loans**

- Went live with the revamped gold loan journey** that reduces the loan TAT for the customer
- Improving sales productivity to unlock growth

## **Microfinance - Retail**

- New propositions for graduating JLG customers, and cross-sell retail products

## **One Axis Platform**

- Deepen the partnership with various parts of the bank to build Bharat specific propositions for liabilities, assets and other fee-based products

**... and leveraging technology and partnerships**

- Launched **eKYC based CASA opening** at a partner location, aligned with the strategy of deepening distribution at a lower cost
- Launched digital end to end **co-lending** journey and live with **6+ partners**
- Launched a partnership with ITC MAARS** to penetrate deeper into the rural supply chains
- Redesigning **end to end customer journeys** to reduce TAT and improve customer experience in the high growth products
- Scaling the multi product distribution architecture, driving cross-sell to **increase product coverage**
- Leverage the tech stack of **Agritech and Fintech** companies to serve the Bharat customer
- Better **data farming** for underwriting and cross sell opportunities
- Launching more **sales enablement tools** to enable sales team to self source multiple products

# Strong growth in Credit Card issuances



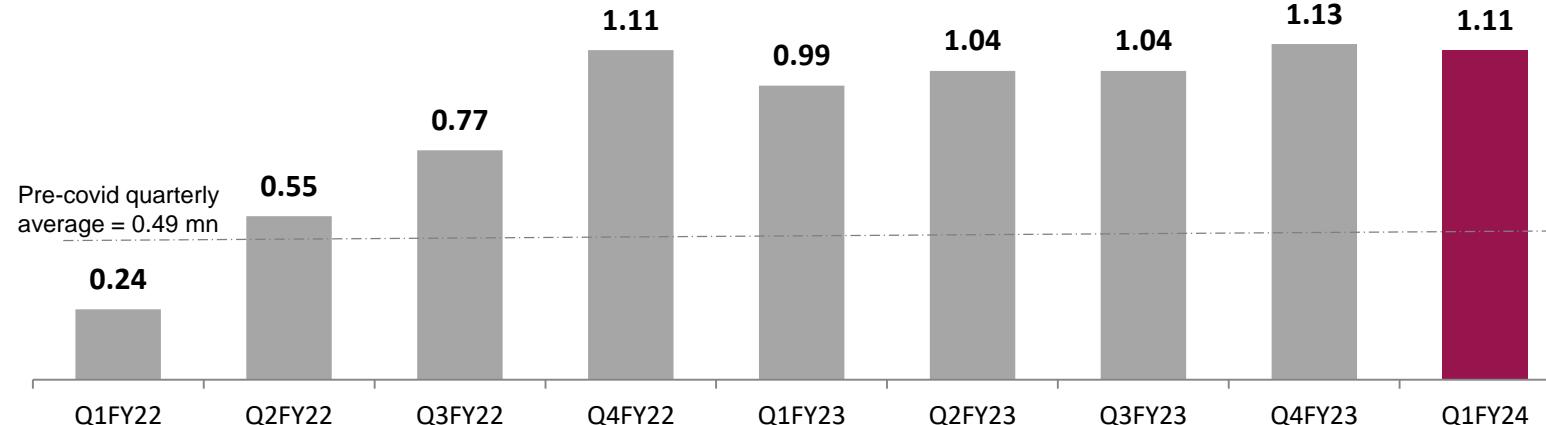
Increase in Cards in force (CIF) market share with increasing card issuances aided by KTB<sup>^</sup> partnerships

## Axis Bank Magnus Credit Card



~1mn cards issued for 6<sup>th</sup> consecutive quarter

In million



## Airtel Axis Bank Credit Card



## Samsung Axis Bank Credit Card



**39%**

share of KTB<sup>1</sup> sourcing to total  
card issuances in Q1FY24

**14%**

incremental CIF market  
share in last 6 months

**14.1%**

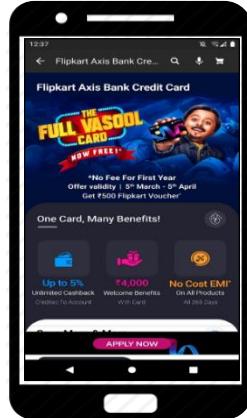
period end market share  
for credit cards in force as  
of Jun23

**12.3%**

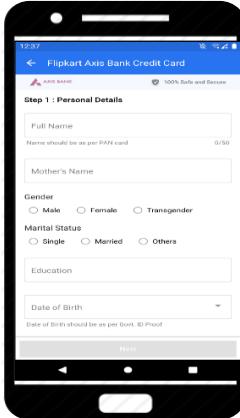
spends market share  
in Q1FY24

<sup>1</sup> Known to Bank  
RBI data as on Jun`23

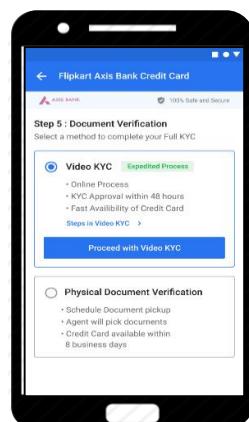
# End to End Digital KTB acquisition journey with best in class early activation and spend metrics for Flipkart Axis Bank Credit Card



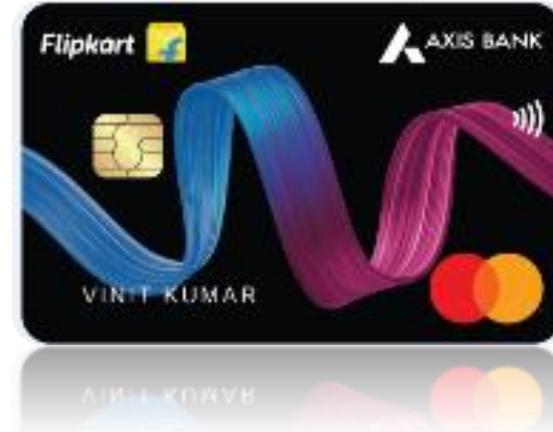
Customer clicks on Flipkart Axis Bank Credit card banner and can view details



Customer fills up the form and submits the application



Approved customers complete KYC and income verification via digital or physical channels



**3.74 mn<sup>\$</sup> CIF for *Flipkart Axis Bank Credit Card***

**Card**, making it one of the fastest growing co-brand portfolio since its launch in July 2019

**72%** monthly activity rate\* - Best in class engagement in Retail segment

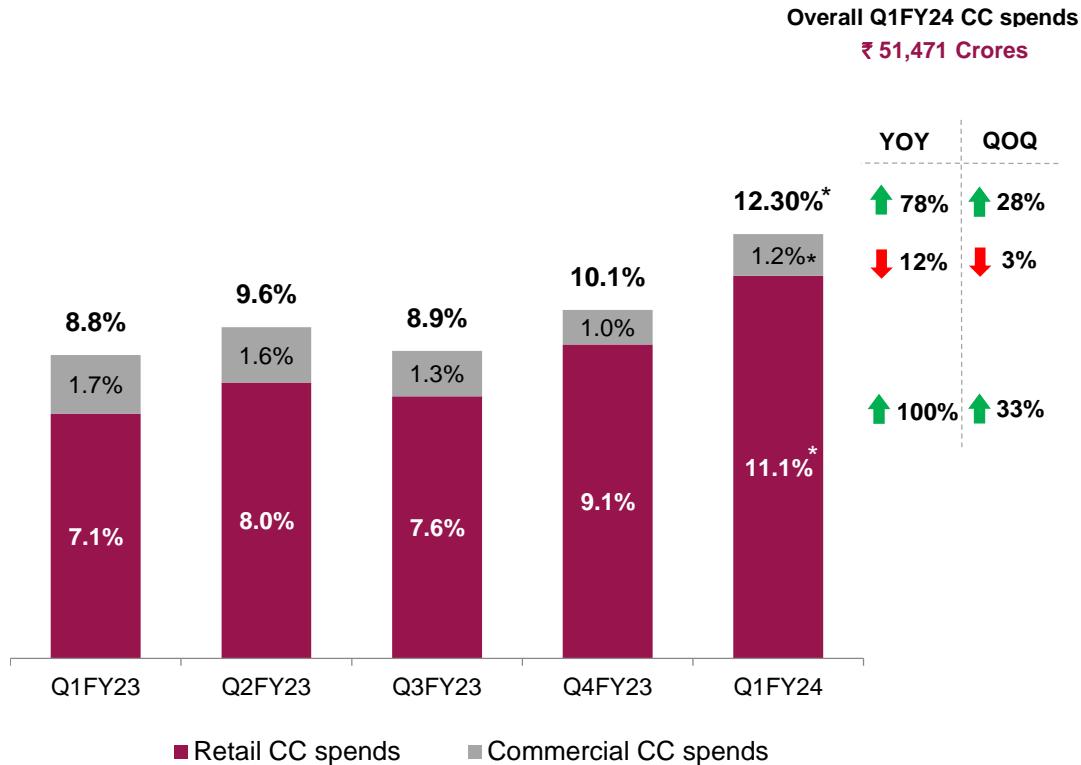
<sup>\$</sup> CIF as of 30<sup>th</sup> Jun'2023  
\*Based on the average data as on 30<sup>th</sup> Jun'23 for cards acquired via Flipkart Platform

# Retail spends market share up ~400 bps YOY, with spends up 100% YOY

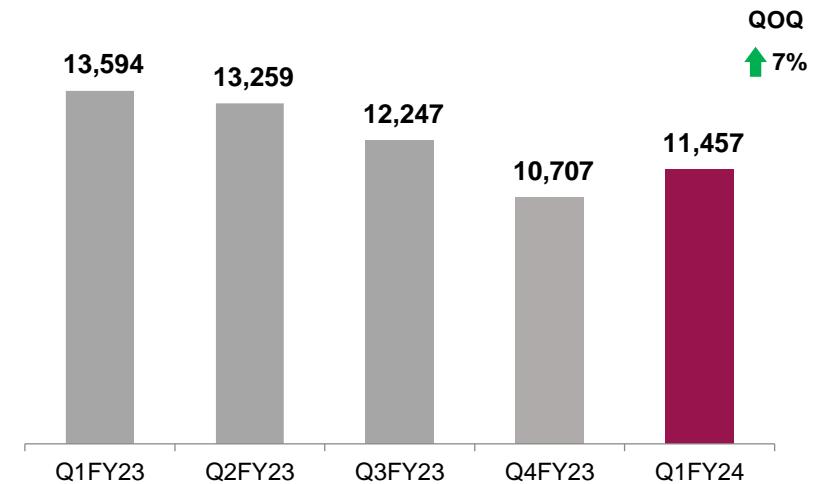


All figures In ₹ Cr

Trend in Credit Card spends market share

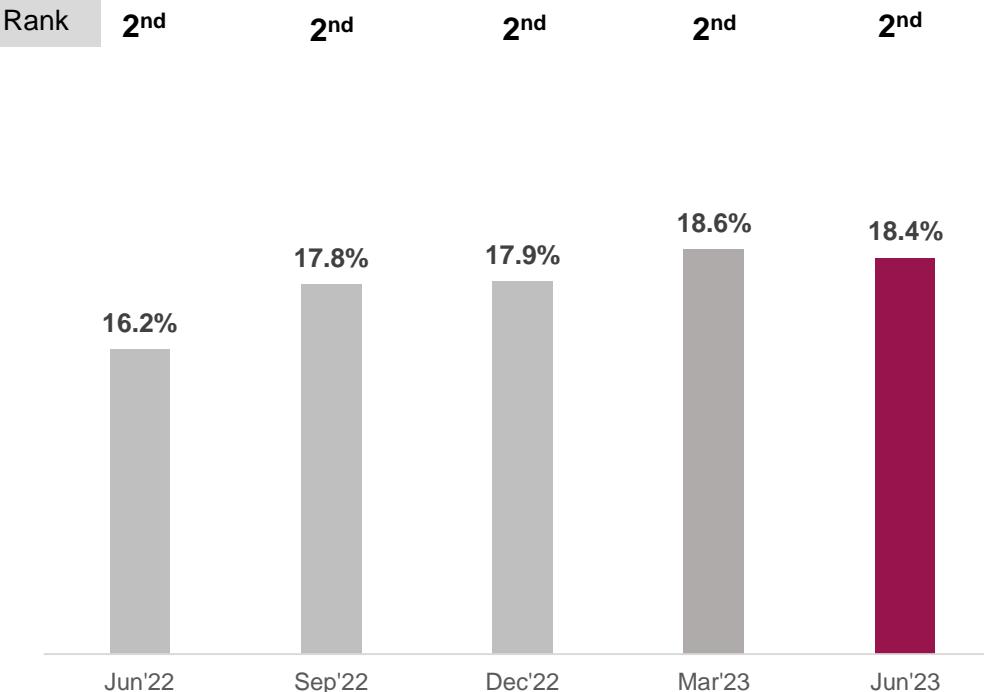


Trend in Debit Card spends



# We are the 2<sup>nd</sup> largest Merchant Acquiring Bank led by ‘One Axis’ focus, improved product capabilities and partnerships

Market share in POS terminals



Source: RBI data, available till Jun'23

**28%**

Axis incremental market share in last 1 year  
(POS Terminals)



**One Axis approach – Taking Bank to Merchant**

**Curated solution offerings :** Payment solutions, Deposits, Business loans, Credit Cards and Insurance

Co-origination & conversion drives reflecting in healthy CASA balance growth



**Capabilities and products**

**Powerful terminals:** State-of-the-art, feature rich terminals; Android Smart POS, Pocket Android POS, Micro Pay launched- 50-60% new installations

**All in One offering :** Features like Tap & PIN, Bharat QR, Digital Khata with VAS offerings like Card less EMI, Pay Later, Merchant Rewards



**Market partnerships**

**Marquee partnerships:** Extension of digital payments ecosystem to fintech aggregators

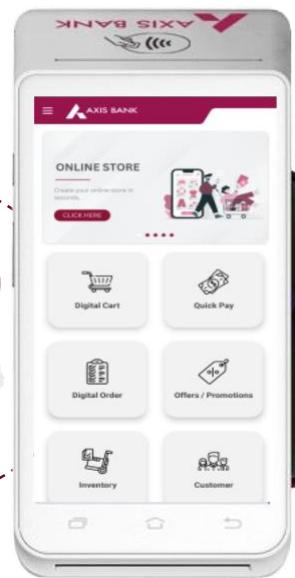
**Unique sector specific VAS:** supported by deep integrations with merchant value chain players to provide holistic business oriented solutions

**Digital Dukaan:** An Ecosystem Solution to digitize the store, Integrated with payments at an affordable price. Serving to segments like grocery, Clothing, bakeries, electronics etc.

# Empowering merchants through Integrated Ecosystem solutions



## DIGITAL DUKAAN

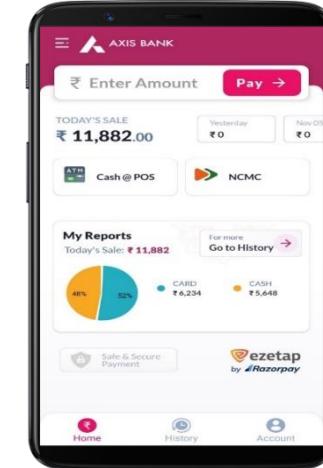


### Android POS with advanced solution

- Powered by latest Android version | 5-inch touch screen display. In-built camera with LED flashlight
- Accepts contactless payments Pin & Without pin | Supports VAS such as EMI, BQR, Sodexo, BNPL, Khata etc.
- Application to digitize the store with Multiple payment modes, Inventory management, Customer management, Digital Itemized billing, Reports & Analytics, Online store setup etc.

**Strong and deep-rooted alliance** with multiple partners across India with over **3.5 lakh** MIDs and a yearly throughput of **23k+ crores**

## MicroPay POS Solution



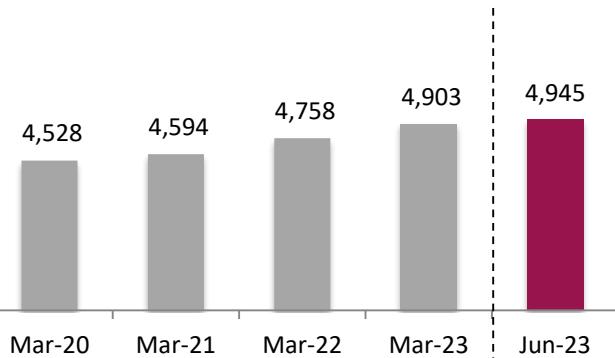
### Features

- Accepts Visa, MasterCard, RuPay Cards and Bharat QR(including UPI)
- Accepts Contactless without Pin (Amount below Rs 5,000) & Contact (Dip) mode of payment
- Compliant with latest Card transaction security features
- Enabled with VAS – Khaata Book, BQR, merchant portal & My Rewards
- Audio confirmation for transaction completion

# We have a very well distributed branch network

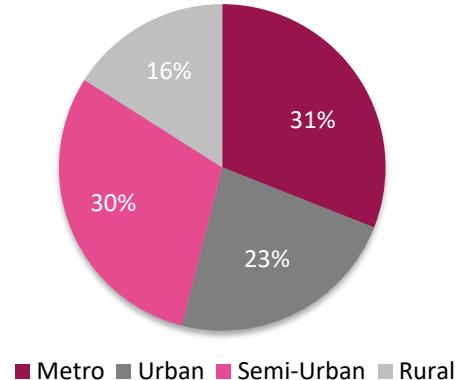


**Domestic branch network\***



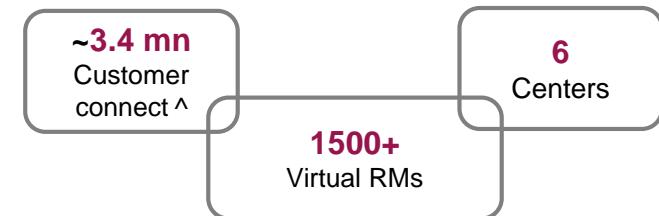
\* Includes extension counters

**Branch presence across categories**



- Calibrated approach towards new branch additions across focused regions
- Aligned to our **Bharat Banking strategy**, specific RuSu branches follow an asset-led liability model
- Dedicated Asset Desk Managers** for fulfilment of all loan leads at select branches
- Select **Platinum branches** to cater to SBB customer base

**Axis Virtual Centre**



- Connected with ~3.4 mn customers through this channel in Q1FY24.
- AVC manages relationship with our existing customers under **affluent and other programs**
- AVC is present across West, South, North and East with **six centres**

^ for Q1FY24

# Corporate & Commercial Banking

**36%**

*YOY growth in  
Domestic corporate  
loans*

**24%**

*YOY growth in  
SME loan book*

**38%**

*YOY growth in  
Mid Corporate book*

**12%**

*YOY growth in  
Corporate & CBG fees*

**89%**

*Share of corporate  
advances to clients  
rated A-and above*

**89%**

*Incremental sanctions  
to A-and above\*\**

**23%**

*YOY growth in CA  
deposits on period end  
basis*

**8%**

*RTGS Market Share  
Q1FY24 (by value)*

**10%**

*NEFT Market Share  
Q1FY24 (by value)*



# Recognized as the '2022 Greenwich Quality Leader' for 2<sup>nd</sup> consecutive year



## *2022 Greenwich Excellence Awards for Indian Large Corporate Banking*

- Ease of Doing Business
- Frequency of Contact
- Proactive Provision of Advice
- Knowledge of Transaction Banking Needs
- Coordination of Product Specialists
- Customer Service

Among more than 70 banks evaluated, Axis Bank was voted for its distinctive quality w.r.t. 6 out of 9 metrics where the respondents expressed their preference



## *2022 Greenwich Excellence Awards for Indian Middle Market Banking*

- Effective Senior Management Support
- Frequency of Contact
- Overall Digital Experience

Among more than 70 banks evaluated, Axis Bank was voted for its distinctive quality w.r.t. 3 out of 10 metrics where the respondents expressed their preference



## *Market Penetration - Local Banks Indian Middle Market Banking*

**47%**

*Market penetration \**

*\*Market Penetration is the proportion of companies interviewed that consider each bank an important provider of corporate banking services*

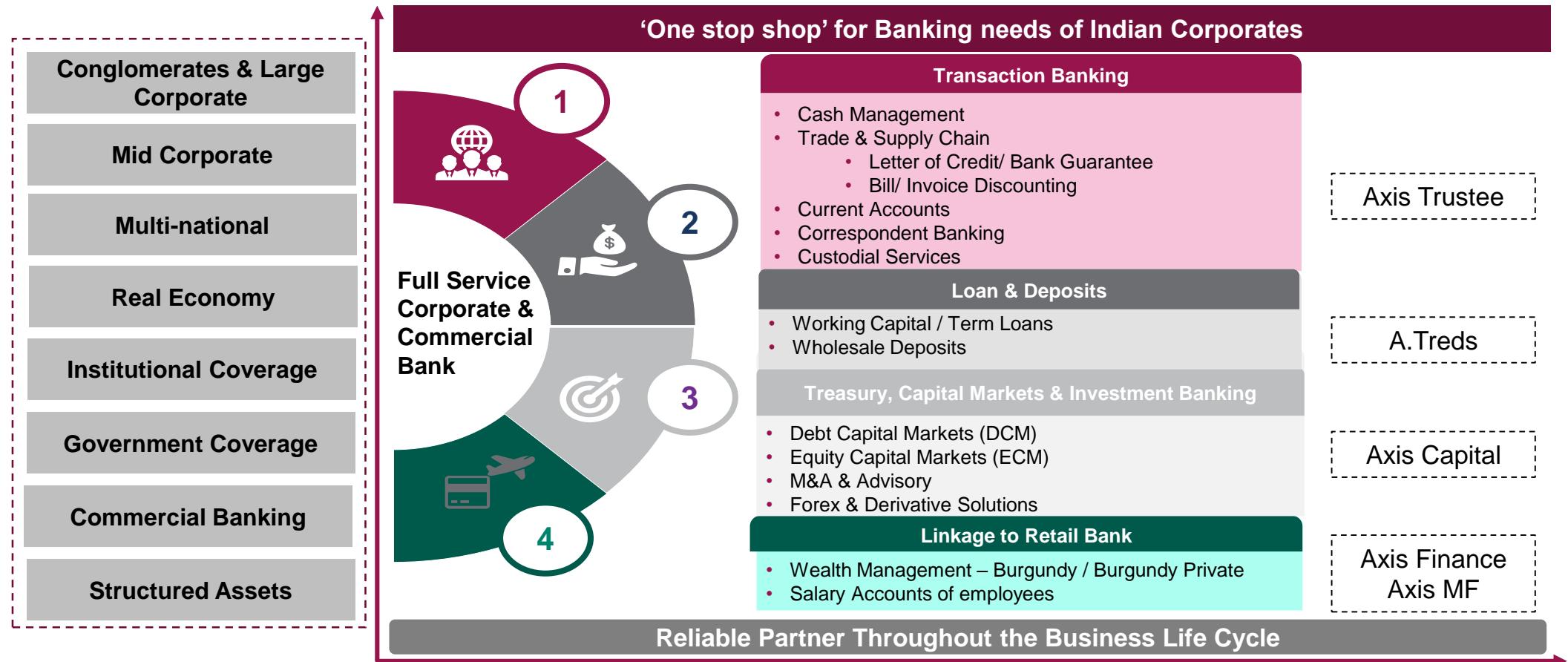
\*as per the [Coalition Greenwich 2022 India Corporate Banking Study](#)

# Strong relationship led franchise driving synergies across One Axis entities...



We have re-oriented the organisation structure in Corporate & Commercial Banking for delivering execution excellence

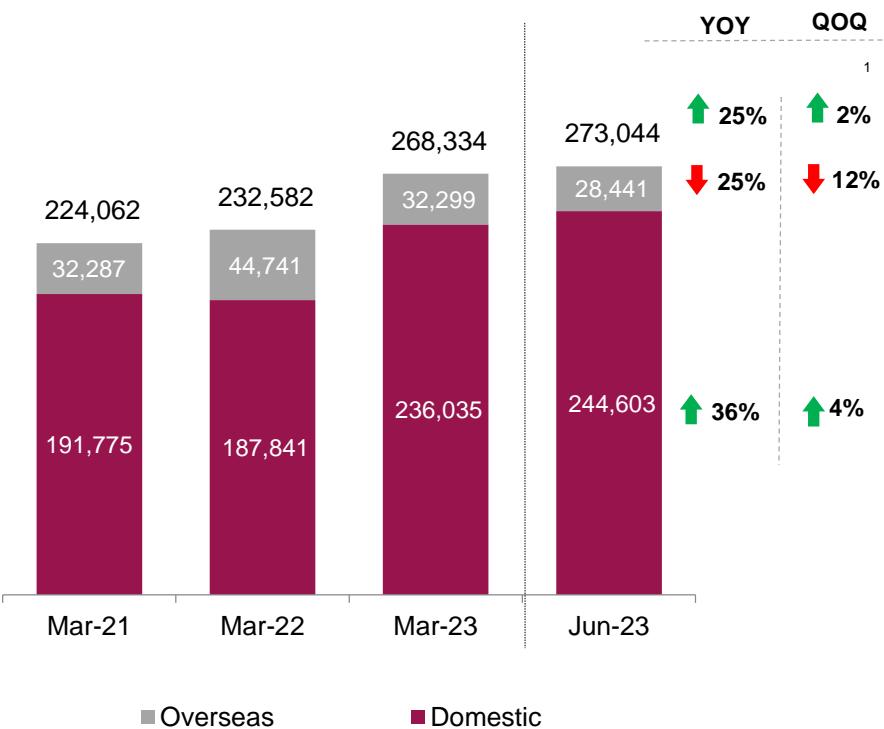
- Segregated the responsibilities of coverage and product groups to ensure sharper focus
- Corporate & Commercial Bank coverage reorganized into 8 coverage groups, each with a stated objective



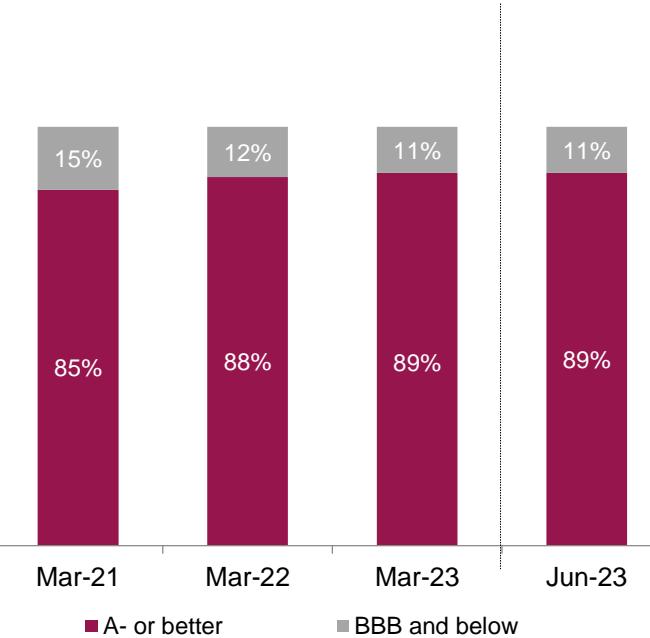
**...with 89% of the book rated A- and above**



### Corporate Loans

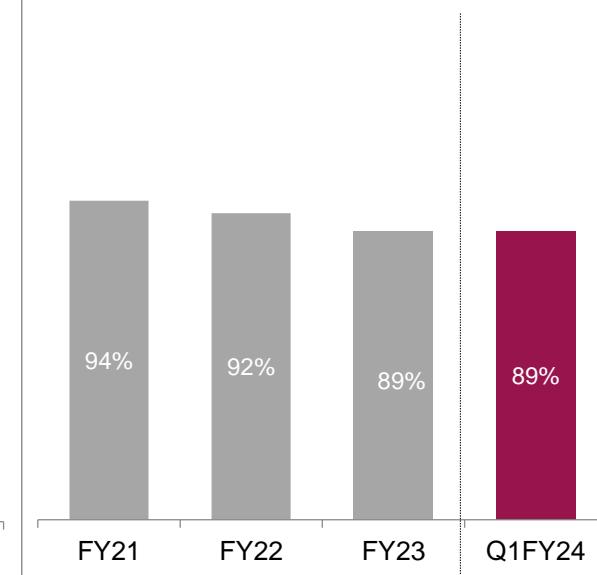


**89% of the corporate loan book is rated A- or better**



67% of book as on 30.06.2023 is rated AA- & above

**Incremental sanctions to corporates rated A- & above**



61% of sanctions were to those rated AA- & above

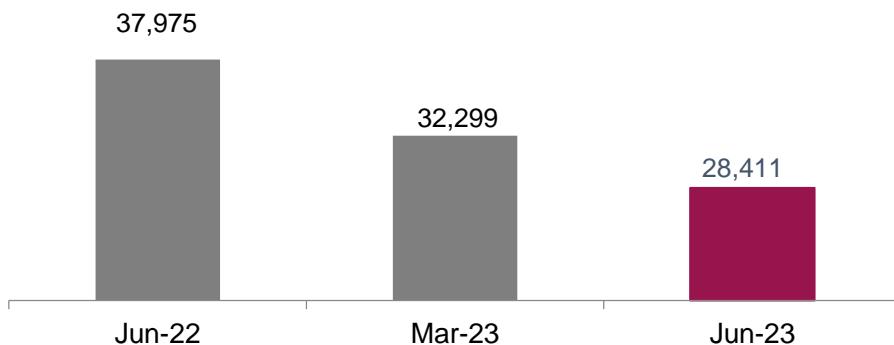
# Overseas Corporate loan book is 96% India linked



- The Bank's International strategy is to focus on Indian corporates that have global operations
- We have consolidated our overseas business through branches in Dubai, Singapore and GIFT City, India

## Overseas corporate loan book

All figures In ₹ Cr



## Funding is primarily for Indian conglomerates and PSU entities

- **96%** is India linked based on standard book
- **91%** is rated A- and above based on standard book
- **76%** of standard outstanding constituted by top 10 conglomerates

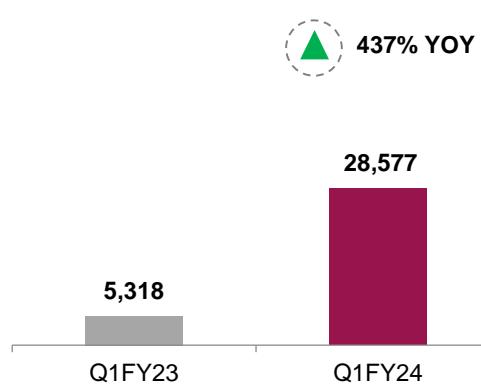
# We remain well placed to benefit from a vibrant Corporate Bond market



All figures in ₹ Crores

## Placement & Syndication of Debt Issues

### Amount mobilized / arranged<sup>^</sup>



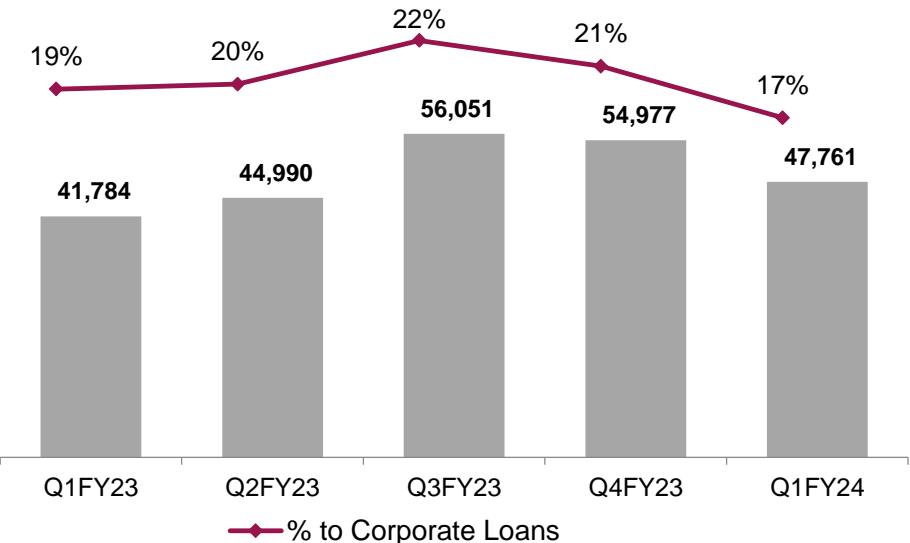
### Market share and Rank\*



## 16<sup>th</sup> straight year

Ranked No. 1 arranger for rupee denominated bonds as per Bloomberg league table since 2007

## Movement in corporate bonds

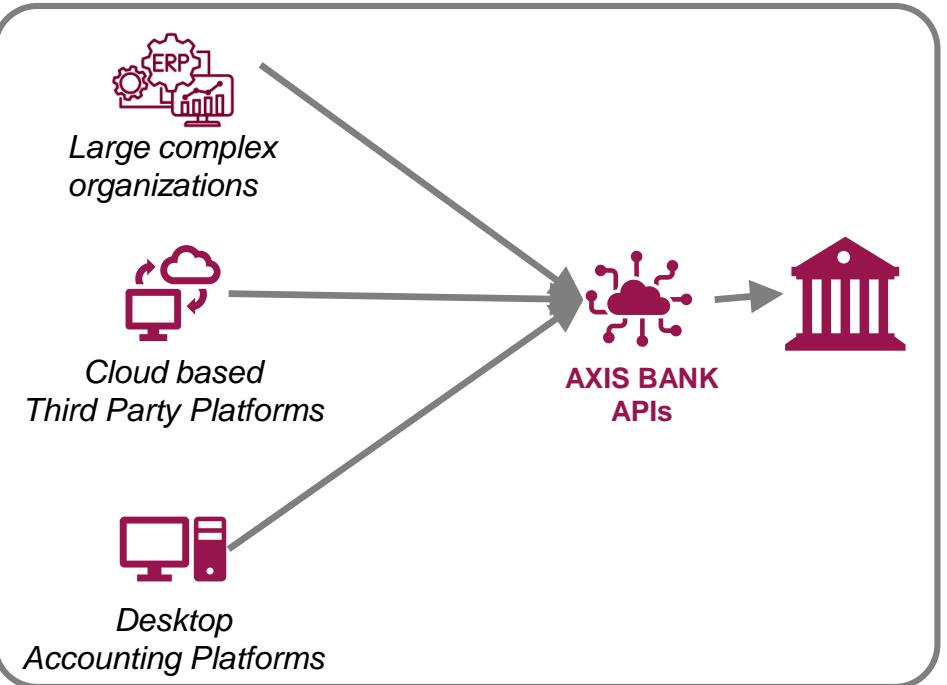


- Leveraging our leadership position in Debt capital markets, we had mobilized ~ ₹18,000 crores through active participation in the TLTRO auctions
- We have invested funds in marquee names (non FI, non PSU) thereby helping to build some new client relationships in wholesale segment .
- We have limited our investments under this book to AAA/AA rated corporate issuers

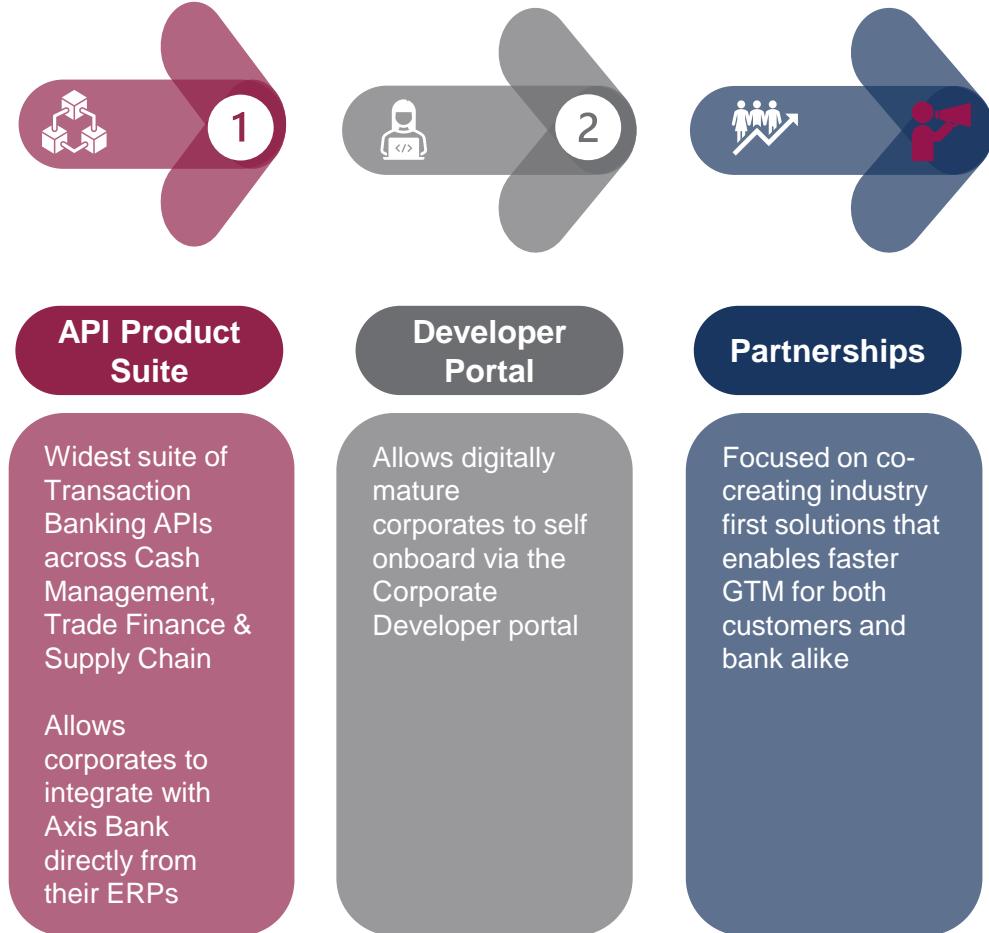
# NEO by Axis Bank, our umbrella digital initiative for transaction banking, is finding resonance with clients across APIs, partnerships & MSME proposition



## NEO APIs power multiple archetypes of integration & continue to grow



**2.3X**  
CUSTOMERS  
ONBOARDED



## Awards & Recognition in 1QFY24



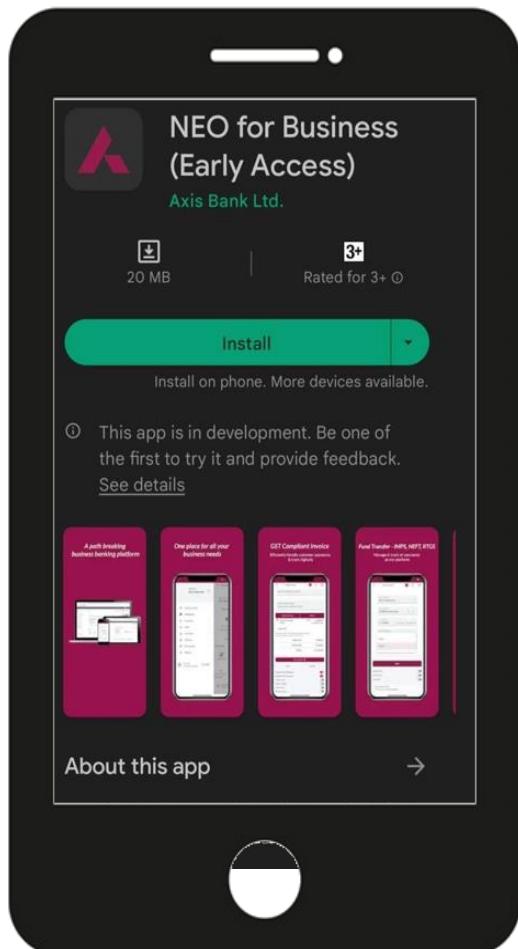
Best API Project



Best Product Innovation for  
Neo API Banking Suite

Also received 3 earlier awards at **ET BFSI Excellence Awards**  
& **Dun & Bradstreet BFSI Fintech 2023**

**NEO for Business, launched in 1QFY24, is Axis' mobile first proposition for MSMEs (packed with banking and beyond banking features) to help Axis become the operational bank of choice**



## Industry leading mobile first proposition



Contemporary UI/UX of Fintech with bank grade security standards



Core CA offering instead of wallet-based offerings of Fintechs



Simple DIY self-onboarding for both web & mobile app



Native seamless journeys for best user experience



Built on scalable AWS infrastructure to handle large volumes



Guest user access & referral program designed to boost NTB acquisition

24X7 access from any device

Mobile | Tablet | PC



Launched in Jun'23

# Industry-wise Distribution (Top 10)



All figures in ₹ Crores

Rank	Outstanding <sup>1</sup> as on 30 <sup>th</sup> Jun'23 Sectors	Advances	Investments	Non-fund based	Total	
					Value	(in % terms)
1.	Financial Companies <sup>2</sup>	69,389	31,918	23,958	1,25,265	11.76%
2.	Engineering & Electronics	17,935	1,011	37,151	56,097	5.27%
3.	Infrastructure Construction <sup>3</sup>	24,511	4,547	16,001	45,059	4.23%
4.	Trade	30,474	1,200	6,554	38,228	3.59%
5.	Power Generation & Distribution	23,320	1,628	7,073	32,021	3.01%
6.	Iron & Steel	17,811	2	12,137	29,950	2.81%
7.	Real Estate <sup>4</sup>	27,140	985	800	28,925	2.72%
8.	Petroleum & Petroleum Products	13,740	2,480	10,084	26,304	2.47%
9.	Food Processing	21,725	20	3,562	25,307	2.38%
10.	Chemicals & Chemical Products	14,340	369	9,876	24,585	2.31%

<sup>1</sup> Figures stated represent only standard outstanding (advances, investments and non fund based) across all segments

<sup>2</sup> Includes Banks (19% in Q1FY24 vs 20% in Q4FY23), Non Banking Financial Companies (39% in Q1FY24 vs 42% in Q4FY23), Housing Finance Companies (25% in Q1FY24 vs 19% in Q4FY23), MFIs (5% in Q1FY24 vs 5% in Q4FY23) and others (12% in Q1FY24 vs 14% in Q4FY23)

<sup>3</sup> Financing of projects (roads, ports, airports, etc.)

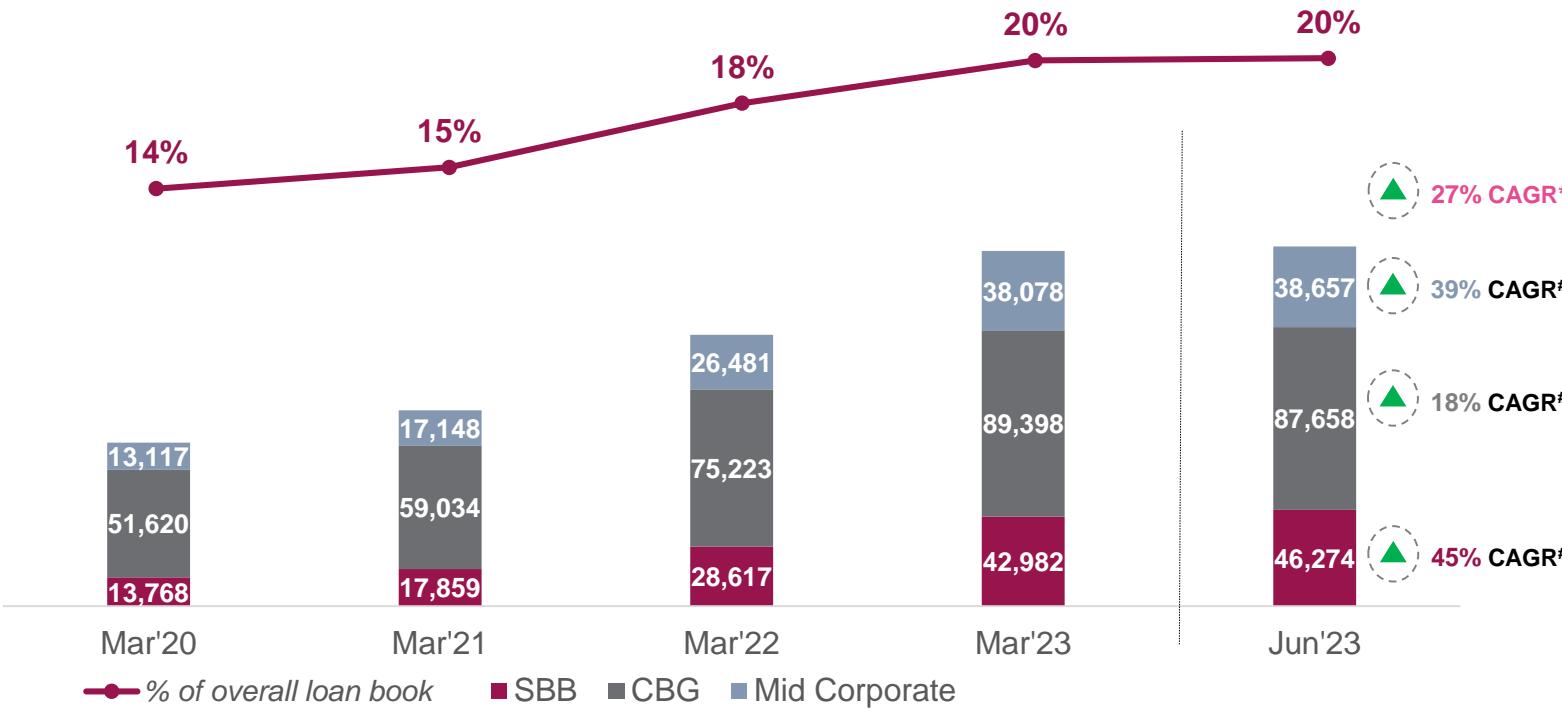
<sup>4</sup> Lease Rental Discounting (LRD) outstanding stood at ₹18,399 crores

# **Business Performance**

## **Commercial Banking**



# Strong growth in SBB+SME+MC book despite tightening our risk standards



**SBB+SME+MC book has grown at ~2x the overall book growth, with over 600 bps improvement in contribution mix from 14.1% to 20.1% over last 3 years**

**27%**

CAGR# in combined MSME, MC and SBB segment since Mar'20

**14.2%**

Axis Bank's Incremental MSME market share in last 3 years

**8.4%**

Axis Bank's market share as % of overall Industry MSME credit

\* Considering our SME+SBB+MC book as numerator

# period for CAGR Mar'20 – Jun'23

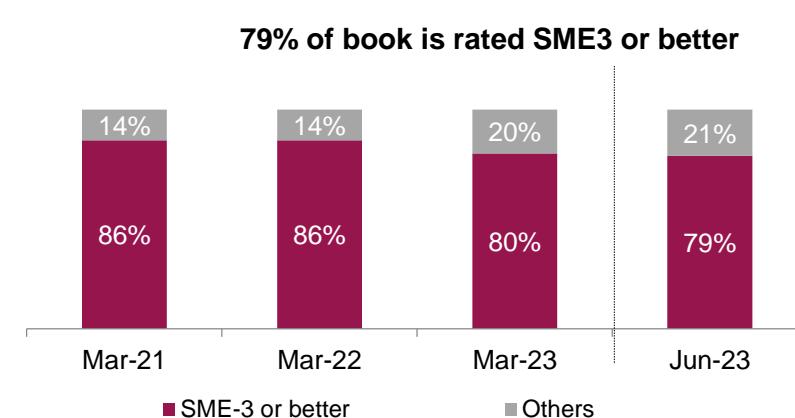
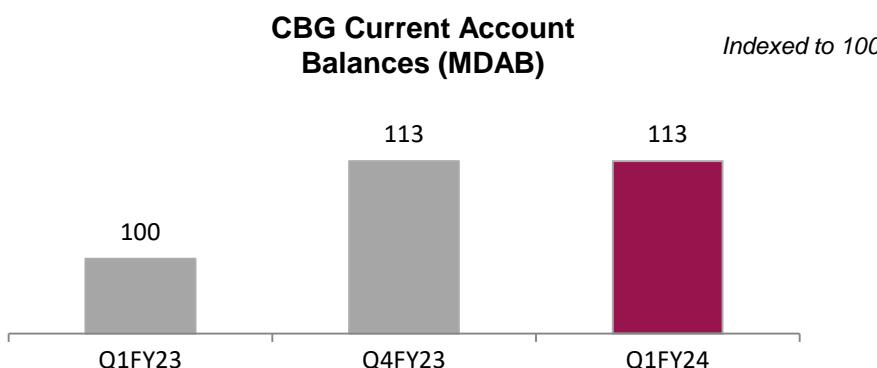
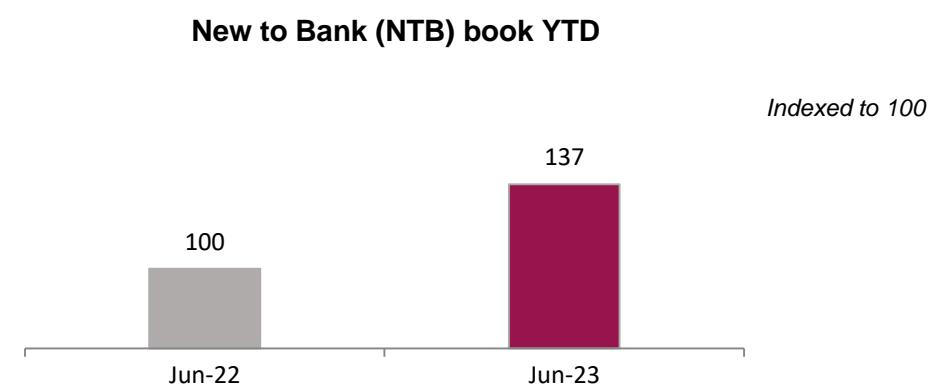
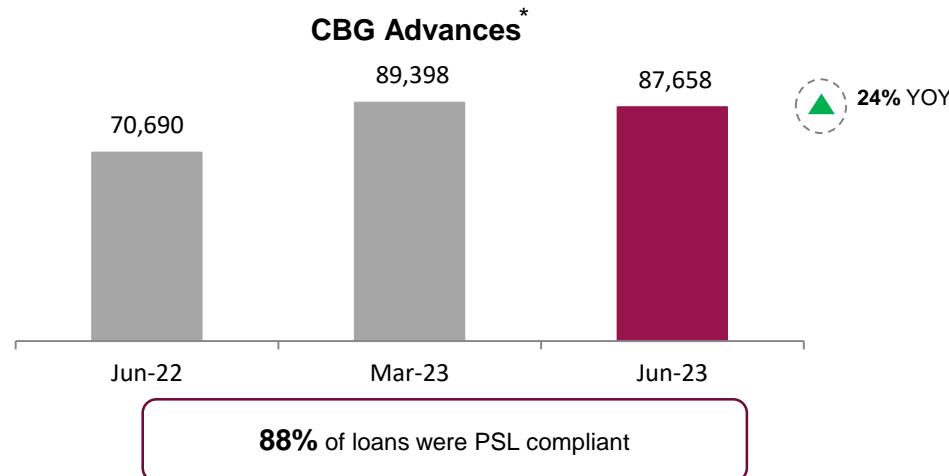
# Commercial Banking business benefitting from technology led transformation



One of the most profitable segments of the Bank with high PSL coverage



Data driven credit decisions, minimal documentation, simplified products and digitized operations aiding higher business growth

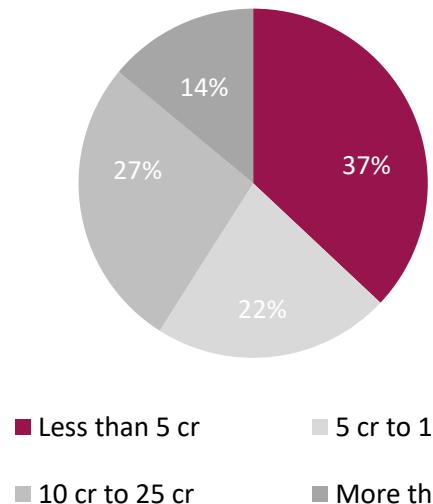


\* There has been inter business segment migration of some customers in Q1FY24, prior numbers have been accordingly reclassified

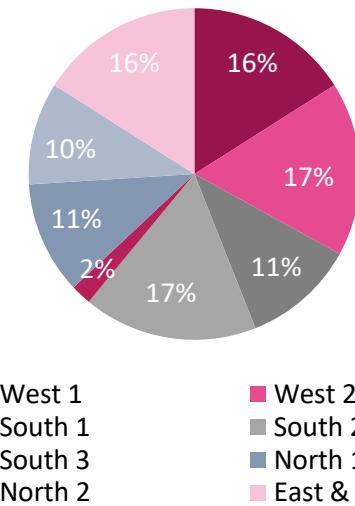
# SME lending book is well diversified



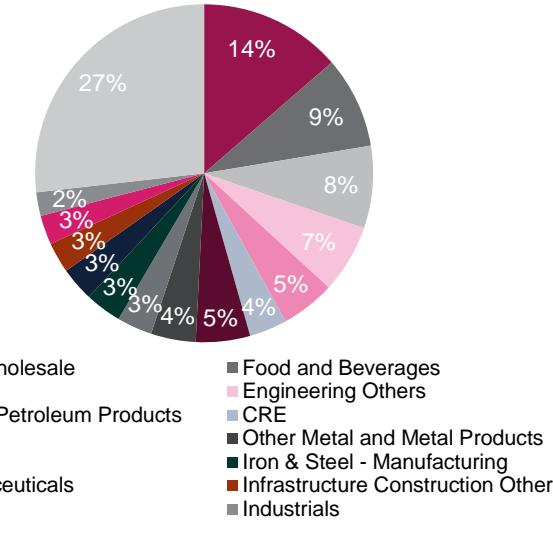
**Book by Loan size**



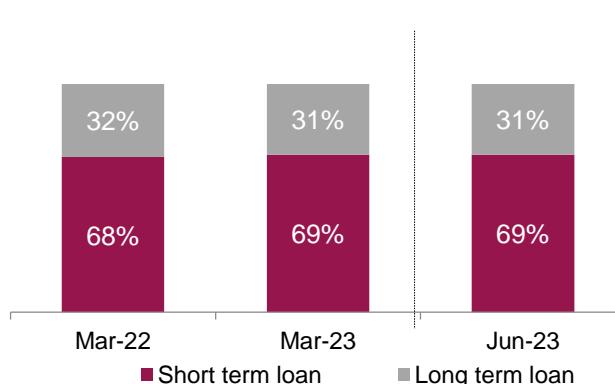
**Well diversified Geographical mix**



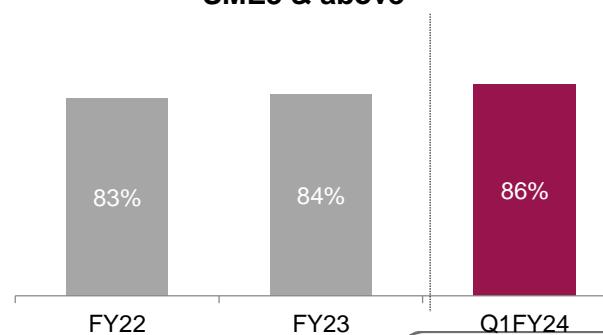
**Well diversified Sectoral mix**



**SME book mix (by tenure)**



**Incremental sanctions to SME rated SME3 & above**



# Digital Banking

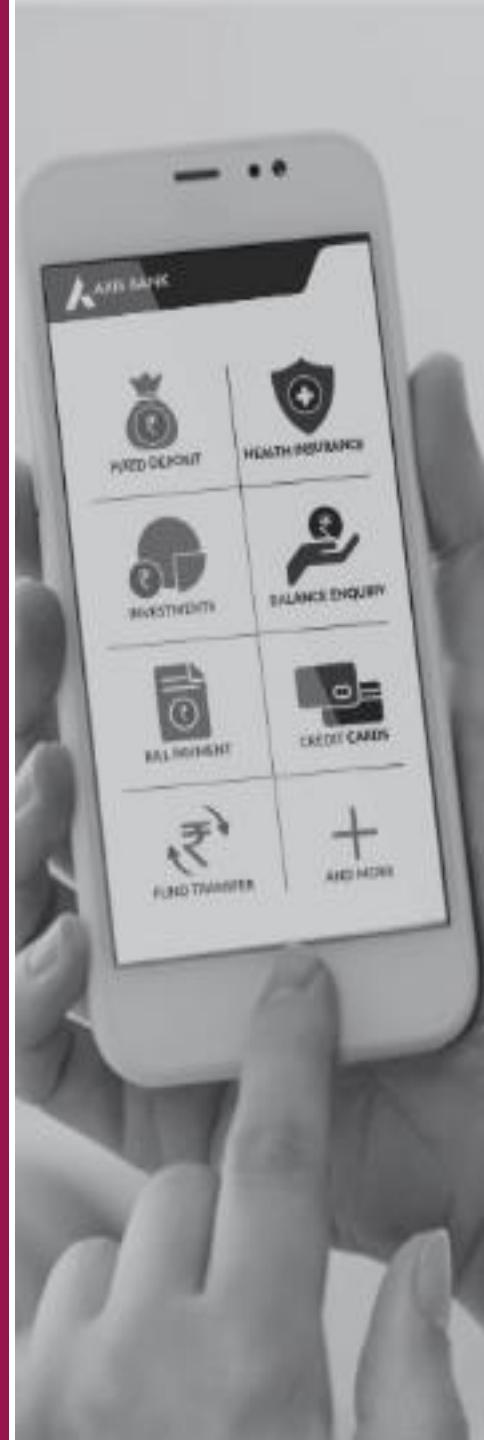
	<b>95%</b> Digital transactions <sup>1</sup>	<b>84%</b> Credit cards issued <sup>2</sup> (Q1FY24)	<b>76%</b> New MF SIP volume (Q1FY24)	<b>70%</b> New SA acquisition <sup>3</sup>	<b>72%</b> Individual RTDs volume (Q1FY24)	<b>55%</b> PL disbursed (end-to-end digital) (in Q1FY24)
	<b>250+</b> Services on digital channels	<b>300+</b> Employee tool Journeys	<b>4.8@</b> Mobile App ratings	<b>~12 Mn</b> Mobile Banking MAU <sup>#</sup> (Jun-23)	<b>116150+</b> Devices on Bring your own device~	<b>~3230</b> Robotic automated processes
	<b>2,100+</b> People dedicated to technology agenda	<b>700+</b> In-house digital banking team*	<b>75%+*</b> New hires* from non-banking backgrounds	<b>Agile</b> Enabled teams with CI/CD, micro-services architecture	<b>40%+</b> Lift of bank credit model GINI scores over bureau	<b>75+</b> Apps on cloud

**~8.4 Mn**

Non Axis Bank customers using Axis Mobile & Axis Pay apps (as of Jun'23)

**39%**

Contribution of KTB channels to overall sourcing of Cards (in Q1FY24)



<sup>1</sup>Based on all financial transactions by individual customers in Q1FY24   <sup>2</sup>through digital and phygital mode   <sup>3</sup>Digital tablet based account opening process for Q1FY24

## Setup Axis 2.0 – A Fully Digital Bank within the Bank

- ***Distinctive In-house*** Digital Capability across People, Tech & Processes

## Acquire New Customers at Scale

- **72%** of retail individual TDs acquired digitally

## Become a Digital Consumer Lending Powerhouse

- **55%** of PL and **57%** of BL disbursed digitally

## Become a Benchmark Digital Bank Globally

- 'Axis Mobile' is **top rated** Mobile Banking App

## Become the Leader in New Platform Businesses

- **Early leadership** in Account Aggregator, ONDC, CBDC, OCEN

**A**

Proprietary, distinctive  
digital native capabilities



**B**

Re-imagined & delightful  
customer experience



**C**

Full suite of products  
and services



[Link to Bank's detailed Digital Banking 2.0 Presentation](#)

# Proprietary, distinctive, digital native capabilities



## 1 Team



**2100+**

People dedicated to digital agenda

**~280**

Engineering  
team

**~350**

Product  
team

**45+**

Design  
team

**75%+**

new hires from non-banking background

Fintech | E-commerce | IT | Consulting | others

.. across roles forming full-service teams

Product | Engineering | Design | Partnership

Governance | Channels | Digital Marketing

## 2 Design capabilities



**SUBZERO**  
Axis Bank's DESIGN SYSTEM



Axis Bank's ILLUSTRATION  
SYSTEM

**Impact Metrics**



**One Design** Language



**Reduced** Development Effort



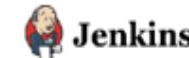
Design effort down by **30%**

## 3 Engineering and technology

Agile product development lifecycle

Continuous deployment

Modular micro-services based architecture



All new customer facing applications are **cloud native**

# Leadership in technology with several industry firsts...

**1st**

Indian Bank to be member of Banking Industry Architecture Network (BIAN)

**1st**

Bank to hollow the core for elite merchants on UPI  
Leading player in UPI Payer PSP<sup>(a)</sup>

**Cloud 1st**

Only among peers to have 3 Enterprise grade landing zones

**2.5x**

Tech investment growth in 3 years with 2x growth in IT team strength

**380+**

Retail & Corporate APIs Partnership Integration with Market Leaders

**800**

Best-in-class BitSight<sup>(b)</sup> rating in BFSI, better than 90% of the Finance peer group

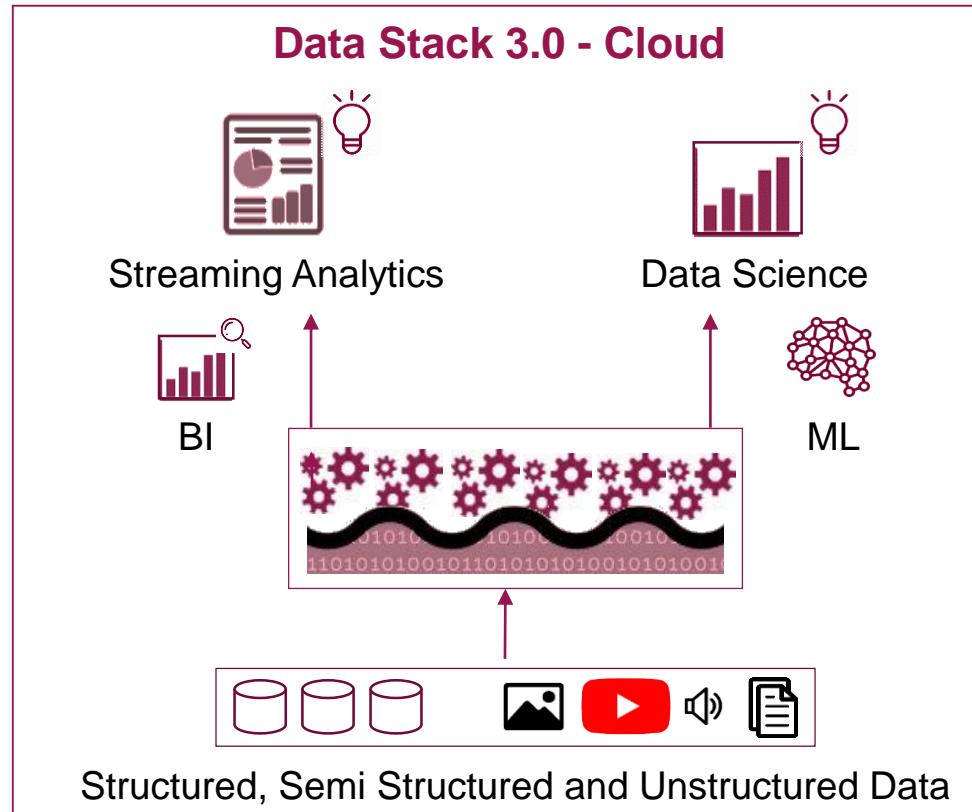


A

**Built best-in-class personalization capability and are leveraging alternate data to scale up our customer centric franchise**



***Building data stack 3.0 for next level of analytics and have created service data lake for enhanced customer experience***



## On the fly elasticity

# Separation of compute from storage



**Personalization – 10k+** nudge variants live to become best customer experience app in the world



**100+ Alternate Data** features powering **50+** distinctive models



**Data Stack 3.0** is the modern and scalable architecture that helps deploy **1000+** use cases



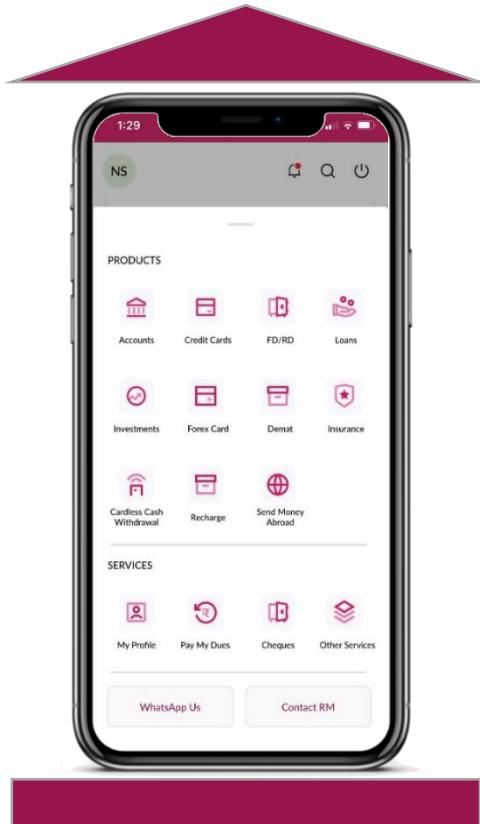
**80%** of the lending happens via in-house scorecards, 1.5x more predictive than CIBIL scores



**Big data clusters** developed on Hadoop with PetaByte scale data

**B**

## Distinctive customer experience : World's highest rated Mobile Banking App, doubling up as our largest branch



**67%**  
of Branch service request volumes covered

**~ 8.4 mn**  
Non-Axis Bank customers using Axis Mobile & Axis Pay apps as of Jun-23

**250+**  
DIY Services on mobile channel

**~₹4.8 tn**  
MB spends in Q1FY24, up **29% YOY**

**~ 24 mn**  
Registered customers on Axis Mobile Banking

**~ 1.3 bn**  
MB volumes in Q1FY24, up **40% YOY**

**~ 12 mn**  
Monthly active users on Axis Mobile Banking \*

**63%**  
MB customers banking only on mobile app

### Bank on-the-go with Axis Mobile App

**Hyper personalized | Intuitive | Seamless**

Highest rating of **4.8** on Google Play Store with **2 mn+ reviews** across 64 global banks, 82 fintechs and 9 neo banks

B

# Distinctive customer experience: redesigned FD journey



## Best in class 3 click FD journey

**Start a Deposit**

Fixed Deposit      Recurring Deposit

6 MONTHS 5.65%	→	1 YEAR 6.45%	→
★ Popular		Tax Saver	
3 YEARS 6.70%	→	3 YEARS 6.75%	→

Enter your own tenure →

VIEW INTEREST RATES

Get safety & returns upto 5.75% on FDs/RDs

- 100% Safety & credibility
- High Returns

Customised options for selecting tenure

**Add FD Details**

ADD DEPOSIT AMOUNT

Enter Amount ₹ 25,000

A/C Balance - ₹ 10,525  
Debit amount is greater than the available balance, please enter valid amount

₹ 10,000    ₹ 25,000    ₹ 45,000

INTEREST PAYABLE

On Maturity     Quarterly     Monthly

INTEREST RATE 5.65%      MATURITY AMOUNT -

FD TENURE 6 Months

RE-INVEST AFTER MATURITY A RAGHU VAMSI (₹ 10,525)

DEBIT ACCOUNT Account no: xxxx9299

NOMINEE DETAILS SOPHIA KURIAN

FD NAME (OPTIONAL) Enter FD name

EMPLOYEE CODE (OPTIONAL) Enter Employee Code

HIDE DETAILS

I accept the Terms & Conditions

Option to enter deposit name, employee code and default re-invest

**Close FD**

FD AMOUNT ₹ 1,00,000      INTEREST RATE 5.75%

TENURE 3 Years 10 Months 5 Days      MATURITY DATE Nov 24, 2024

Why close FD and pay penalty?

Get instant funds-overdraft against FD

Digital | Instant | Simple

Apply Now

Withdraw money partially (as low as ₹500 & upto ₹99,000)

- Min withdrawal limit : ₹500
- Withdrawal penalty charges : ₹300

Close FD & withdraw ₹1,00,876

- Withdrawal penalty charges : ₹1000

Cross-selling OD against FD during premature closure journey

# Distinctive customer experience: Hyper personalised nudges



## Regulatory and Servicing

Your KYC Is Due for Confirmation  
Update your KYC details  
Your KYC is not up to date as per our records. Please update at the earliest for uninterrupted service.

[UPDATE NOW](#)

Order a Cheque Book  
You are running out of cheque leaves  
Order a cheque book now and get it delivered at your doorstep.

[ORDER NOW](#)

Explore benefits with eDGE REWARDS  
Get e-vouchers, products and exclusive deals  
You have 8000 eDGE REWARDS points in your A/c. Redeem now to enjoy a range of benefits.

[REDEEM NOW](#)

Check Your Risk Profile  
Be a smart investor  
Assess your risk profile and explore funds suited to you. 5 lakh customers have checked their risk profile and have begun their wealth creation journey.

[INVEST NOW](#)

## Cross sell and upsell

Falling Short of Funds ?  
Apply for instant 24x7 Personal Loans  
Avail your pre-qualified offer of INR 10,00,000, *kahan bhi kabhi bhi*. It's digital, instant and simple.

[APPLY NOW](#)

Get Axis Bank Credit Card  
Enjoy a host of benefits on your pre-approved Axis Bank Credit Card  
Earn attractive rewards while you treat yourself to the next shopping spree.

[APPLY NOW](#)

Is Your Heart Set on a New Car?  
Don't miss this great 24x7 Car Loans deal  
Avail your offer of INR 8,00,000 and get up to 100% on-road funding.

[APPLY NOW](#)

Upgrade Your Credit Card Now  
Your Flipkart Axis Bank Credit Card is eligible for an upgrade  
Avail now to get exciting deals and offers on your upgraded card.

[UPGRADE NOW](#)

Put Your Money to Better Use  
A/c no. xxxx1234  
Your account is credited with a large amount. Invest the money in a FD and get higher interest on your savings.

[INVEST NOW](#)

Get Instant Access to Money  
Without breaking your FD  
Apply 24x7 Overdraft Against Fixed Deposit and keep growing your investment. T&C apply.

[APPLY NOW](#)

Increase Your Buying Power  
With credit limit increase  
You can now increase the limit on your Axis Bank Neo Credit Card from INR 2,50,000 to INR 3,50,000.

[APPLY NOW](#)

Fulfil Your Dream of a New Home  
Enjoy host of benefits on your offer  
We are glad to offer you a pre-qualified Home Loan up to INR 40,00,000.

[APPLY NOW](#)

## Payment and investment

Your Mobile Bill is Due  
Airtel Postpaid  
Your bill of INR 900 is due on 16 Aug 2021.

[PAY NOW](#)

Pay your Credit Card Bill  
Card Number xxxx-xxxx-xxxx-1234  
Your bill of INR 10,000.00 has been generated. Pay before 31 Aug 2021 to avoid any charges. Ignore if already paid or scheduled.

[PAY NOW](#)

You have an upcoming SIP  
Axis Bluechip Fund- Regular Growth  
SIP of INR 15,000 is scheduled on 16 Aug 2021. Please maintain sufficient balance in your A/c for the same.

[VIEW MORE](#)

SIP Is Ending Soon  
Axis Bluechip Fund- Regular Growth  
Your last SIP of INR 10,000 is on 16 Aug 2021. Start a new SIP now and continue to create wealth.

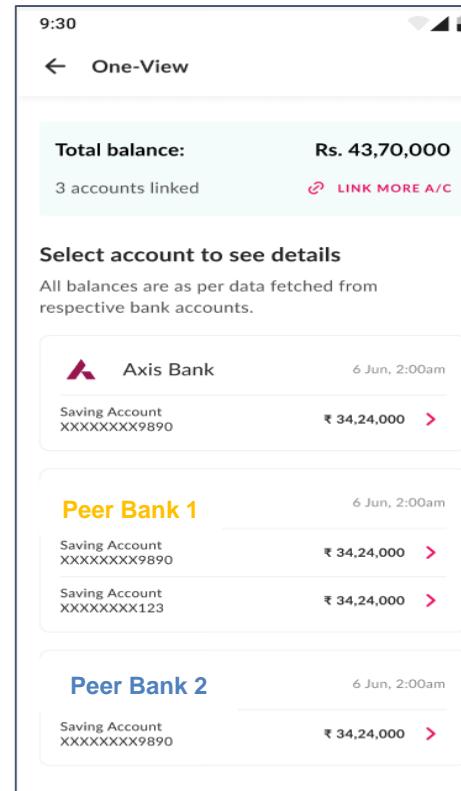
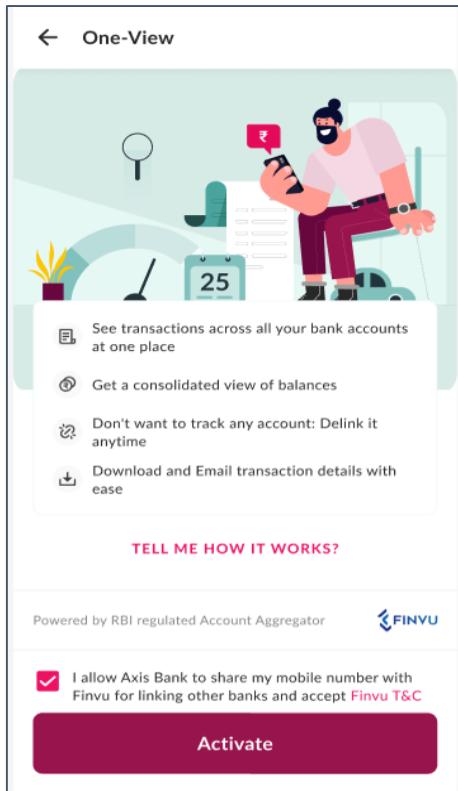
[INVEST NOW](#)

**C**

# We continue to scale up Account Aggregator based use cases



Recently launched '**One View**' on Axis Mobile



- Consolidated balances from different banks
- Track all transactions at one place
- Download and Email statement

**~ 0.25 mn +**

Registrations in first 8 weeks since launch

Multiple use cases live in asset onboarding journeys



**200%**

YOY growth in AA based **Personal loans** disbursed

**185%**

YOY growth in AA based **Auto loans** disbursed

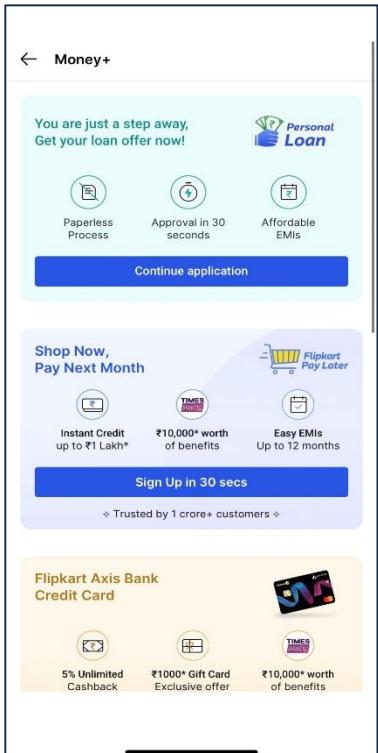
**C**

# We continue to introduce new products driven by our *OPEN philosophy...*



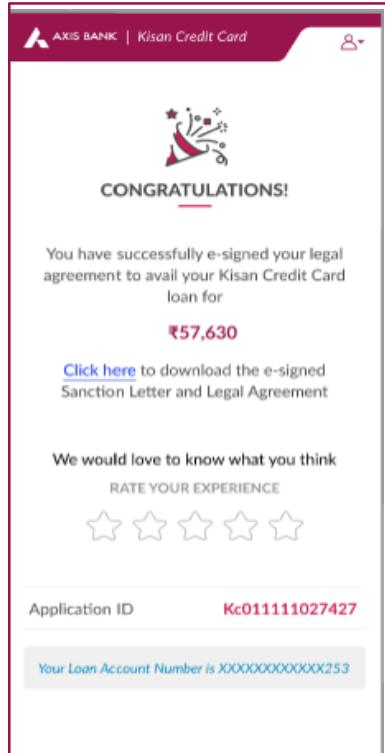
## Personal loans on Flipkart

NEW



## Digital KCC

NEW



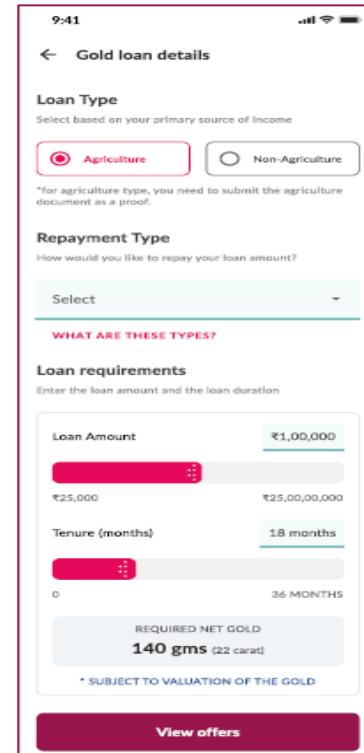
## Central Bank Digital Currency

NEW



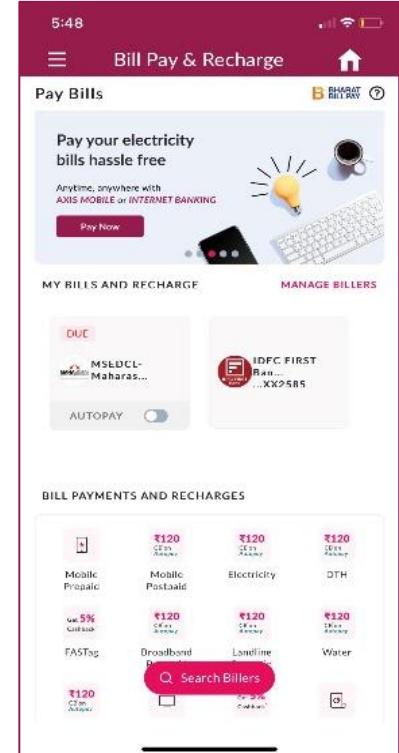
## Digital Gold loans

NEW



## Bill Pay

REDESIGNED

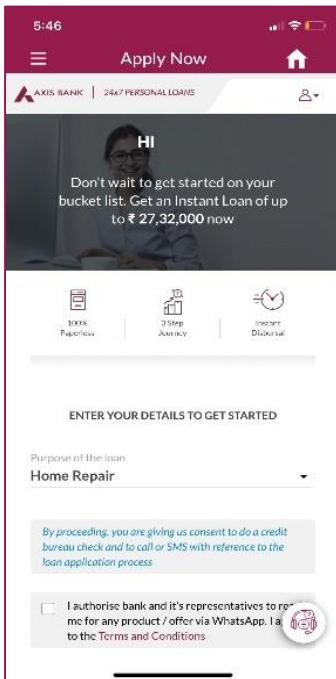


**C**

# ...while significantly scaling up existing products



## 24x7 Personal loan



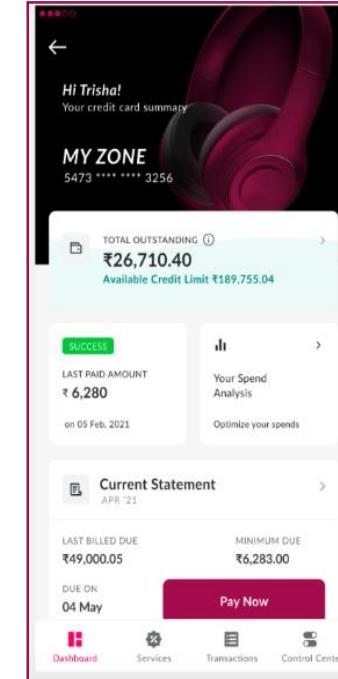
## 24x7 Auto loan



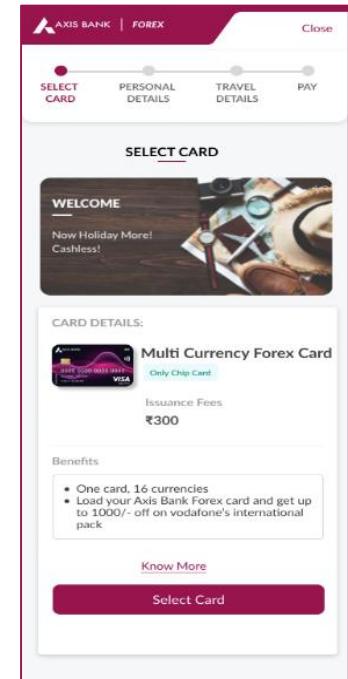
## Digital FD



## Cards portfolio



## Forex Card



**55%**

Share of PL disbursed digitally  
(end to end) by value

**50%**

YOY increase in Auto loans  
disbursed digitally (by value)

**100%**

YOY increase in retail individual  
FDs sourced digitally (by value)

**72%**

Cross sell / Up sell digitally

**80%**

Share of Forex Cards  
issued digitally



We have developed best-in-class UPI stack that enables us to offer cutting edge customized solutions across SDK, Intent, Collect and Pay offerings apart from new use cases like UPI AutoPay



Dedicated IT cloud infrastructure to exclusively handle high volume UPI transactions has resulted in Axis Bank achieving one of the lowest decline rates as a remitter when compared to peer banks

### Strong customer base and partnerships

**729 mn**

Cumulative VPA base\*\*

**~ 6 mn**

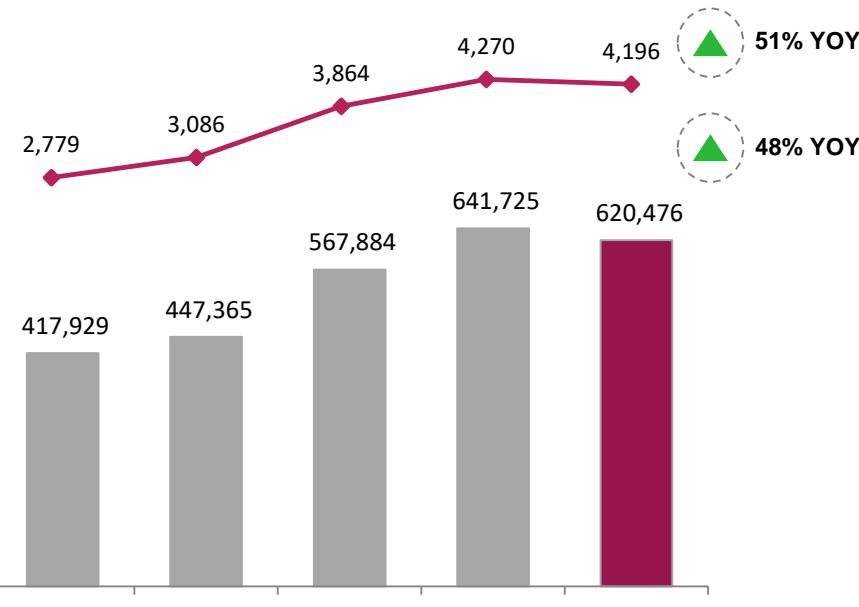
Merchants transacting per day on our stack

Marque partnerships across the PSP and acquiring side



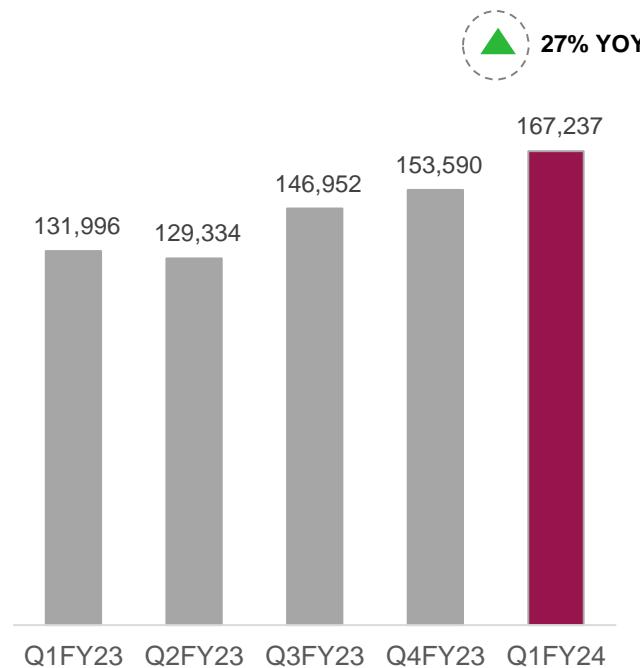
and many others..

### UPI transaction value and volumes (as Payer PSP)



■ Quarterly transaction value (in ₹Cr)  
■ Quarterly transaction volume (in mn)

### UPI P2M Throughput (in ₹ crores)



\*\* A user registering VPA once in Axis Pay and once in Google Pay is counted as 2

# Partnerships as a channel has significant potential to expand our customer base

## We have 100+ Partnerships across Platforms and Ecosystems



### Product Specific (API banking)

- Channel to acquire & service customers, complete customer ownership with Bank
- Co-branded products; revenue sharing (Offering FDs, PL and Credit Cards)

### Transaction banking (White-labelled banking)

- Banking as a Service
- Deep integration with the partner

#### Aggregators



#### Mobility



#### Payments



#### Enablers



#### Neo-Banks



#### Remittance Platforms



APIs hosted on Bank's API Developer Portal

400+  
Total APIs

~285+  
Retail APIs

~25+  
Connected APIs

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment Performance

Asset Quality

Sustainability

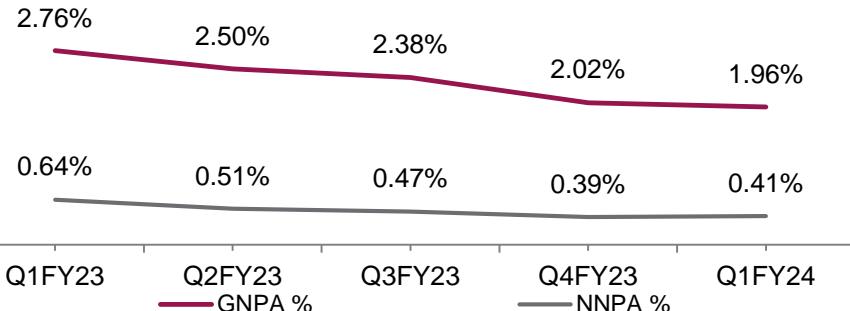
Subsidiaries' Performance

Other Important Information

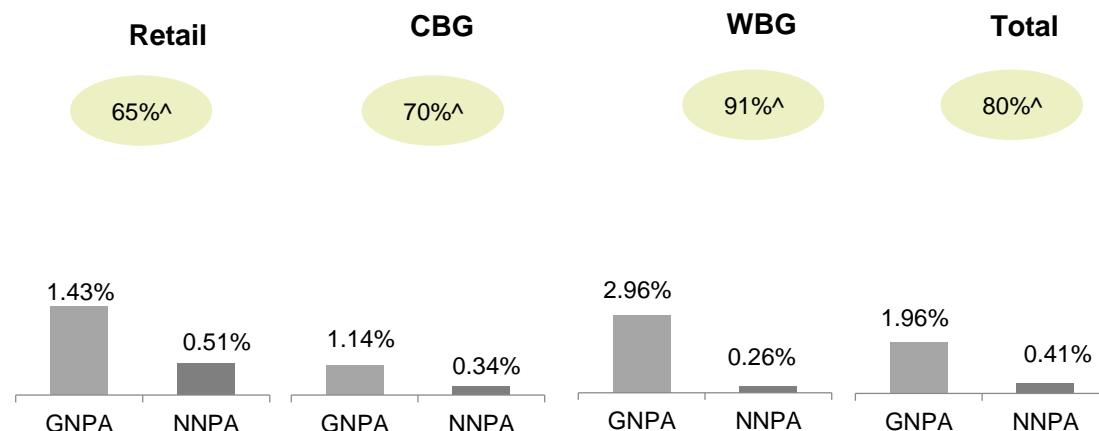
# Stable asset quality visible across all segments



**GNPA at 1.96% & NNPA at 0.41%**

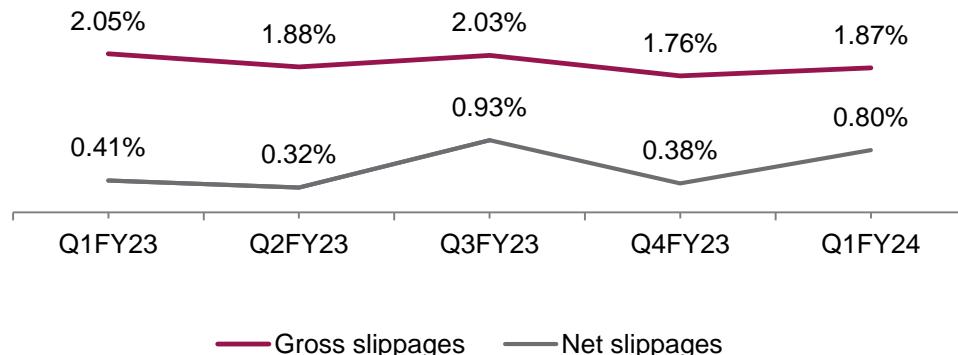


## Segmental composition

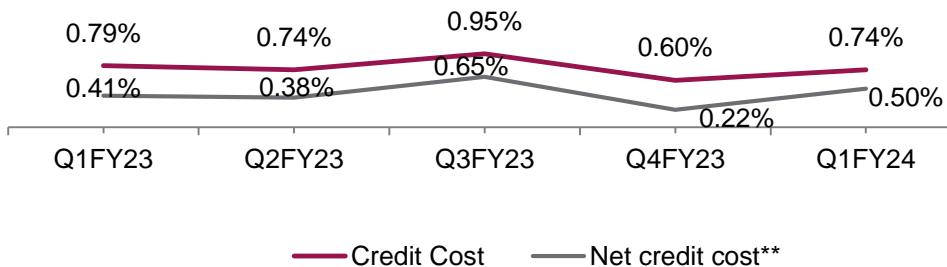


<sup>^</sup>Provision Coverage Ratio without technical write-offs

## Slippages (Annualised)



## Credit Cost (Annualised)

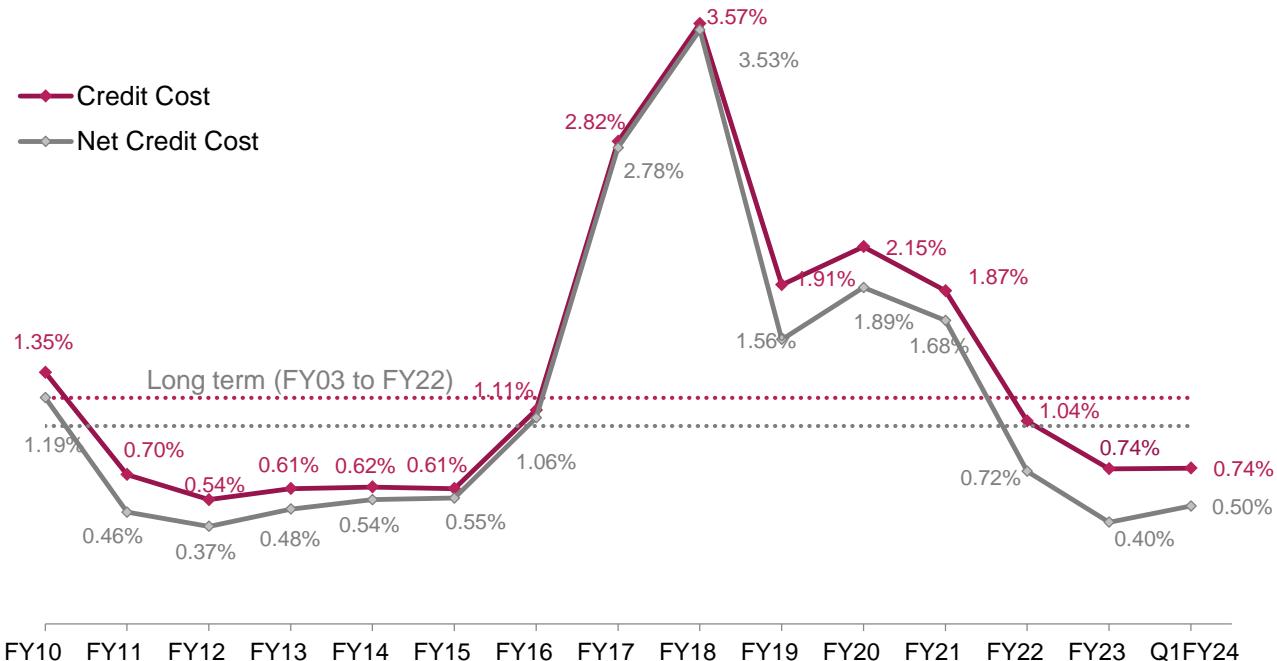


\*\* credit cost net of recoveries in written off accounts

# Legacy asset quality issues adequately addressed



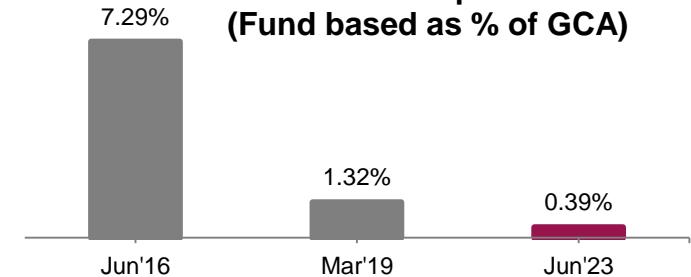
Overall Credit Costs: FY10 to Q1FY24



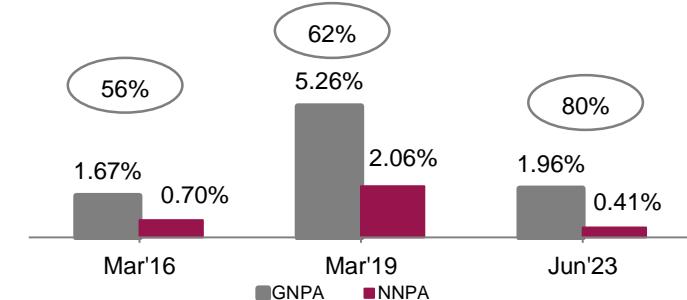
Drivers of Credit Costs

- Reduced lumpiness of the wholesale business:** Given quality and granularity of the wholesale book, the new credit costs should be lower for this cycle as compared to previous cycle
- Provisioning rules tightened and rule based, PCR an outcome:** We now operate at 15% to 20% higher than where we used to previously operate. This needs to be factored in the incremental provisioning in the short term
- We feel comfortable growing our retail unsecured book now:** It will give us better risk adjusted NIMs, credit costs standalone will be higher

Trend in BB corporate book  
(Fund based as % of GCA)



Asset quality metrics



PCR Without technical writeoffs

# Detailed walk of NPAs over recent quarters

All figures in ₹ Crores



		Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
<b>Gross NPAs - Opening balance</b>	A	<b>21,822</b>	<b>21,037</b>	<b>19,894</b>	<b>19,961</b>	<b>18,604</b>
Gross NPAs acquired from Citi	B	-	-	-	396	-
Fresh slippages	C	3,684	3,383	3,807	3,375\$	3,990
Upgradations & Recoveries	D	2,957	2,826	2,088	2,699	2,305
Write offs	E	1,512	1,700	1,652	2,429	2,131
<b>Gross NPAs - closing balance</b>	<b>F = A+B+C-D-E</b>	<b>21,037</b>	<b>19,894</b>	<b>19,961</b>	<b>18,604</b>	<b>18,158</b>
Provisions incl. interest capitalisation	G	16,256	15,898	16,131	15,045	14,455
<b>Net NPA</b>	<b>H = F-G</b>	<b>4,781</b>	<b>3,996</b>	<b>3,830</b>	<b>3,559</b>	<b>3,704</b>
<b>Provision Coverage Ratio (PCR)</b>		<b>77%</b>	<b>80%</b>	<b>81%</b>	<b>81%</b>	<b>80%</b>
Accumulated Prudential write offs	I	36,569	36,865	37,366	38,015	38,332
<b>PCR (with technical write-off)</b>	<b>(G+I)/(F+I)</b>	<b>92%</b>	<b>93%</b>	<b>93%</b>	<b>94%</b>	<b>93%</b>

## Provisions & Contingencies charged to Profit & Loss Account

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
Loan Loss Provisions	777	751	1,341	270	1,146
Other Provisions	(418)	(201)	97	36	(111)
<i>For Standard assets*</i>	(20)	161	106	204	77
<i>Others**</i>	(398)	(362)	(9)	(168)	(188)
<b>Total Provisions &amp; Contingencies (other than tax)</b>	<b>359</b>	<b>550</b>	<b>1,438#</b>	<b>306</b>	<b>1,035</b>

\$ includes non-recurring impact of day 1 cross NPA slippages from acquisition of Citi India Consumer Business

\* including provision for unhedged foreign currency exposures

\*\* includes provision for restructuring pool and other non-NPA provisions

# includes ₹340 crs on account of non recurring, one-time / prudent items, representing 24% of provisions for the quarter

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# ESG has Bank-wide sponsorship



**Our Purpose Statement:** Banking that leads to a more inclusive and equitable economy, thriving community and a healthier planet



Environmental

**~14,600 tCO2e\***

GHG emissions avoided

**~ ₹18,140 Cr**

Green Wholesale lending portfolio

**7.05 MW**

In-house solar power capacity



Social

**1.3 Mn**

Households reached under Sustainable Livelihoods

**2.2 Mn**

Women borrowers under Retail Microfinance

**~26%**

Female representation in workforce



Governance

**1<sup>st</sup>**

Indian Bank to constitute an ESG Committee of the Board

**71%**

Proportion of Independent, Non-Executive directors

**14%**

Proportion of women directors on the Board

## Steady Performance on Global ESG Benchmarks



Dow Jones Sustainability Indexes

Above **80th** percentile among global banks on DJSI in 2022



FTSE4Good

**6<sup>th</sup>** Consecutive year on FTSE4Good Index in 2022

**MSCI**  
ESG RATINGS



MSCI ESG Ratings at **A** in 2022



Among the top 10 Constituents of Nifty100 ESG Sector Leaders Index



Among top 10 constituents of S&P BSE 100 ESG Index



Among Top 10 Constituents of MSCI India ESG Leaders Index



CDP Score at **C** in 2022

\* Estimated savings from internal carbon initiatives annually

# Committed to Positive Climate Action and Achieving the SDGs



In September 2021, the Bank announced commitments aimed at supporting India's low-carbon and equitable economic transition towards achieving the SDGs and India's commitments under the Paris Agreement



## *Our Commitment*

Incremental financing of **Rs. 30,000 Crores under Wholesale Banking** to sectors with positive social and environmental outcomes, **by FY 2026**



Making **5% of its retail Two-Wheeler loan portfolio** as electric by **FY 2024**



Incremental disbursement of **Rs. 10,000 crores by FY 2024 under Asha Home Loans** for affordable housing; increasing share of women borrowers from **13.9% to 16.9%**



**Scaling down exposure to carbon-intensive sectors**



Reaching **30% female representation** in its workforce by **FY 2027**



**Planting 2 million trees by FY 2027** across India towards contributing to creating a carbon sink

## *Our Progress in FY 2022*

- Achieved incremental exposure of ₹10,414 Cr as of March 2022 (from Aug 2021)

- EV penetration of **0.82%** of the overall two-wheeler business achieved, as of March 2022

- Achieved disbursement of **₹4,710 Cr** as of March 2022
- Share of women borrowers increased to **~15.9%** as of March 2022

- Committed to phasing down wholesale book exposure (in %) in four sectors – Coal (mining, logistics and trade), thermal power, shipping, and aviation

- Female representation at **24.6%** as of March 2022

- Site preparation completed at 5 locations in FY 2022

## *Our Progress in FY 2023 (As of Mar 2023)*

- Achieved cumulative incremental exposure of **~₹20,400 Cr** as of March 2023 (Target: **₹15,000 Cr** by March 2023)

- EV penetration of **2.52%** of the overall two-wheeler business achieved, as of March 2023 (Target: 2.5% penetration by March 2023)

- Achieved cumulative disbursement of **₹7,970 Cr** as of March 2023 (Target: **~₹7,900 Cr** by March 2023)
- Share of women borrowers at over **~18.4%**

- Glide path till 2030 approved by the ESG Committee and being tracked.

- Female representation at **25.7%** (Target of **24.8%** as of March 2023)

- ~0.83 million saplings** planted as of March 2023

# Striving for Operational Excellence



## Committed to reducing our operational carbon footprint

The Bank's 3 largest offices, in Mumbai and Bangalore are running on **100%** renewable power

**7.05 MW** functional captive solar power capacity at close to 250 locations\*, helping avoid **approximately 3,066 tCO<sub>2</sub>e** annually

Centralized Energy Management System (CEMS) at 600 branches, saving **~3,242 tonnes** of CO<sub>2</sub> emissions

On-grid inverter solutions at **200+ rural branches** to move away from DG sets

Providing **EV Charging** infrastructure at Head offices in Mumbai and at Noida

**~ 12,152 Metric tons** of GHG emissions avoided from diverse energy saving initiatives

'Branch of the Future' initiative by Digital Banking helping each branch save estimated **~ 2 million** sheets of paper annually



# Sparsh, our customer obsession program, is making an impact on our customer experience scores



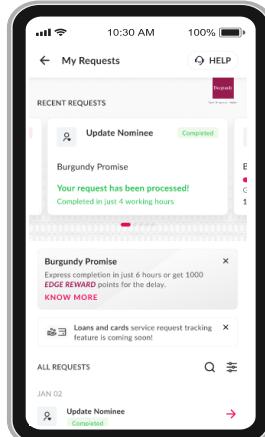
Sparsh now embedded across 100% of Bank branches and critical touch-points of the Bank

## 1. Getting *more customers as promoters*

NPS movement over indexed baseline

	Baseline <sup>1</sup>	Jun '23	Movement
Retail Bank	100	130	+30
Wholesale Bank	100	*133	+33

## 2. Delivering *Axis Promise* to customers: Industry First “My Request” page LIVE on Mobile App/Net Banking



- LIVE: Burgundy customers' 6-hour promise on select requests on MB
- LIVE: Status of Retail Liabilities & Credit Card requests for all customers
- Commitment on turnaround time & LIVE current status
- Omnichannel – Requests raised from any channel in single view
- Scenario based personalized messages

Unique to Industry commitment by setting up an exclusive executive board for customer obsession - **Sparsh Board**

Owning the Bank-wide Sparsh agenda:



### Sparsh Metrics

Embed and track core sparsh metrics across the Bank



### Voice of Customer (VOC)

Actively listening to VOC through NPS & complaints and picking areas of improvement / strength



### Sparsh Rituals and Behaviors

Institutionalizing STAR behaviors and recognizing Sparsh Champions

1.Baseline as Q1 of FY 23

\*Wholesale FY23 exit numbers, as NPS assessment done annually

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment Performance

Asset Quality

Sustainability

Subsidiaries' Performance

Other Important Information

# Significant value creation happening in our key group entities



Detailed One Axis presentation [Link](#)

## Asset Management

## Invst Banking & Inst Equities

## Consumer focused NBFC

## Retail Brokerage

## Trustee

## Fintech platform

## TReDS platform

## Insurance



One of the fastest growing MF player

75%<sup>1</sup> (JV Schroders Plc)



Leadership position in ECM deals segment

100%



AAA rated NBFC with diversified product offerings

100%



3rd largest bank led brokerage firm

100%



Amongst the leading trustees in India

100%



One of the major fintech players in India

100%



Leading player on TReDs platform

67%



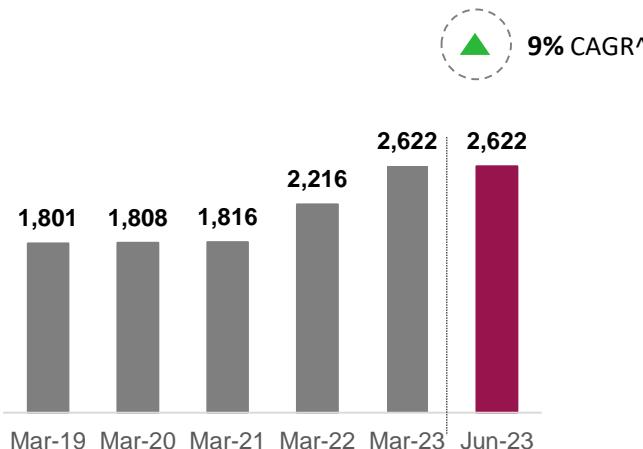
4th largest private insurance company <sup>®</sup>

12.99%<sup>2</sup> (Co-promoter), Accounting Associate

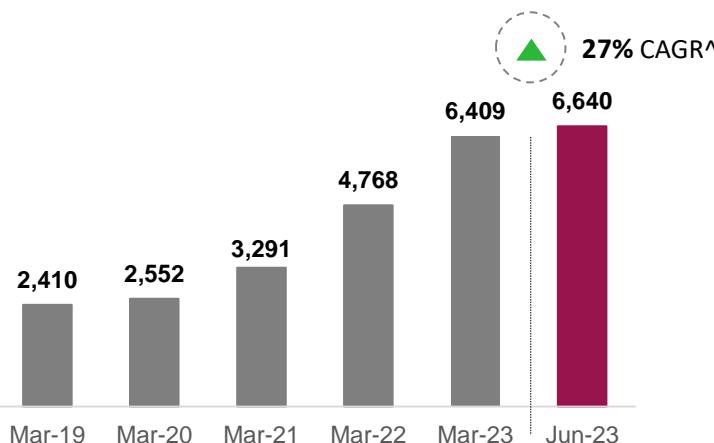


47%<sup>3</sup>

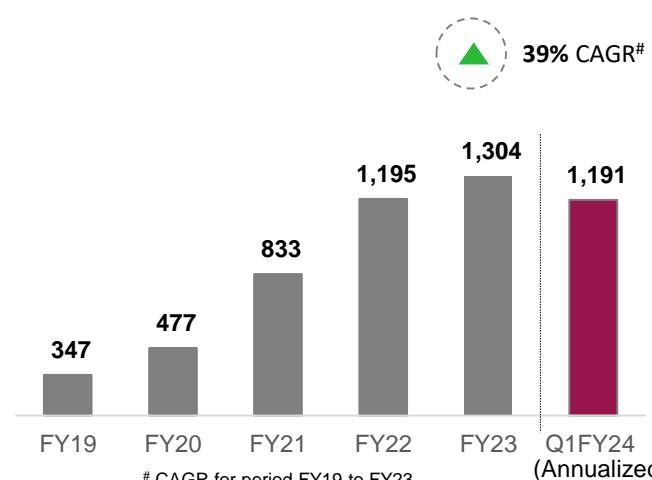
## Total investments\* made



## Combined networth\* of operating subs



## Combined PAT\* of operating subs



1) 25% is held by Schroders Plc

2) Including stakes owned by Axis Capital and Axis Securities; Also, there is further Option to take overall stake to 19.99%

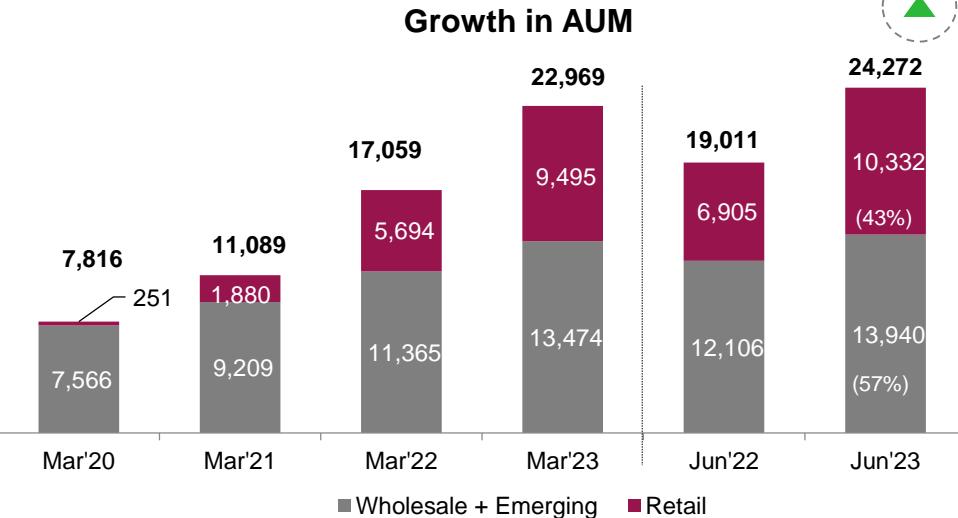
3) 47% effective stake held by Axis Group in step down subsidiary (51% stake held by Axis Mutual Fund & 9% stake held by Axis Bank)

<sup>^</sup> CAGR for Mar-19 to Jun-23 period @ Based on New Business Premium

\* The figures represented above are for the Bank's domestic group entities as per Indian GAAP, as used for consolidated financial statements of the Group

# CAGR for period FY19 to FY23

# Axis Finance : PAT up 29% YOY, Retail book up 50% YOY

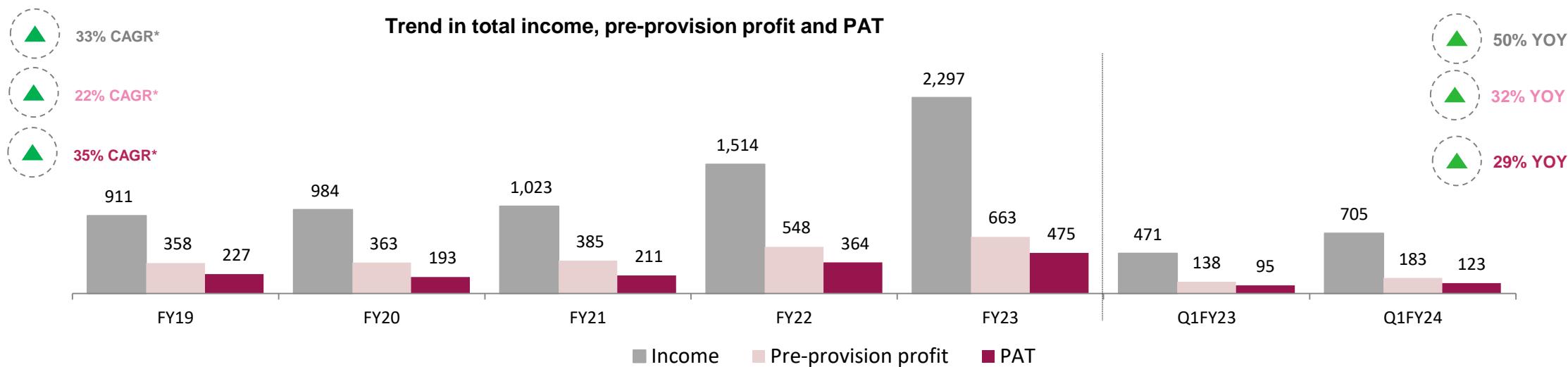


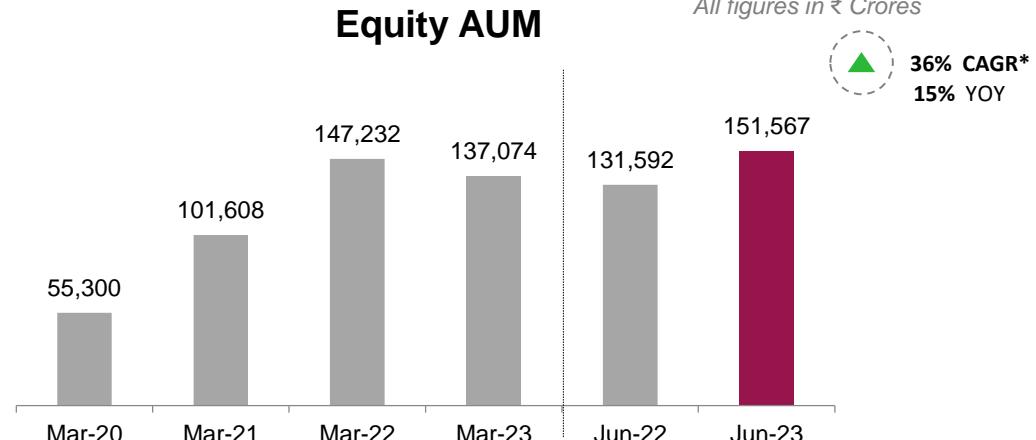
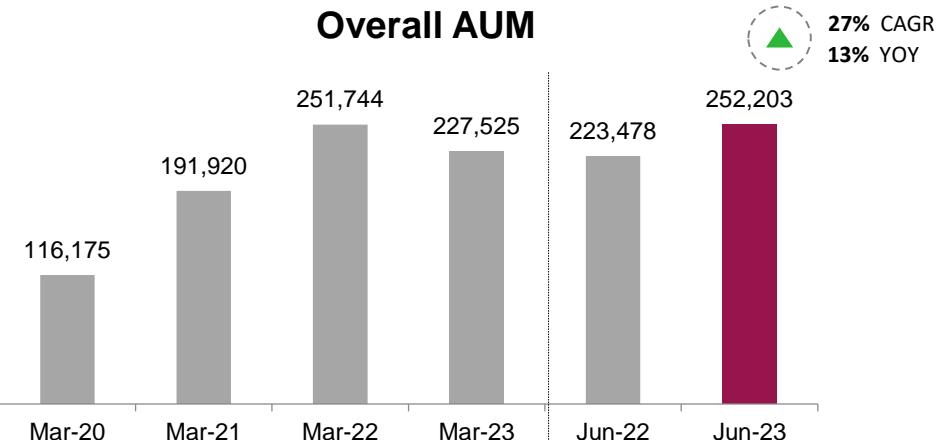
\*\* CAGR for period Mar'20 to Jun'23

42% CAGR\*\*  
28% YOY

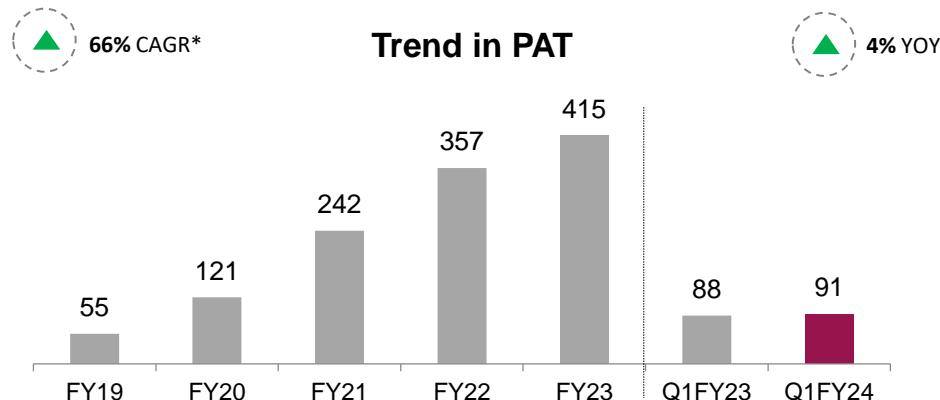
### Major Highlights

- 50% YOY growth in Retail book, retail mix up ~625 bps YOY to 43%
- 15.2% YOY growth in Wholesale loan book
- 15.1% ROE for Q1FY24
- 18.6% Capital adequacy ratio
- 0.38% Net NPA with near zero restructuring





\* CAGR for period Mar-20 to Jun-23



\* CAGR for period FY19 to FY23

### Major Highlights

- **6%** AUM market share as of Jun'23
- **63%** of overall AUM consists of Equity & Hybrid funds
- **Highest rated** customer app (AppStore **4.6** & PlayStore **4.5**) in AMCs
- **12.6 mn** client folios as at of Jun'23

Scheme AUM (Amt in cr): Liquid/Money Market: 40273.72, Gilt: 214.46, Income/Debt: 42574.07, Equity including ELSS: 149753.33, Hybrid: 8291.77, Solution: 1813.33, Index: 4188.12, ETF: 2845.39, FOF: 2248.78.

AUM by geography (%) [Cities]: Top 5: 56.74%, Next 10: 14.74%, Next 20: 6.30%, Next 75: 7.62%, Others: 14.59%

# Axis Capital : Strong positioning in Equity Capital Markets



## Q1FY24 Ranking\* (includes IPO, FPO, QIP, REIT, OFS & Rights)

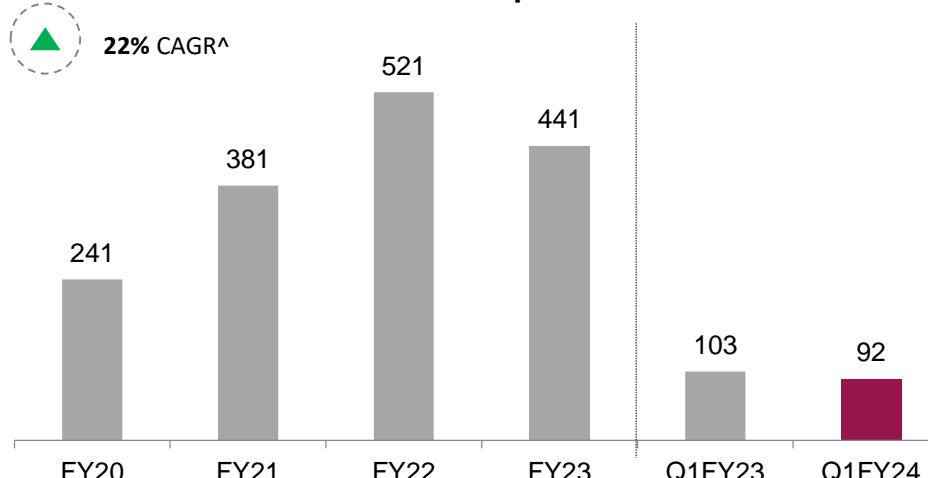
Rank	Banker	No of Deals*
1	Peer 1	9
2	<b>Axis Capital</b>	7
3	Peer 2	4
3	Peer 3	4
3	Peer 4	4

## Major Highlights

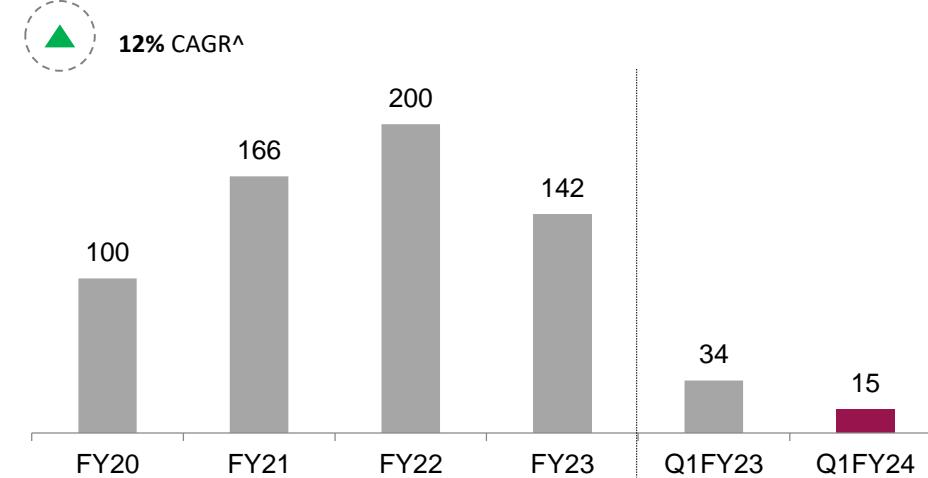
- **14** IB deals closed in Q1FY24 that include **11** ECM and **3** M&A deals
- **2<sup>nd</sup> rank** in ECM deals
- **19%** YOY growth in Axis Capital's revenue from Institutional Equity business
- **₹92 crores** – Revenue from operations in Q1FY24

All figures in ₹ Crores

### Revenue from Operations



### Profit After Tax



\*Source: Primedatabase; Updated till 30<sup>th</sup> June, 2023;

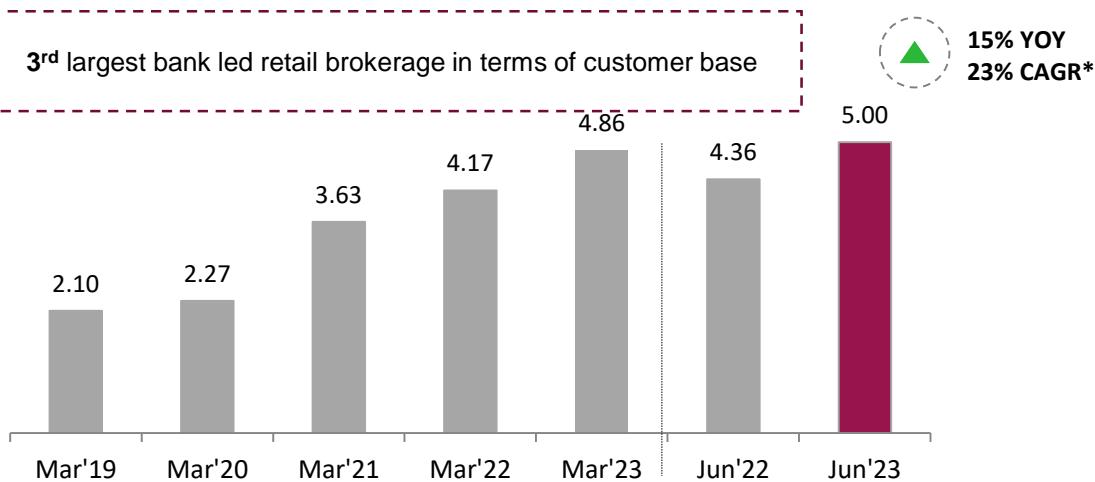
Includes all Equity IPOs, FPOs, QIPs, OFS, REIT, InvIT, Rights Transactions

^ CAGR for period FY20 to FY23

# Axis Securities : PAT up 14% YOY



## Total customer base (in mn)

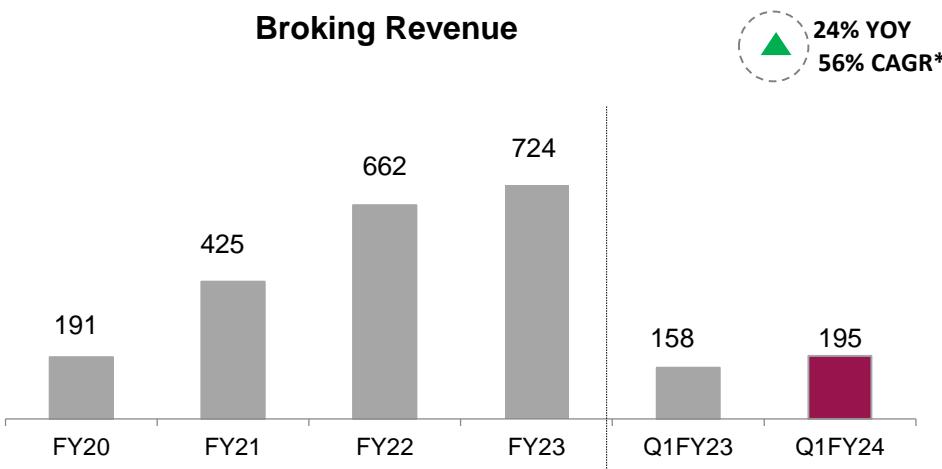


## Major Highlights

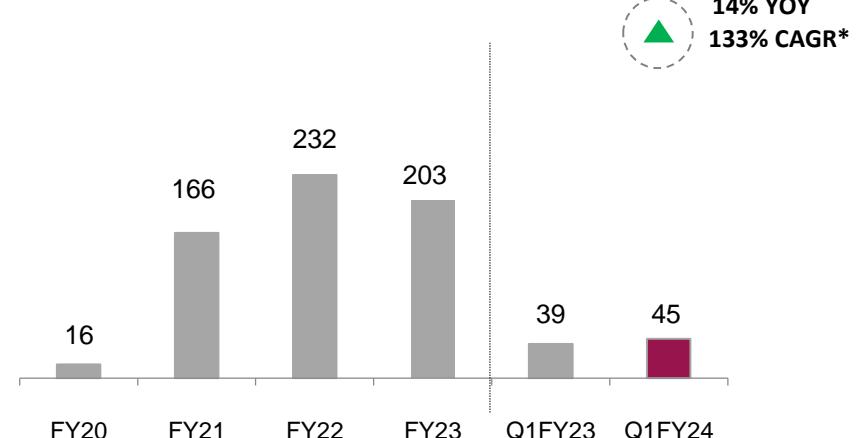
- 15% YOY growth in customer base in Q1FY24
- 57% of the volumes in Q1FY24 was from Mobile trading
- 54% of clients traded through Axis Direct Mobile App in Q1FY24
- ₹ 195 crores - broking revenues in Q1FY24, up 24% YOY

All figures in ₹ Crores

## Broking Revenue



## Profit After Tax



## A.TREDS: Invoicemart setting a new benchmark in TReDS



- » A.TREDS is the largest TReDS entity which operates on a perpetual license, allowed by RBI to set up the Trade Receivables Discounting System (TReDS), an electronic platform for facilitating cash flows for MSMEs
- » The TReDS platform connects MSME sellers and their corporate buyers to multiple financiers. It enables discounting of invoices of the MSME sellers raised on large buyers, through a transparent bidding mechanism that ensures financing of receivables at competitive market rates.
- » Our digital invoice discounting platform '**Invoicemart**' has set a new benchmark by facilitating financing of MSME invoices of more than **₹ 64,500 crs+**. Crossed a monthly figure of **₹ 3,200+ crs** in June 2023.
- » Invoicemart has helped in price discovery for MSMEs across **870+** locations in India who are now able to get their bills discounted from **58** financiers (banks, NBFC factors and NBFCs)



### Progress so far (Jul'17 to Jun' 23)



Throughput  
~ ₹ 64,500 Cr



Invoices Discounted (in No's)  
~ 18.3 Lakh



Participants on-board  
~ 22,490

# Freecharge: Building capabilities in four key areas – Consumer Lending, Merchant Business, Payments for Lending, and Payment Gateway



## Consumer Lending

### Personal Loans

- End to end revamped PL digital journey based on open API framework with instant disbursal
- Lending tech stack created in-house (LOS, rule engine, fraud engine) for seamless lender integration
- Account Aggregator integration for income estimation

### Credit Cards

- Axis Bank Rupay Credit Card for 'Credit on UPI' in advance stages of launch on Freecharge app



## Merchant Business

- **1.9X** growth in number of QR acquisitions in Q1 FY24 from Q4 FY23
- **15%** growth in number of merchant transactions from Q4 FY23 to Q1 FY24
- **In-house collection team** set up for supporting loan scale up
- **Rolled out DMS app** for fleet management and improved on boarding experience to target lendable merchants



## Consumer Payments

- **2.2X growth** in UPI GMV in Q1 FY24 vs. Q1 FY23; P2M transactions highest contributor in this growth
- **30%** growth in UPI GMV in Q1 FY24 vs. Q4 FY23
- **Increased GMV per user by 39% despite reducing cashback per user more than 50%** - growth driven by high value payments categories



## Payment Gateway

- **15% increase** in number of transactions and **same GMV levels** as compared to Q4 despite PA Embargo on 10<sup>th</sup> Feb'23
- FC PG performance at par with the peers; Continuously adding to feature suite



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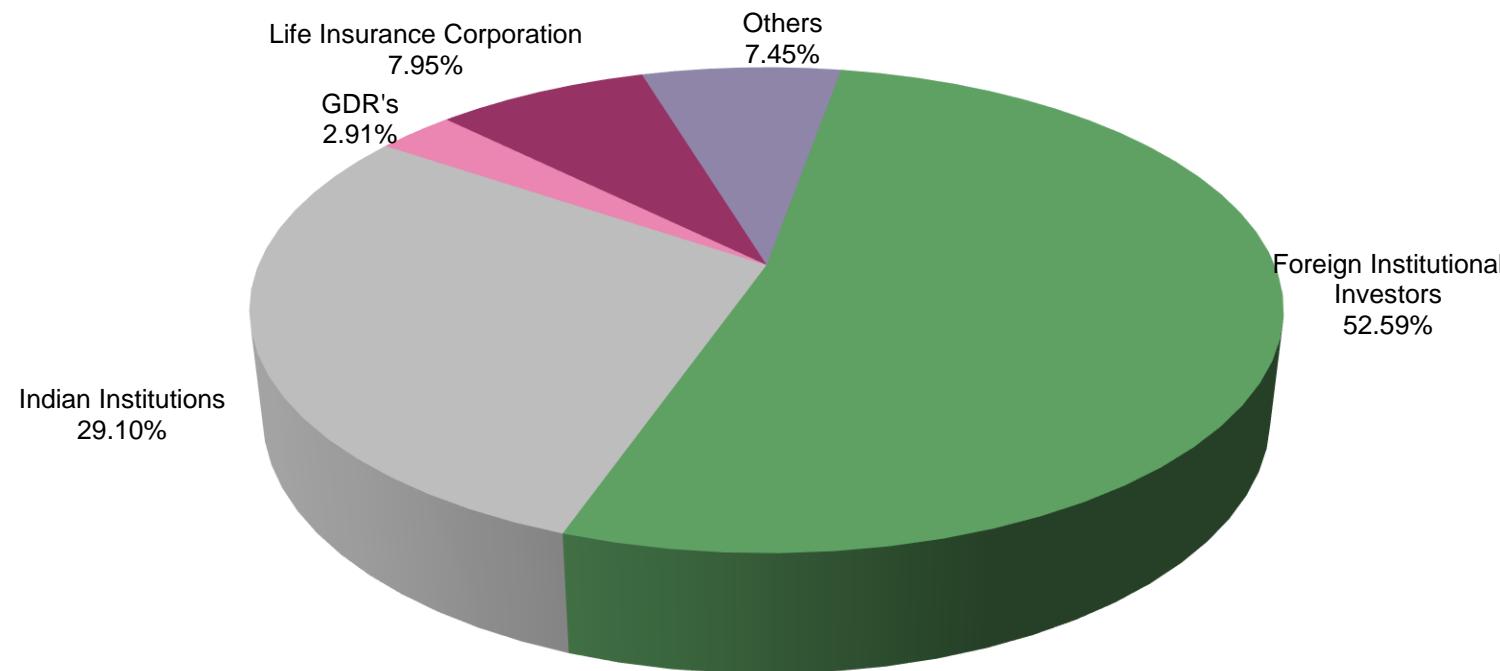
Subsidiaries' Performance

Other Important Information

# Our winning mindset is reflected in multiple awards and recognitions...



# Shareholding Pattern (as on June 30, 2023)



- Share Capital ₹616 crores
- Shareholders' Funds ₹130,950 crores
- Book Value Per Share ₹425
- Diluted EPS (Q1 FY24) # ₹75.40
- Market Capitalization ₹296,463 crores (as on July 25<sup>th</sup>, 2023)

# annualized

# Financial Performance



Financial Performance (₹ crores)		Q1FY24	Q1FY23	% Growth
Interest Income	A	25,557	18,729	36%
Other Income	B = C+D+E	5,087	2,928	74%
- Fee Income	C	4,488	3,506	28%
- Trading Income	D	519	(667)	-
- Miscellaneous Income	E	80	90	(11%)
<b>Total Income</b>	<b>F = A+B</b>	<b>30,644</b>	<b>21,657</b>	<b>41%</b>
Interest Expended	G	13,598	9,345	46%
<b>Net Interest Income</b>	<b>H = A-G</b>	<b>11,959</b>	<b>9,384</b>	<b>27%</b>
<b>Operating Revenue</b>	<b>I = B+H</b>	<b>17,046</b>	<b>12,312</b>	<b>38%</b>
Core Operating Revenue*	J	16,527	12,980	27%
Operating Expenses	K	8,232	6,425	28%
-Staff Expense	L	2,688	2,186	23%
-Non Staff Expense	M	5,544	4,239	31%
<b>Operating Profit</b>	<b>N = I-K</b>	<b>8,814</b>	<b>5,887</b>	<b>50%</b>
<b>Core Operating Profit*</b>	<b>O</b>	<b>8,295</b>	<b>6,554</b>	<b>27%</b>
Provisions other than taxes	P	1,035	359	188%
Profit Before Tax	Q = N-P	7,779	5,528	41%
Tax Expenses	R	1,982	1,403	41%
<b>Net Profit</b>	<b>S = Q-R</b>	<b>5,797</b>	<b>4,125</b>	<b>41%</b>
EPS Diluted (in ₹) (annualized)		75.40	53.76	
Return on Average Assets (annualized)		1.80%	1.44%	
Return on Equity (annualized)		19.17%	15.07%	
Capital Adequacy Ratio (Basel III) (incl. profit)		17.74%	17.83%	

\* excluding trading profit and exchange gain/loss on capital repatriated from overseas branch

# Financial Performance



<b>Financial Performance (\$ mn)</b>		<b>Q1FY24</b>	<b>Q1FY23</b>	<b>% Growth</b>
Interest Income	A	3,115	2,283	36%
Other Income	B = C+D+E	620	357	74%
- Fee Income	C	547	427	28%
- Trading Income	D	63	(81)	-
- Miscellaneous Income	E	10	11	(11%)
<b>Total Income</b>	<b>F = A+B</b>	<b>3,735</b>	<b>2,640</b>	<b>41%</b>
Interest Expended	G	1,657	1,139	46%
<b>Net Interest Income</b>	<b>H = A-G</b>	<b>1,458</b>	<b>1,144</b>	<b>27%</b>
<b>Operating Revenue</b>	<b>I = B+H</b>	<b>2,078</b>	<b>1,501</b>	<b>38%</b>
Core Operating Revenue*	J	2,014	1,582	27%
Operating Expenses	K	1,003	783	28%
-Staff Expense	L	328	266	23%
-Non Staff Expense	M	676	517	31%
<b>Operating Profit</b>	<b>N = I-K</b>	<b>1,074</b>	<b>718</b>	<b>50%</b>
<b>Core Operating Profit*</b>	<b>O</b>	<b>1,011</b>	<b>799</b>	<b>27%</b>
Provisions other than taxes	P	126	44	188%
Profit Before Tax	Q = N-P	948	674	41%
Tax Expenses	R	242	171	41%
<b>Net Profit</b>	<b>S = Q-R</b>	<b>707</b>	<b>503</b>	<b>41%</b>
EPS Diluted (in ₹) (annualized)		75.40	53.76	
Return on Average Assets (annualized)		1.80%	1.44%	
Return on Equity (annualized)		19.17%	15.07%	
Capital Adequacy Ratio (Basel III) (incl. profit)		17.74%	17.83%	

\$ figures converted using exchange rate of 1\$ = ₹82.0425

\* excluding trading profit and exchange gain/loss on capital repatriated from overseas branch

# Balance Sheet

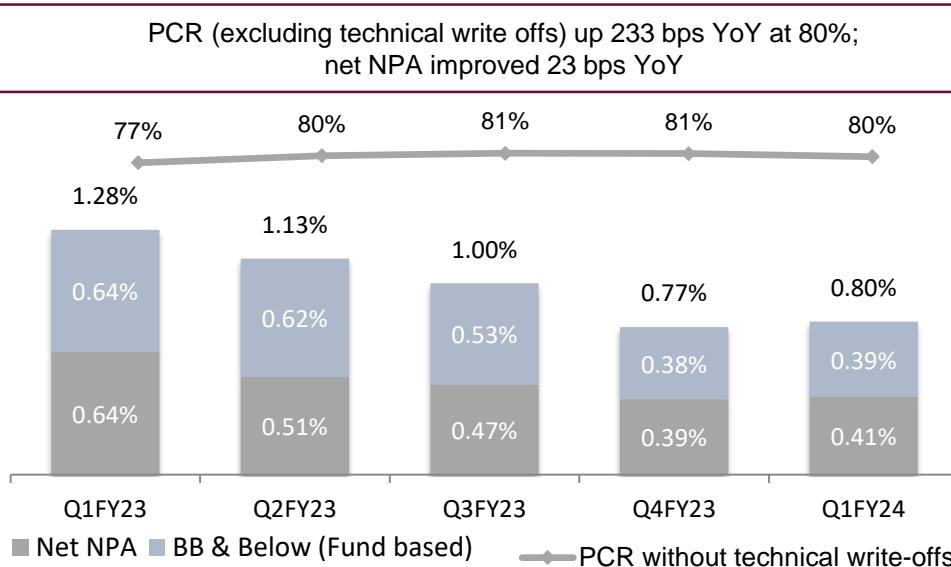


Balance Sheet	As on 30 <sup>th</sup> Jun'23	As on 30 <sup>th</sup> Jun'22		As on 30 <sup>th</sup> Jun'23	As on 30 <sup>th</sup> Jun'22	% Growth
<b>CAPITAL AND LIABILITIES</b>	In ₹ Crores	In ₹ Crores		in \$ Mn	in \$ Mn	
Capital	616	614		75	75	0.3%
Reserves & Surplus	1,30,334	1,18,764		15,886	14,476	10%
ESOP Outstanding	543	230		66	28	136%
Deposits	9,41,690	8,03,736		1,14,781	97,966	17%
Borrowings	1,72,176	1,70,605		20,986	20,795	1%
Other Liabilities and Provisions	57,480	58,796		7,006	7,166	(2%)
<b>Total</b>	<b>13,02,839</b>	<b>11,52,745</b>		<b>1,58,800</b>	<b>1,40,506</b>	<b>13%</b>
<b>ASSETS</b>						
Cash and Balances with RBI / Banks and Call money	83,561	65,067		10,185	7,931	28%
Investments	2,85,397	2,97,765		34,786	36,294	(4%)
Advances	8,58,511	7,01,295		1,04,642	85,480	22%
Fixed Assets	5,067	4,655		618	567	9%
Other Assets	70,303	83,963		8,569	10,234	(16%)
<b>Total</b>	<b>13,02,839</b>	<b>11,52,745</b>		<b>1,58,800</b>	<b>1,40,506</b>	<b>13%</b>

\$ figures converted using exchange rate of 1\$ = ₹82.0425

# Limited restructuring, largely secured and well provided; Declining BB & Below Book

## Bank's Net NPA\* and Fund based BB and Below\* portfolio



## BB & below book

BB & Below Outstanding	Q4 FY23	Q1 FY24
Fund based (FB)	3,478	3,645
Non fund based	1,371	1,385
Investments	673	787

The outstanding amount in 'BB and Below' portfolio incorporates cumulative impact of rating Upgrades / Downgrades and Slippages from the pool

\*As % of customer assets, as applicable

## Update on restructured book

Outstanding Covid (1+2) restructuring as on 30.06.2023	Implemented
<b>Bank</b>	<b>1,907</b>
Retail	1,677
Wholesale	230
CBG	-
<b>Bank as a % of GCA</b>	<b>0.21%</b>
Retail as a % of segment GCA	0.33%
Wholesale as a % of segment GCA	0.08%
CBG as a % of segment GCA	-

- Provision on restructured book Rs. 554 crs, coverage ~ 21%
- ~97% of Retail Covid (1+2) is secured, unsecured 100% provided
- Linked but not restructured NFB Rs.919 crores
- MSME (1+2) restructured book Rs. 375 crs, 0.04% of GCA, provision held Rs. 109 crs
- Linked non-restructured book Rs. 135 crores, provision held Rs. 46 crs

## Key comments on BB and Below book

- Rs, 282 crs of increase(net) is due to upgrades from past NPA
- Rs. 75 crs downgraded to BB & below during the quarter, down 34% YOY
- Rs. 60 crs slippages (FB + Investments) to NPA
- Average ticket size ~ Rs. 35 crs
- ~ 14% of BB & Below book rated better by at least one rating agency
- Top 4 sectors comprising Power Generation & Distribution, Infra Construction, Hotels, and Engineering & Electronics account for 65% of FB book

Except for the historical information contained herein, statements in this release which contain words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "strategy", "philosophy", "project", "should", "will pursue" and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion, the adequacy of our allowance for credit losses, our provisioning policies, technological changes, investment income, cash flow projections, our exposure to market risks as well as other risks. Axis Bank Limited undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

# Thank You