

AXIS/CO/CS/253/2023-24

August 9, 2023

Listing & Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, "G" Block
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051

NSE Symbol: AXISBANK

Listing Department
BSE Limited
1st Floor
P. J. Towers,
Dalal Street
Fort, Mumbai – 400 001

BSE Scrip Code: 532215

Dear Sir(s),

Sub: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is with reference to our earlier letters dated April 28, 2020, July 23, 2020, August 24, 2020, October 30, 2020, February 24, 2021, April 6, 2021 and January 10, 2023, informing that Axis Bank Limited ("Axis Bank") and its subsidiaries, i.e., Axis Securities Limited and Axis Capital Limited (together referred to as "Axis Entities") have entered into agreements (including amendments thereto) with Max Financial Services Limited ("Max Financial"), with regard to acquisition of equity stake of Max Life Insurance Company Limited ("Max Life") and matters incidental thereto.

In this regard, we would now like to inform you that the Acquisitions, Divestments and Merger Committee of the Board of Directors of the Bank at their meeting held on August 9, 2023 has approved the proposal for the Axis Bank to infuse Rs. 1,612 crores in Max Life through preferential allotment, resulting in Axis Bank's direct stake in Max Life increasing to 16.22% and the collective stake of Axis Entities increasing to 19.02%.

As communicated vide our letter dated January 10, 2023, the aforesaid acquisition would be done at Fair Market Value using Discounted Cash Flow method. The Bank will now enter into a Share Subscription Agreement with Max Life for proposed acquisition through subscription to the Preferential Issue of 14,25,79,161 fully paid-up equity shares of face value of Rs. 10 each, at a fair market value of Rs. 113.06 per share (arrived at as per extant regulations and including a share premium of Rs. 103.06 per equity share).

The transaction is subject to regulatory approvals, including IRDAI, PFRDA, CCI and any other requisite approval. The Bank has requisite approval from the Reserve Bank of India for the proposed acquisition.

A detailed disclosure as required under SEBI Circular dated July 13, 2023, is attached as Annexure A.

The meeting commenced at 5.15 P.M. and concluded at 5.35 P.M.

This is for your information and records.

Thanking you,

Yours Sincerely,
For **Axis Bank Limited**

Sandeep Poddar
Company Secretary

CC: London Stock Exchange
Singapore Stock Exchange

Annexure A

Sr. No	Particulars	Details												
1	Name of the target entity, details in brief such as size, turnover etc.	Max Life Insurance Company Limited (a material subsidiary of Max Financial Services Limited) Gross Written Premium: FY23: Rs. 25,342 crore.												
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length".	i) The acquisition would fall within the related party transactions. The acquisition will increase total holding of the Bank (along with its subsidiaries e.g. Axis Securities Ltd. and Axis Capital Ltd.) in Max Life from 12.99% to 19.02%. ii) The value of the transaction is at arm's length arrived at as per extant regulations. iii) None of the promoter or promoter group of the Bank has any interest in Max Life.												
3	Industry to which the entity being acquired belongs.	Life Insurance												
4	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity if its business is outside the main line of business of the listed entity).	This acquisition would strengthen the Bank's position in Life Insurance business. In the quarter in which the transaction is consummated, post receipt of all applicable approvals, the said investment shall result a CET-1 capital consumption for the Bank. Further, subject to no exemption or revision to the extant accounting framework for such investments, the Bank will need to record an accounting MTM loss equal to (i) the difference in the invested value per share less breakup value per share value multiplied by (ii) number of shares being purchased. This will impact the reported PAT and return ratios of the Bank in the said quarter. It is clarified that this MTM loss is only reflecting accounting compliance and the economic value of the investment being made is not impaired in any manner whatsoever.												
5	Brief details of any governmental or regulatory approvals required for the acquisition.	The aforesaid proposal is subject to receipt of regulatory approvals including IRDAI, PFRDA, CCI, requisite corporate and other regulatory approvals, as applicable.												
6	Indicative time period for completion of the acquisition.	4-6 Months												
7	Consideration - whether cash consideration or share swap or any other form and details of the same.	Cash Consideration												
8	Cost of acquisition and/or the price at which the shares are acquired. Percentage of shareholding / control acquired and / or number of shares acquired.	This acquisition would be through subscription to the Preferential Issue of 14,25,79,161 fully paid-up equity shares of face value of Rs. 10 each, at a fair market value of Rs. 113.06 per share (arrived at as per extant regulations and including a share premium of Rs. 103.06 per equity share). <table border="1"> <thead> <tr> <th colspan="2">Pre Acquisition</th> <th colspan="2">Post Acquisition</th> </tr> <tr> <th>No. of Shares</th> <th>%</th> <th>No. of Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>19,18,81,285</td> <td>9.99</td> <td>33,44,60,446</td> <td>16.22</td> </tr> </tbody> </table>	Pre Acquisition		Post Acquisition		No. of Shares	%	No. of Shares	%	19,18,81,285	9.99	33,44,60,446	16.22
Pre Acquisition		Post Acquisition												
No. of Shares	%	No. of Shares	%											
19,18,81,285	9.99	33,44,60,446	16.22											
9	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).	Line of Business: Life Insurance Date of Incorporation: July 11, 2000 Gross Written Premium: FY23: Rs. 25,342 crore FY22: Rs. 22,414 crore												

		FY21: Rs. 19,018 crore. Country of operation: India
10	Other Information.	<p>Max Financial and Axis Bank have agreed, inter-alia, as follows:</p> <p>(i) 5 nominee directors of Axis Entities and 3 nominee directors of Max Financial on the Board of Max Life;</p> <p>(ii) Quorum rights for Axis Entities with participation of 2 directors nominated by the Axis Entities and 1 director nominated by Max Financial to form the quorum for board/committee meetings of Max Life;</p> <p>(iii) Affirmative voting items (AVIs) for Axis Entities and MFSL. In relation to MFSL AVIs, with MFSL has the right to conduct discussions with the Company and Axis Bank on any MFSL AVI matter on which it disagrees. In case of continued disagreement after two rounds of discussions, Axis will have the right to proceed with the matter;</p> <p>(iv) Axis Entities would have the right to appoint the Chairman; and</p> <p>(vi) The Axis Entities would have the right to purchase equity shares of Max Life equivalent to 0.98% of the equity share capital of Max Life within the timeframe which was earlier agreed between the parties.</p>