

Stronger, Consistent and Sustainable Growth

Debt Investor Presentation

JUNE 2024

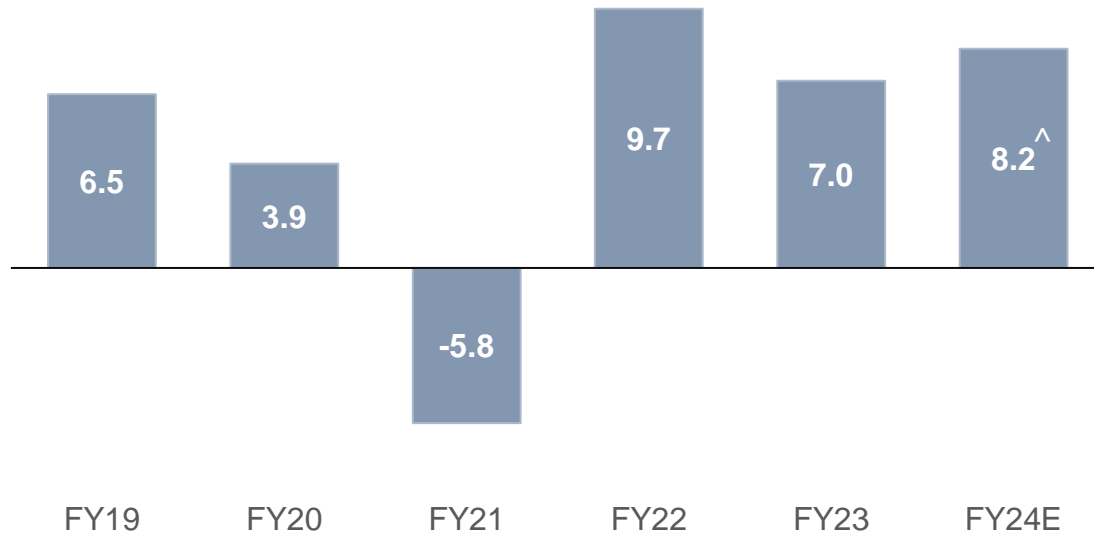


**India remains the fastest growing large economy,
expect strong momentum to continue**

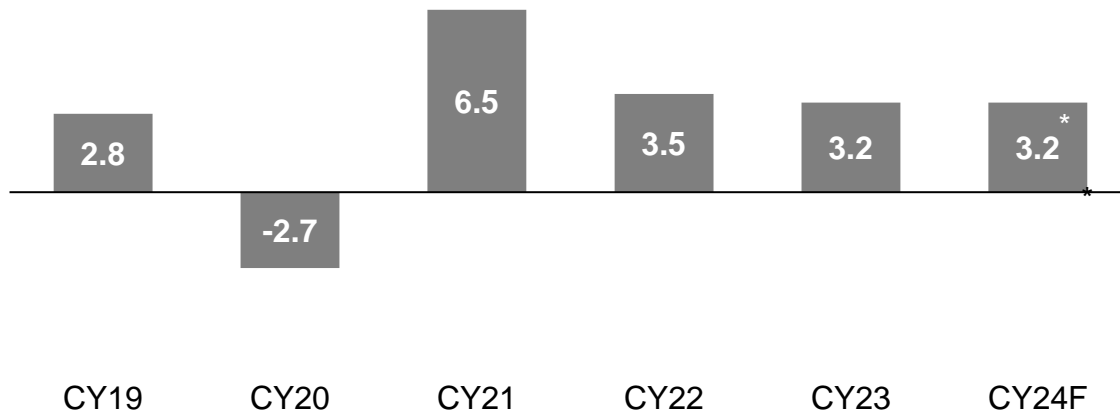
India remains the fastest growing large economy, expect strong momentum to continue



India GDP growth continues to be strong



Global growth has normalized



- Strong upgrades to India GDP growth forecasts, with growth estimates of **over 7%** augers well for financials
- By 2027, India's Affluent population¹ (with annual income of over \$10K) is likely to grow to **100 million**
- By 2030, India's GDP² is forecasted to be **third largest**, surpassing that of Japan and Germany
- By 2047, India's GDP² is likely to be **\$26 trillion** (in market exchange rate terms)
- By 2048, per capita income of India is likely to grow 6 times to reach **\$15,000** from current levels of ~\$2,450

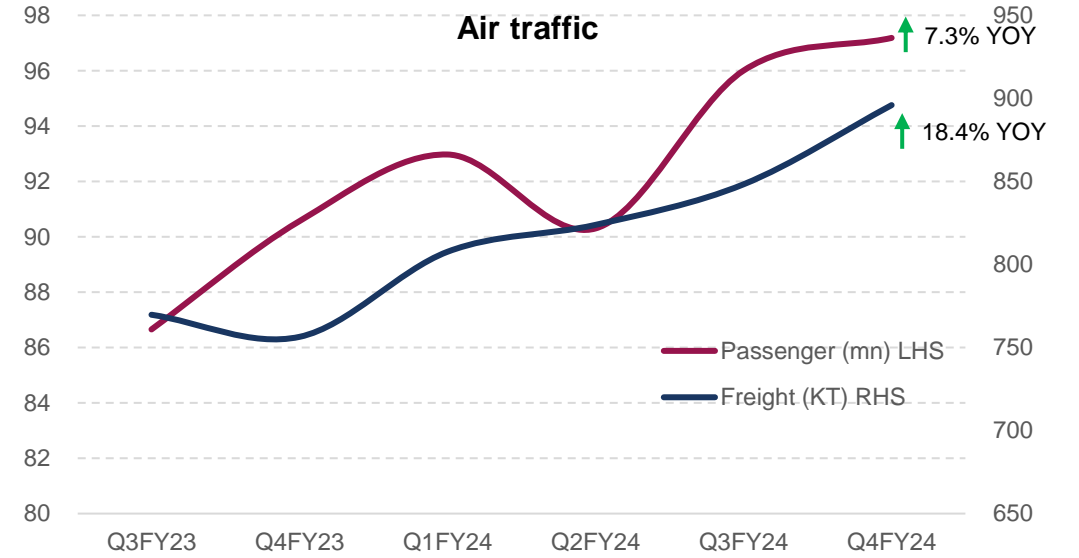
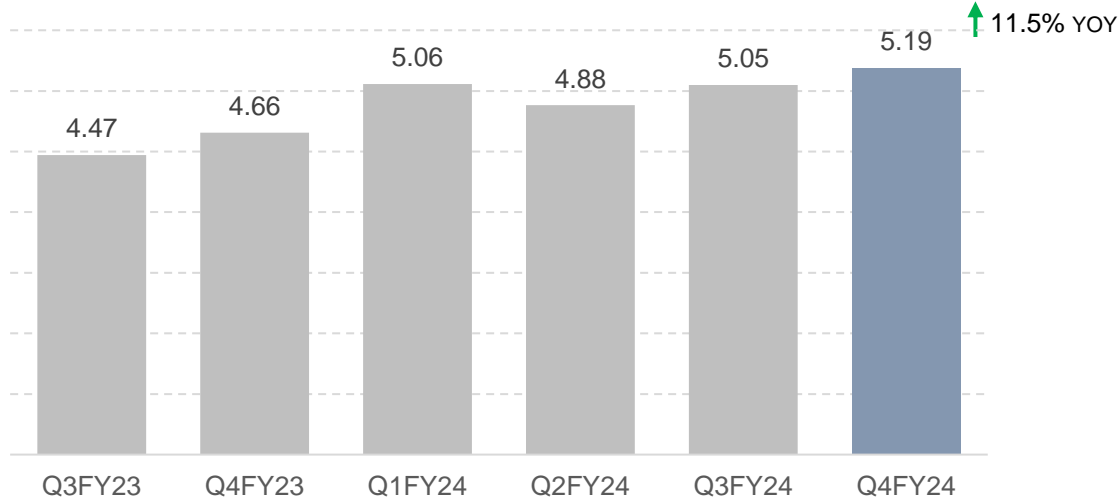
Source: *IMF Estimate ^ MoSPI data

Source: 1) Goldman Sachs 2). EY report titled India@100: Realizing the potential of a US\$26 trillion economy

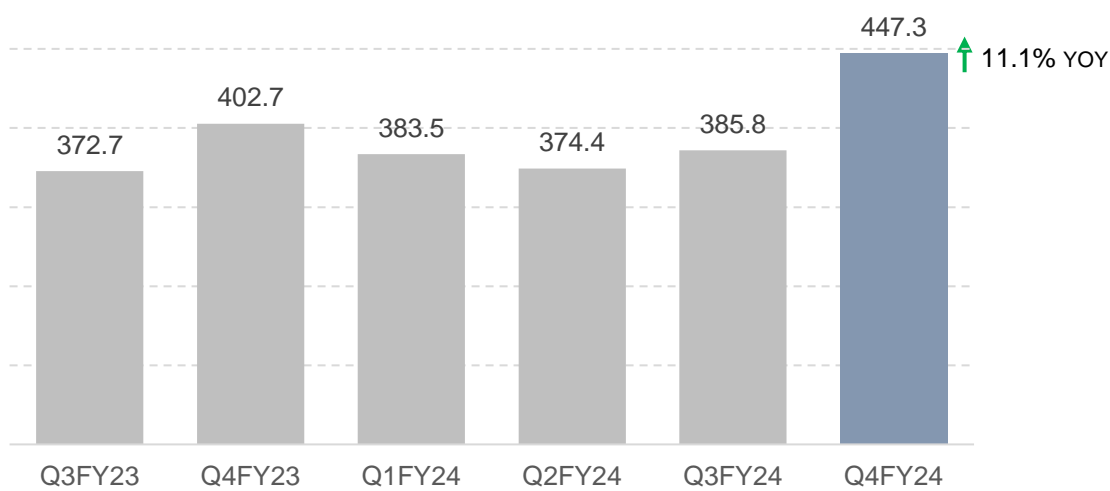
High frequency indicators continue to show expansion



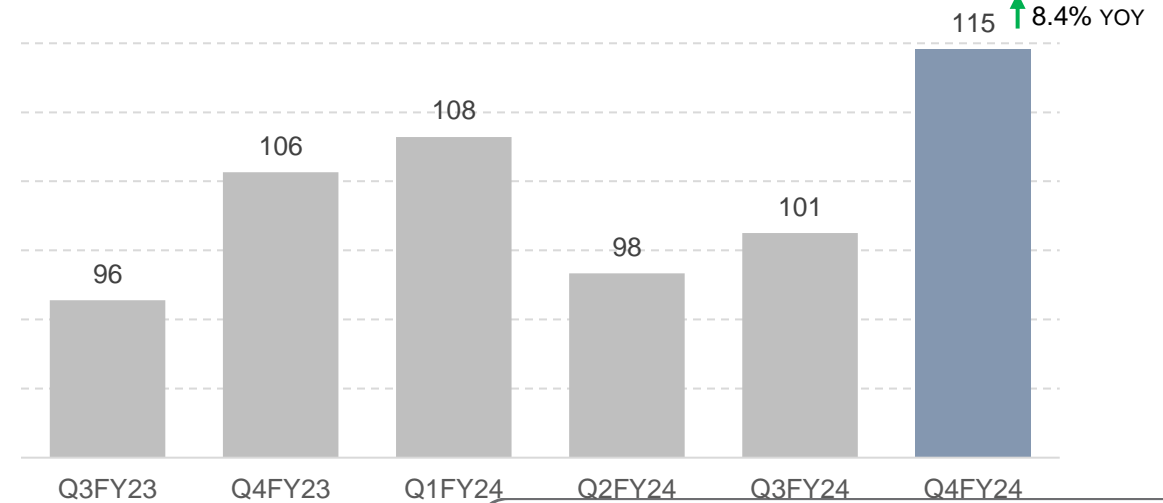
GST collections (in Rs Trillion)



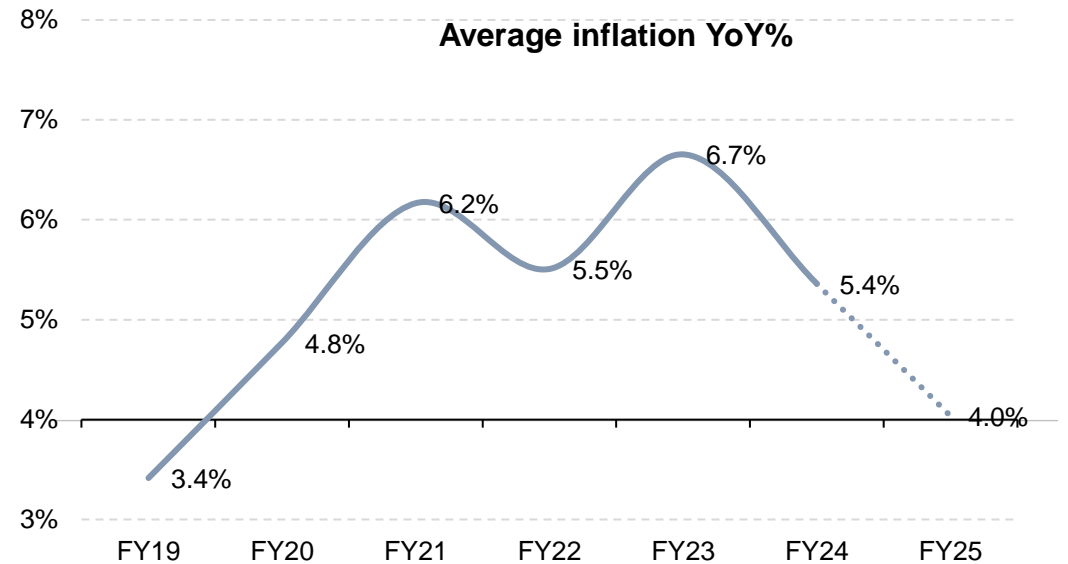
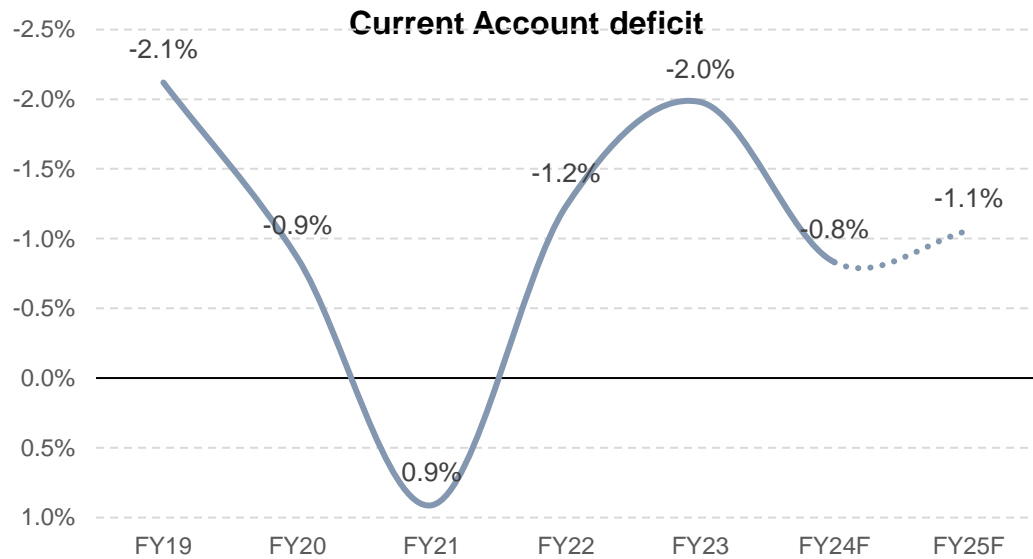
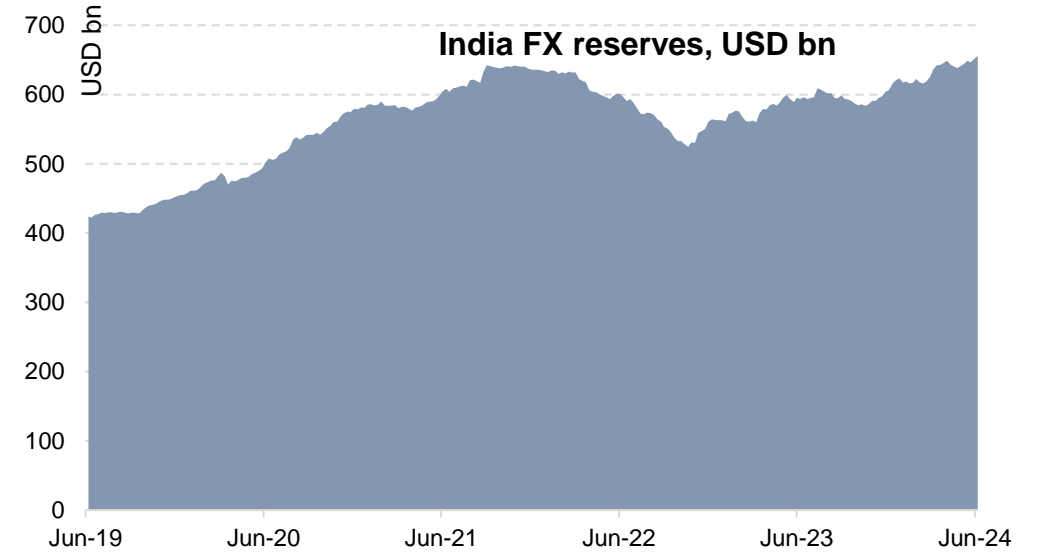
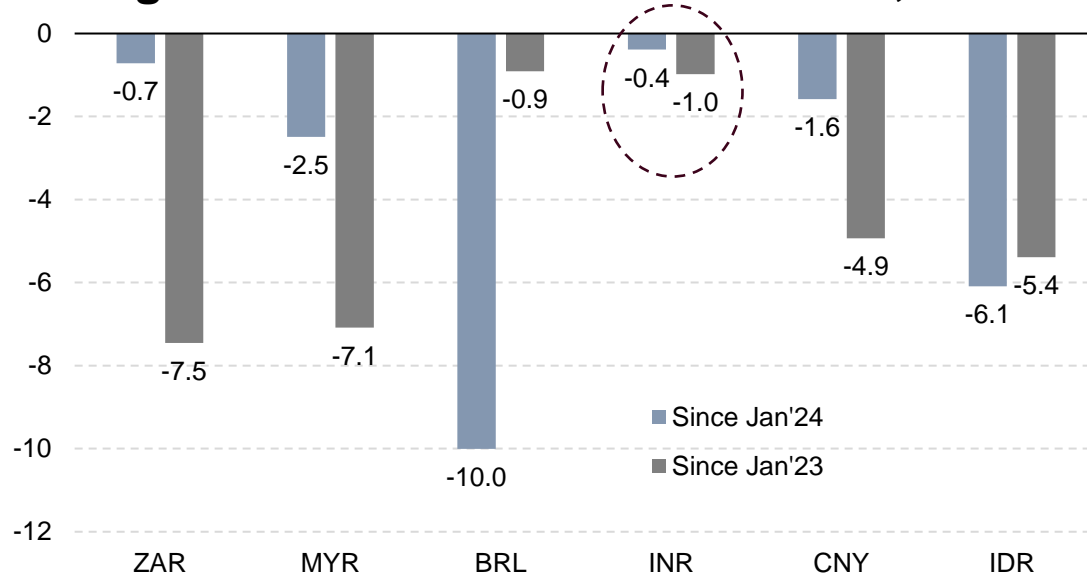
Rail freight (mn metric tonnes)



Cement production (mn metric tonnes)



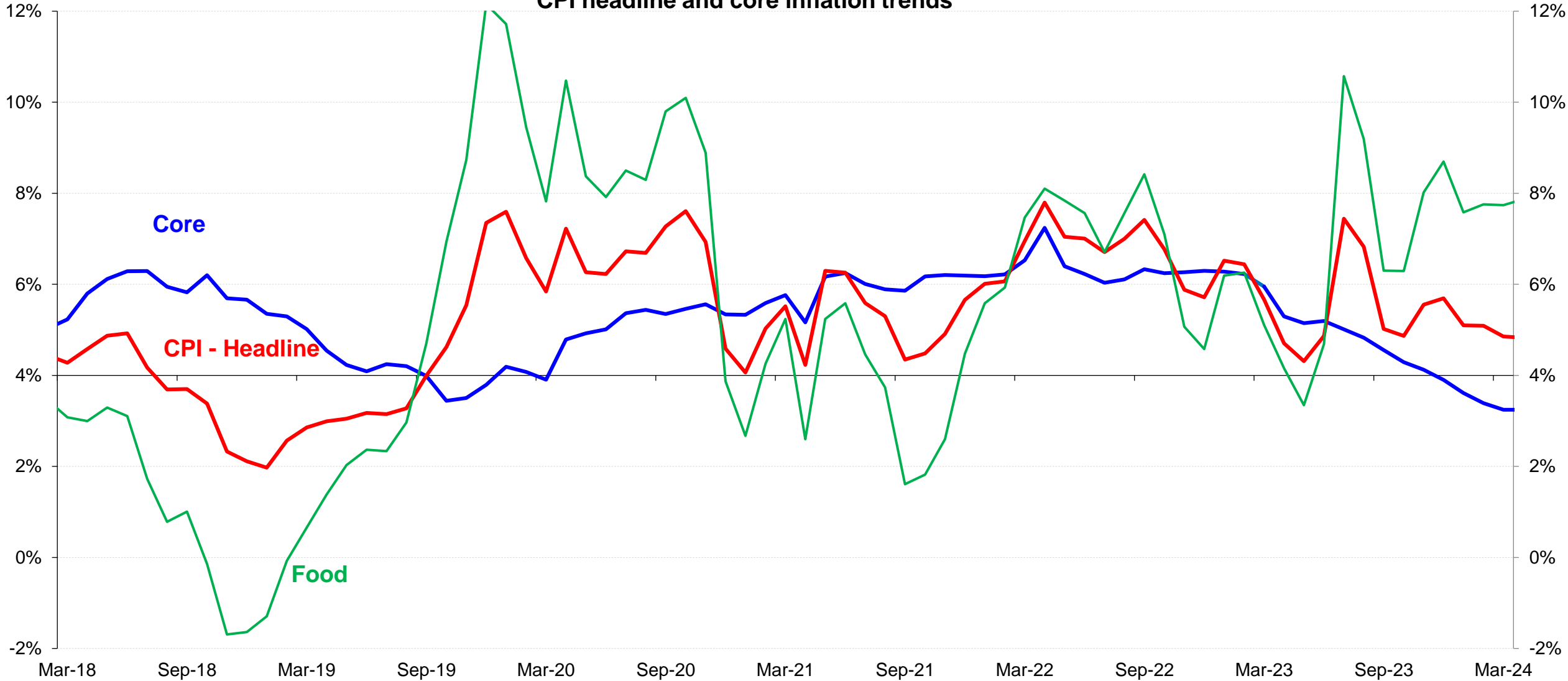
INR among the most stable EM currencies, with recovering macros and healthy reserves



Core CPI inflation performing exceptionally well, food inflation remains a bugbear

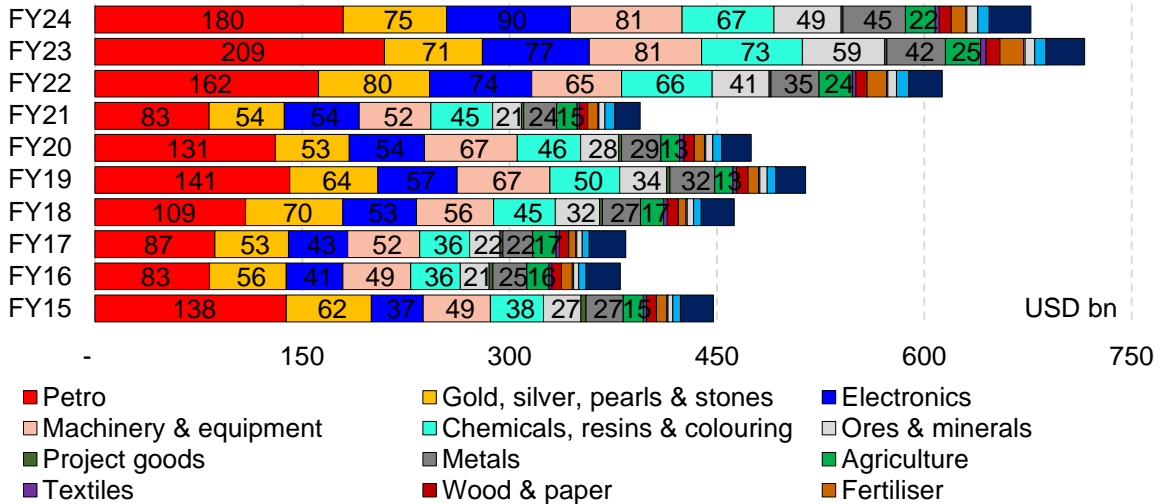


CPI headline and core inflation trends

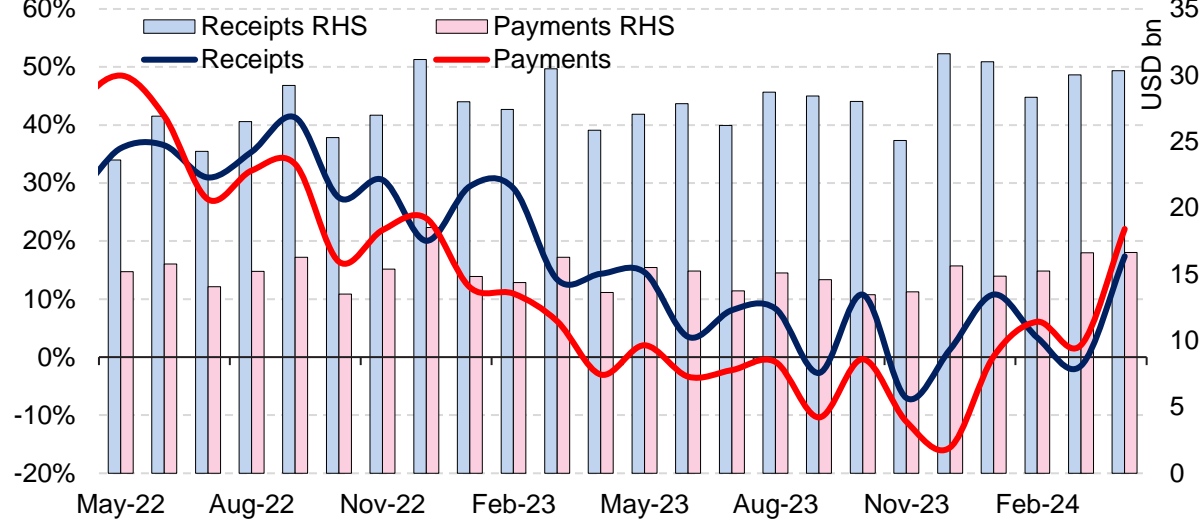


India goods imports have grown due to both prices and demand, offset by services exports

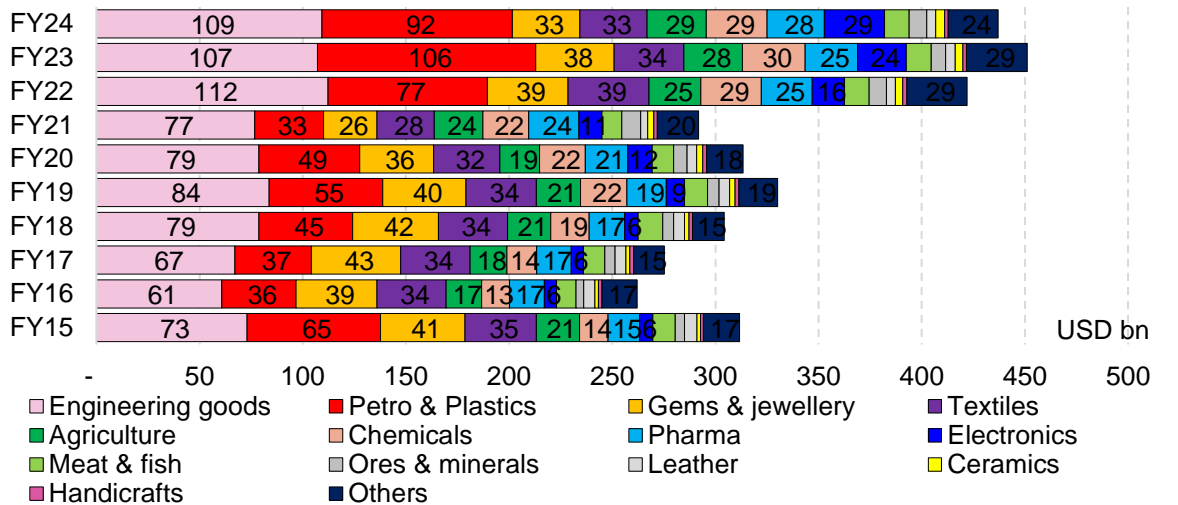
India imports over the years, USD bn



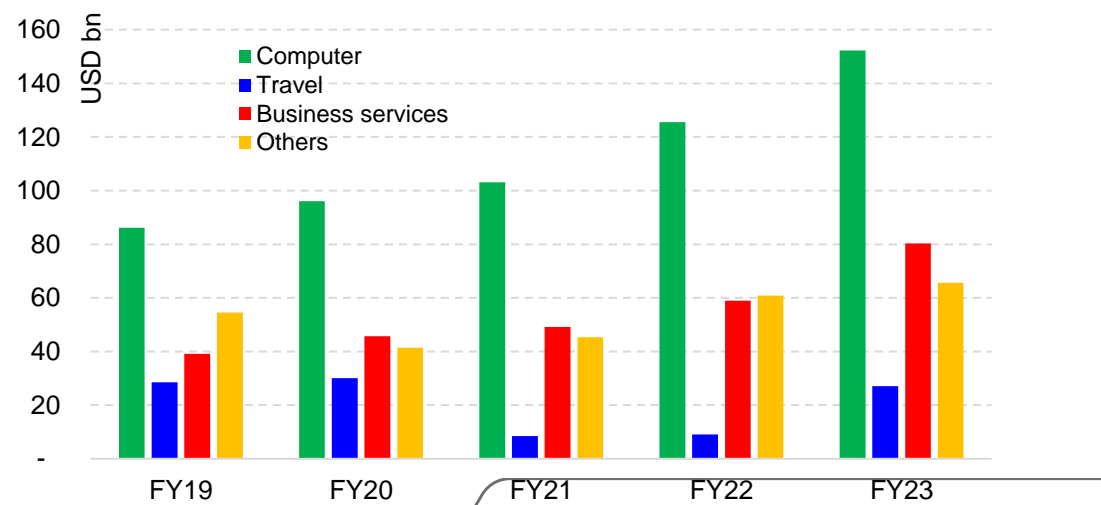
India services imports and exports – record for exports



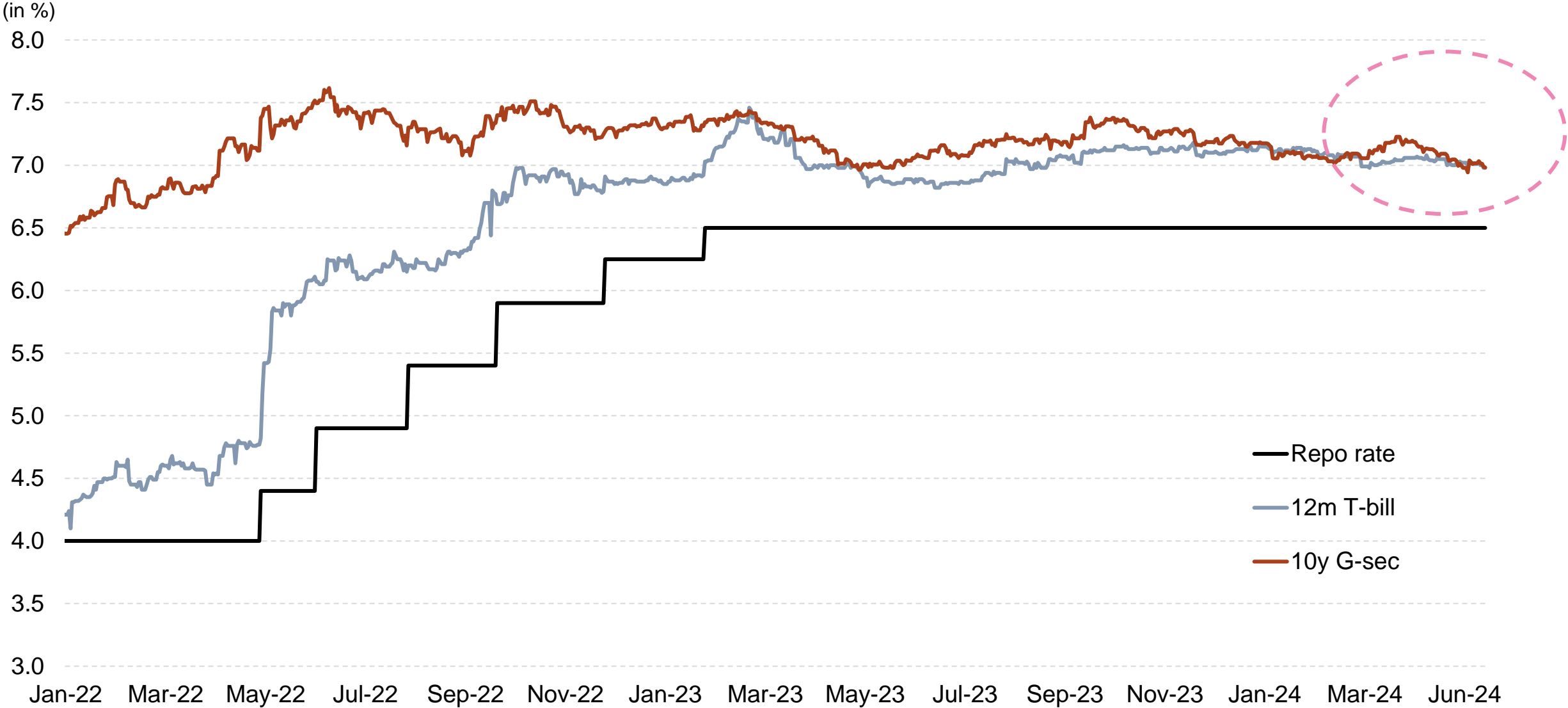
India exports over the years, USD bn – record in core exports



Business services (GCCs) now the fastest growing services export

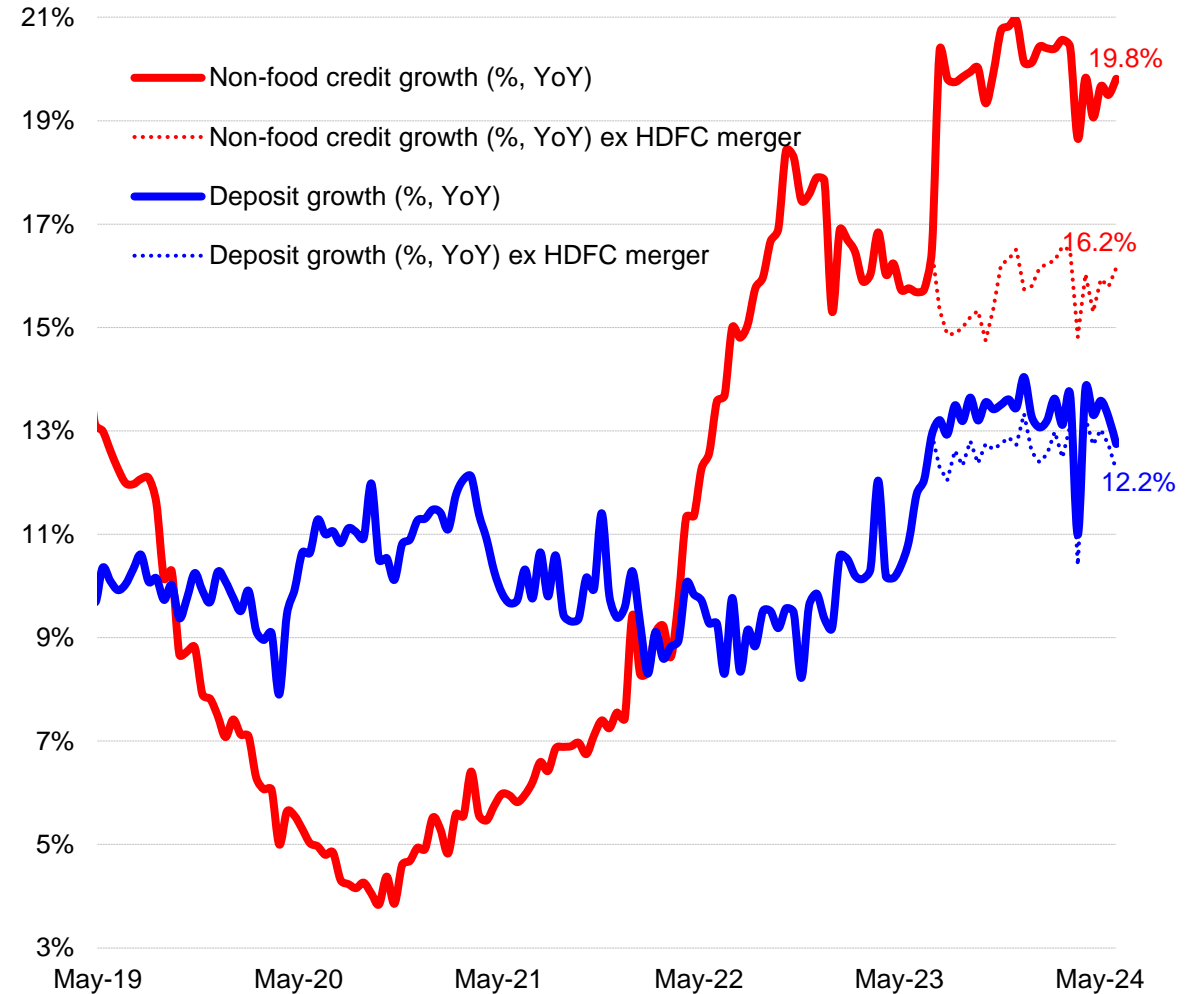
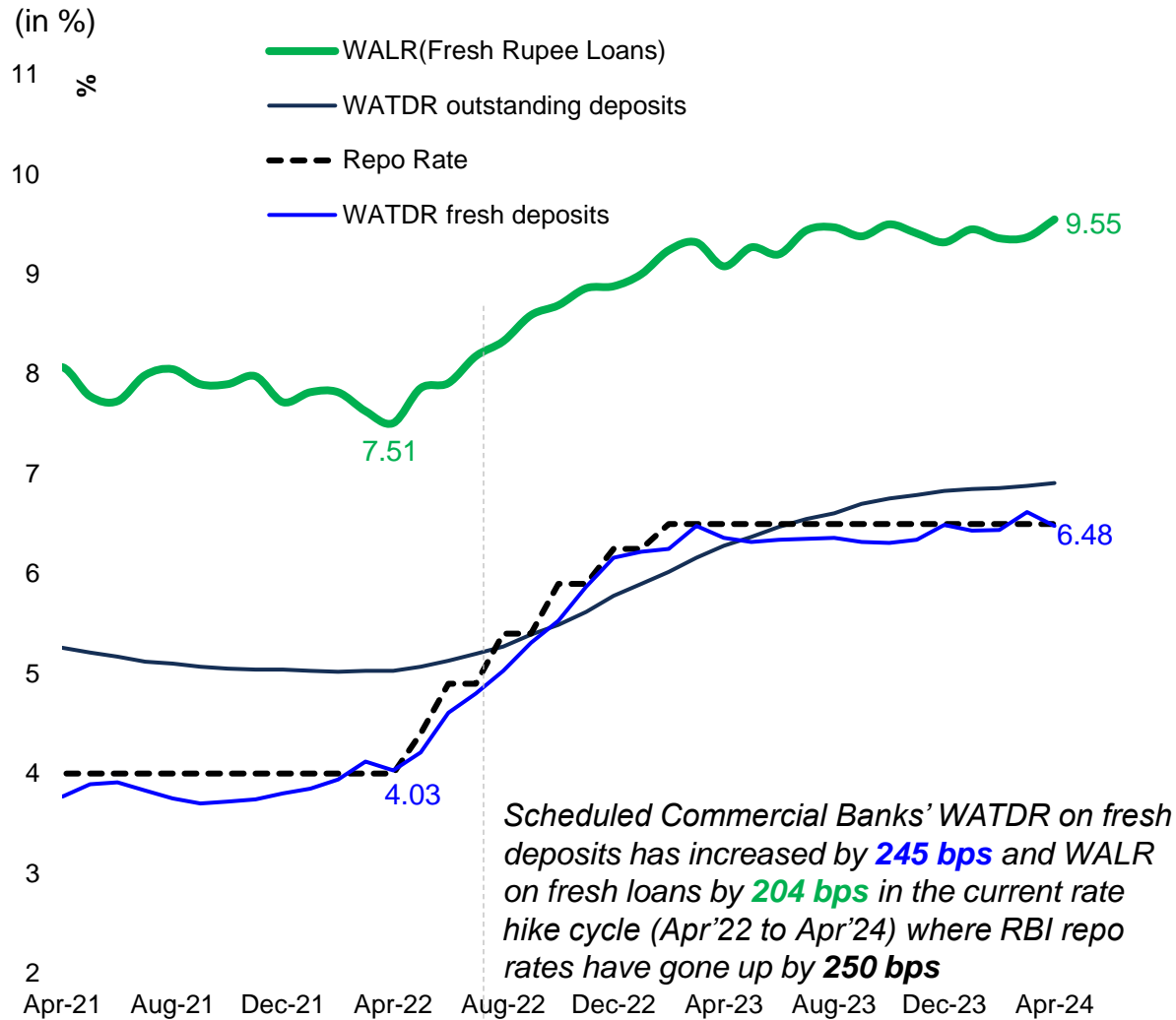


Yield curve has flattened, watch out for steepening as markets begin to price in cuts



Source: Bloomberg

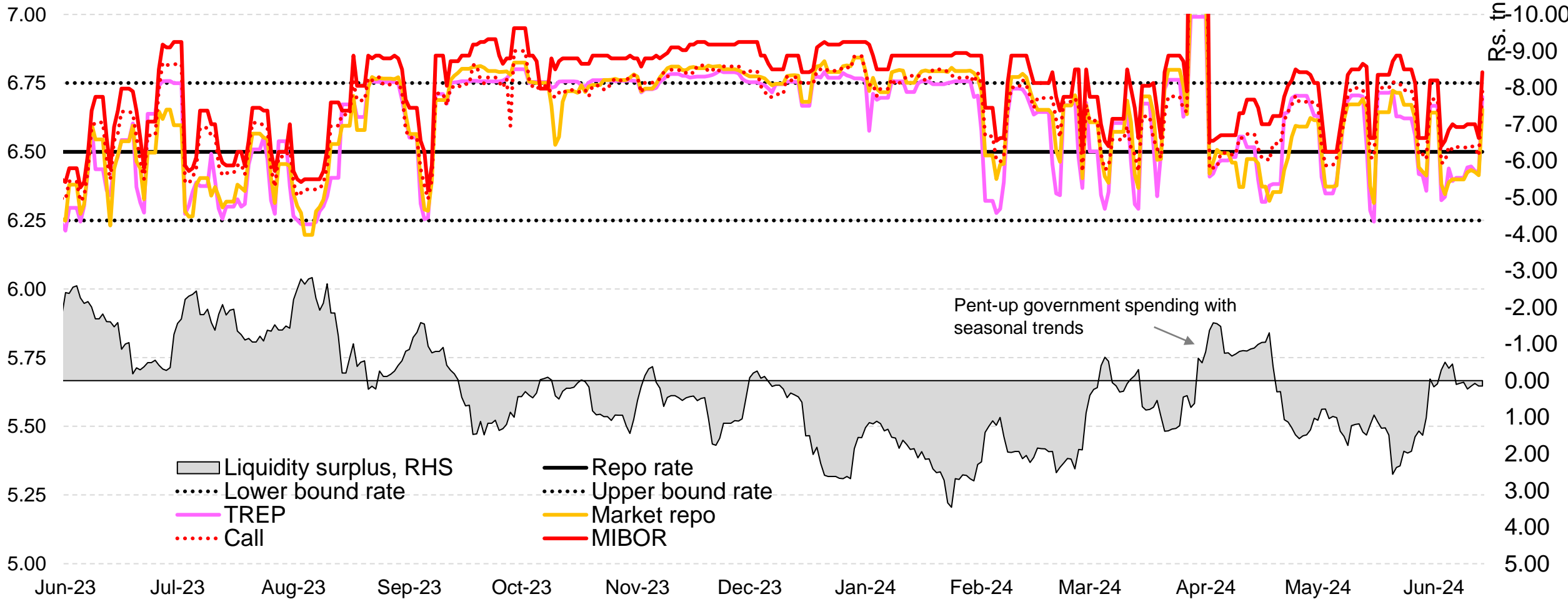
Transmission of monetary policy remains in progress; credit offtake elevated



Liquidity is now neutral, RBI guiding overnight rates at the midpoint of corridor



India liquidity surplus along with overnight rates

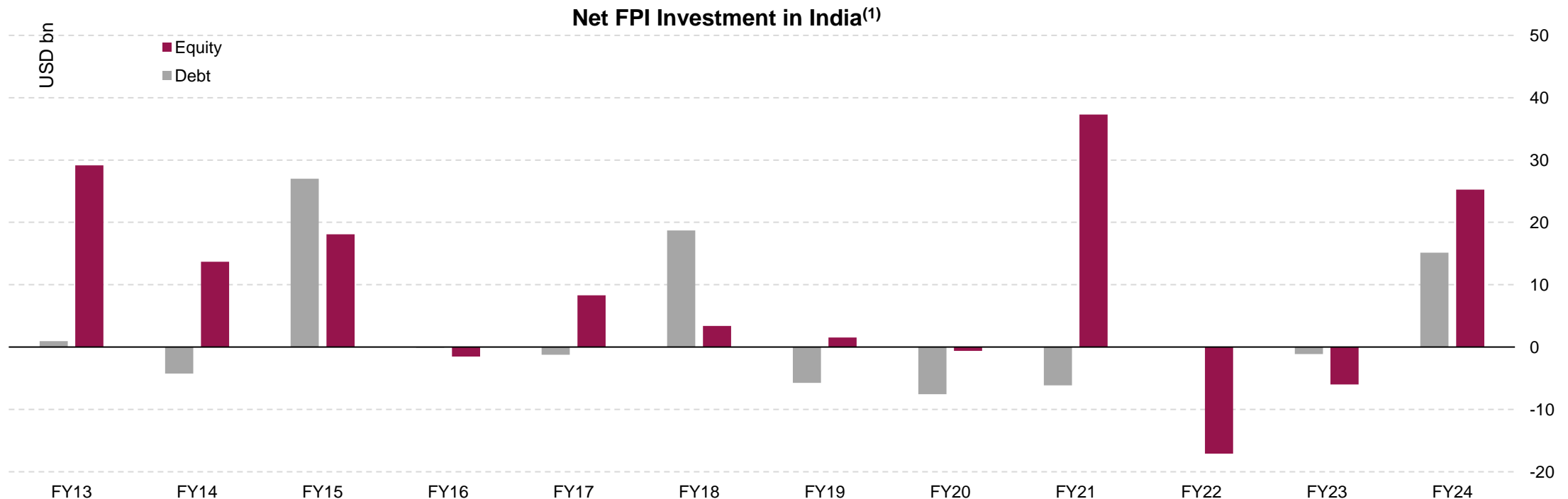


Source: RBI, Axis Bank Research

India continues to be an attractive investment opportunity



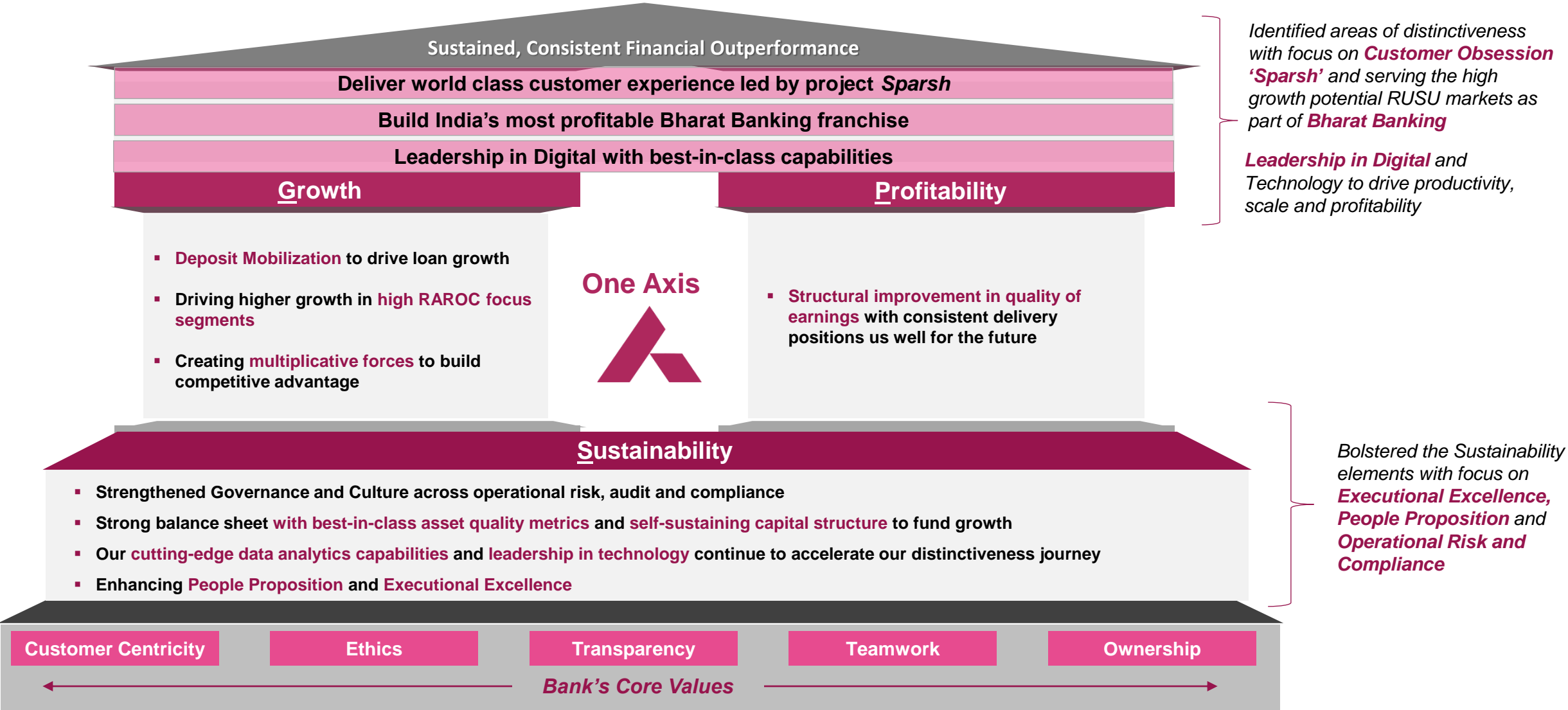
- **FY24 saw rebound in net FPI investments** after the weakening seen in FPI flows in FY22 and FY23 in line with global monetary tightening.
- India's equity stock market capitalization is among the top 5 largest globally. MSCI raised India's weightage in its Global Standard (Emerging Markets) equity index to a **historic high of 18.2%** that came into effect since March 1, 2024.
- **Indian debt inflows are likely to benefit from India's inclusion in the Global Bond Index-Emerging Markets index** with effect from June 28, 2024. Bloomberg also recently announced inclusion of India Fully Accessible Route (FAR) bonds in the Bloomberg Emerging Market (EM) Local Currency Government Index and related indices, to be phased in over a ten-month period, starting January 31, 2025.






Notes: Source: National Securities and Depository Limited

Stronger, Consistent & Sustainable all weather Franchise

House of GPS strategy initiated in 2019 has been further strengthened with distinctiveness and identified focus themes to take charge



Delivered GPS commitments in the last 5 years....

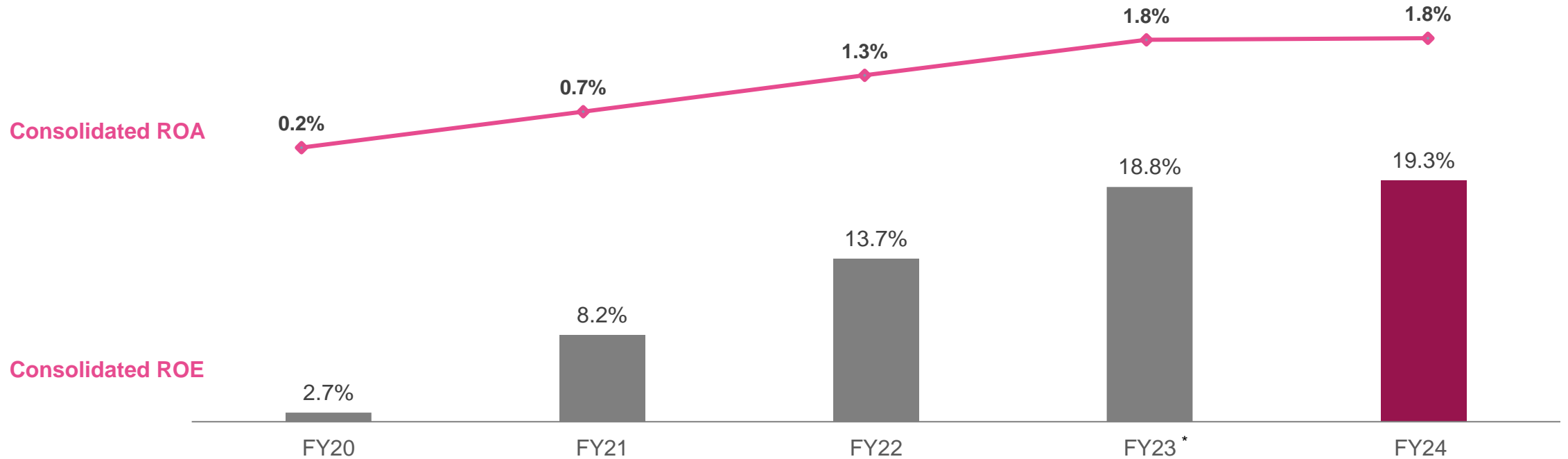
	FY19	FY24	
 <p>Growth</p>	Advances mkt share	4.9%	Incremental market share of 6.6% and 6.1% in advances and deposits for the last 5 years
	Deposits mkt share	4.3%	
	Operating Revenue growth	8% ⁽¹⁾	
 <p>Profitability</p>	Cons ROA	0.66%	Return on investment in subsidiaries of 54% in FY24
	Cons ROE	8.58%	
	NIM	3.43%	
 <p>Sustainability</p>	CET 1	11.27%	41 bps of additional provision buffer not counted as capital Standard asset coverage ratio at 1.26%
	PCR ⁽³⁾	62%	
	Net NPA	2.06%	

(1) CAGR during FY16 to FY19 period (2) CAGR for FY19 to FY24 period (3) excluding technical writeoffs

... along with consistent and robust improvement in shareholder return metrics



Trend in Consolidated ROA and ROE



* excluding exceptional items (EI) on account of acquisition of Citibank India Consumer Business ('CICB')

Consistent execution on our GPS strategy positions us well for the future



A *Resilient, all-weather franchise*

GPS commitments have been delivered...

- i. Core strengthened, with strong balance sheet position and next generation tech architecture
- ii. Lifted the growth trajectory across business segments
- iii. Delivered aspirational return ratios with better quality and consistency of earnings

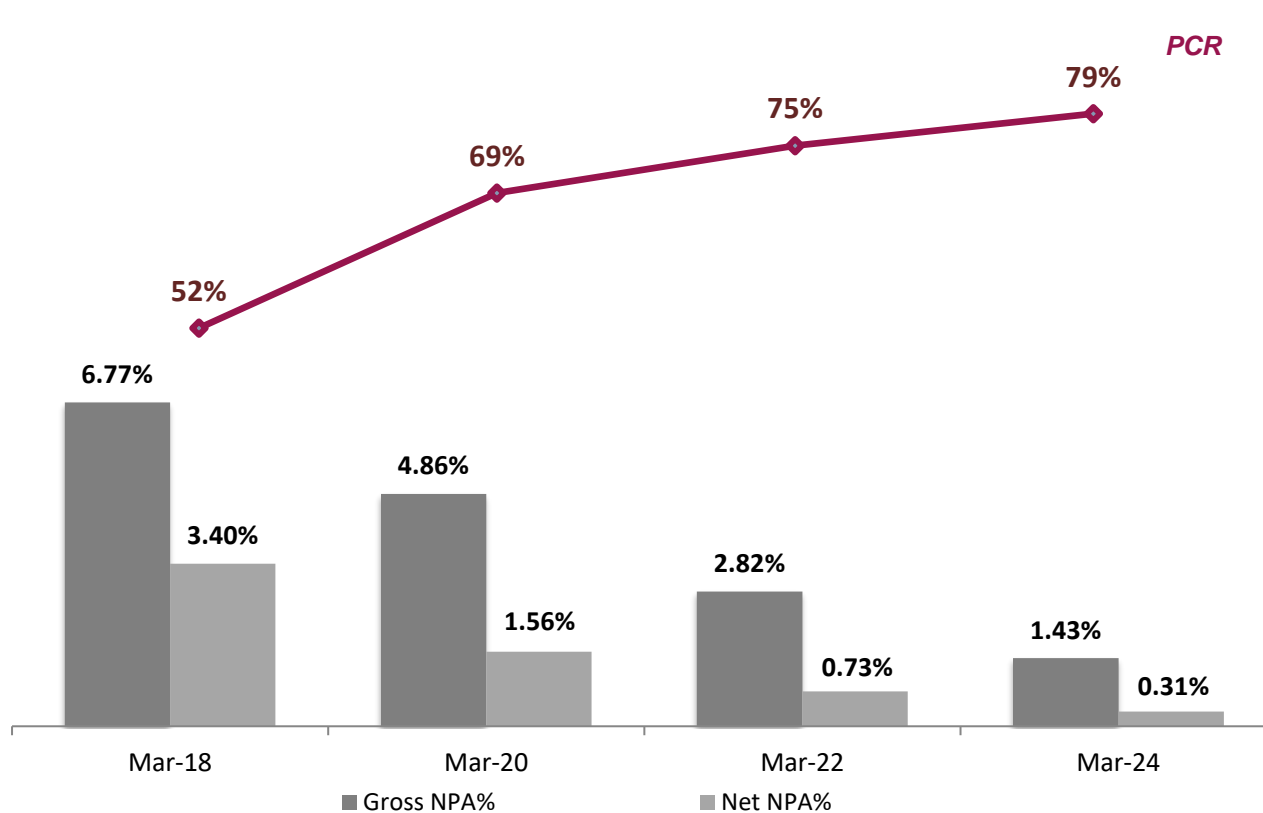
B *Creating multiplicative forces to build competitive advantage*

- i. Multiple partnerships and key transformation projects to augment new customer acquisitions
- ii. Continue to build scale and create significant value in key subsidiaries
- iii. One Axis positions us well to play all the socio-economic mega trends of the next decade and beyond

C *Building for the future*

- i. Digital continues to be an area of relentless focus
- ii. Driving distinctiveness through 'Bharat Banking' and 'Sparsh' our customer obsession project
- iii. Enhancing People proposition and ESG focus continue to have Bank-wide sponsorship

Strengthened balance sheet significantly with one of the best asset quality metrics in the industry



✓ Gross NPA ratio – Lowest in 32 Quarters | Net NPA ratio – Lowest in 43 Quarters

~2700 bps

Improvement in PCR since Mar'18

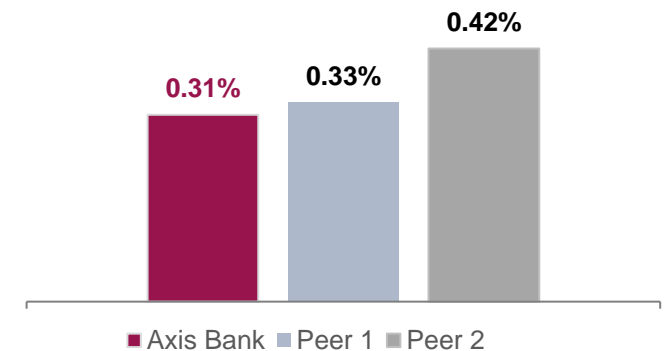
309 bps

Reduction in NNPA since Mar'18

1.26%

Cumulative provisions as % of overall book (as of Mar'24)

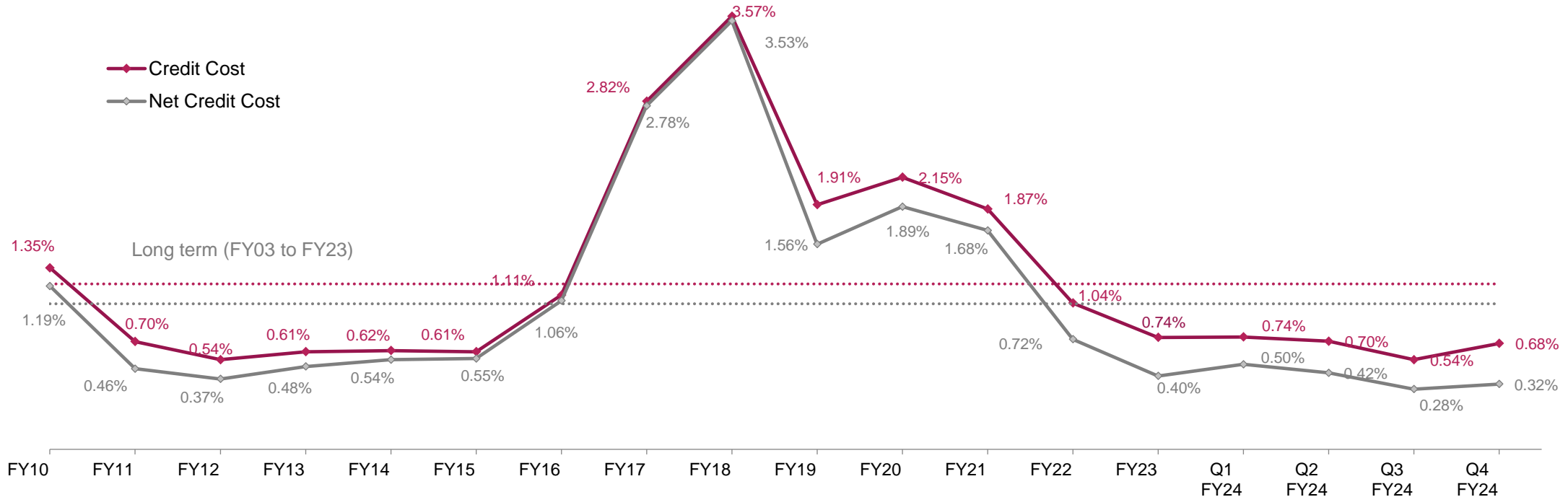
Net NPA ratio for large banks
(as of Mar'24)



Source: Peer Bank data as of Mar'24

Legacy asset quality issues adequately addressed

Overall Credit Costs: FY10 to Q4FY24



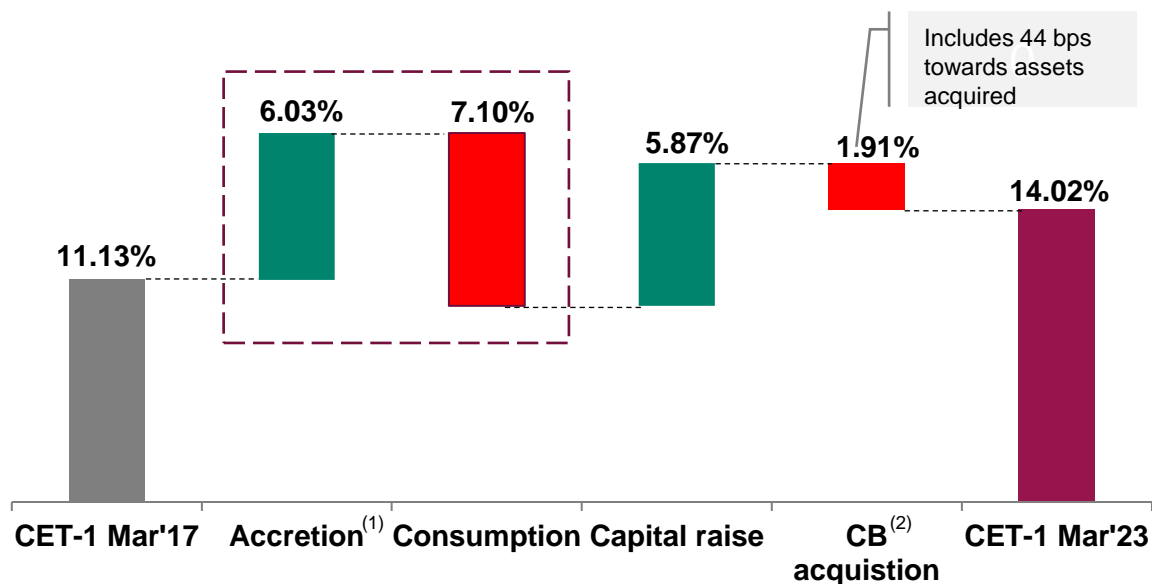
Drivers of Credit Costs

- **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

Self-sustaining capital structure, resulting in value accretion for all stakeholders



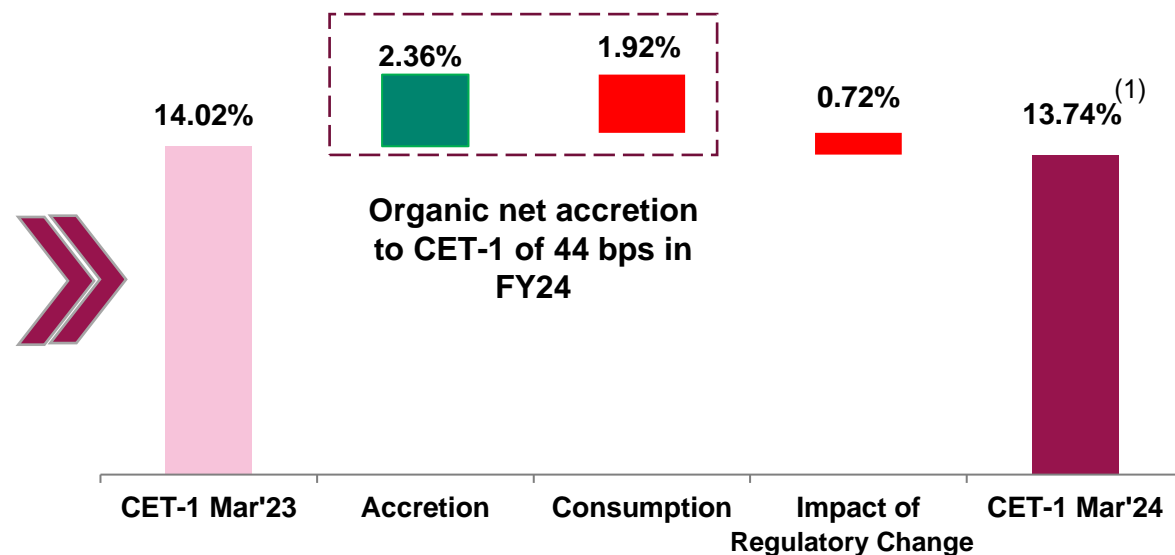
Historically equity raise was supporting capital consumption...



107 bps

CET-1 consumption in FY17 to FY23 period excluding CB items⁽²⁾

... profit accretion is adequate to fund organic growth



44 bps

Organic Net CET-1 accretion in FY24

41 bps

Additional cushion on account of other provision buffer

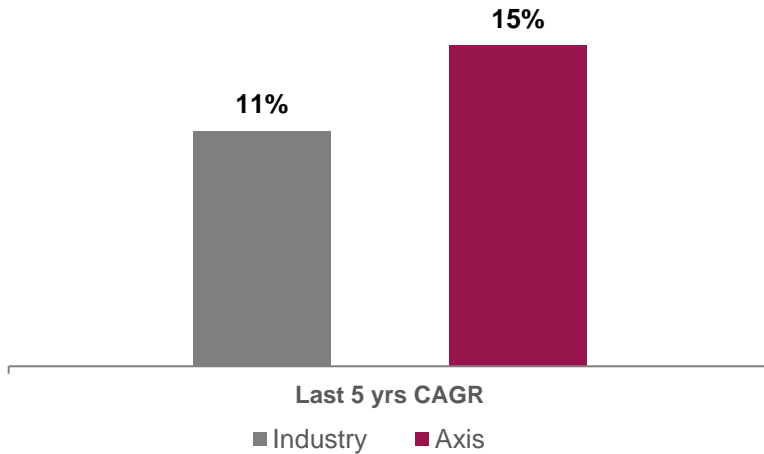
(1) Reported CET -1 ratio at March 31, 2024 fully incorporates the impact of the Rs. 1,612 cr investment in Max Life made after March 31, 2024

(1) Accretion includes ESOP exercise (2) Citibank India Consumer Business acquisition

Delivered significant improvement in the quality of our deposit franchise

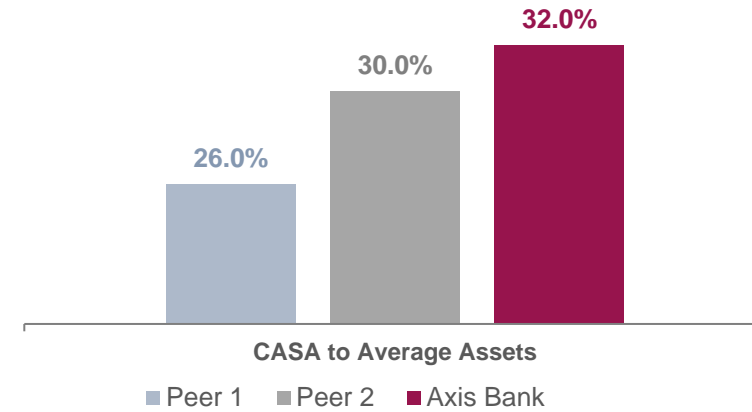


We have grown deposits faster than the industry...

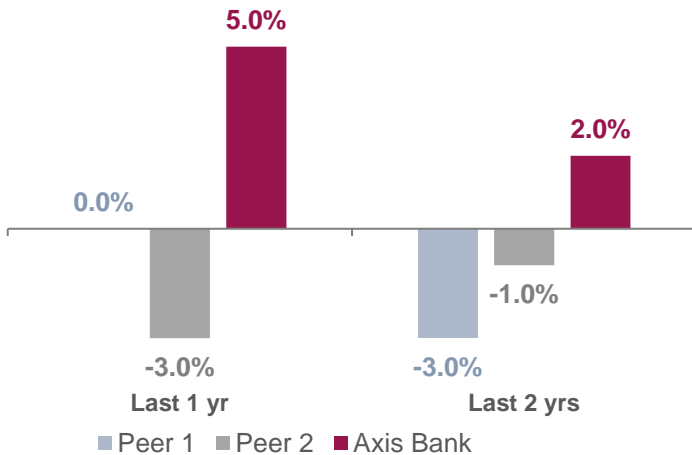


Source: RBI, Axis Bank reported data

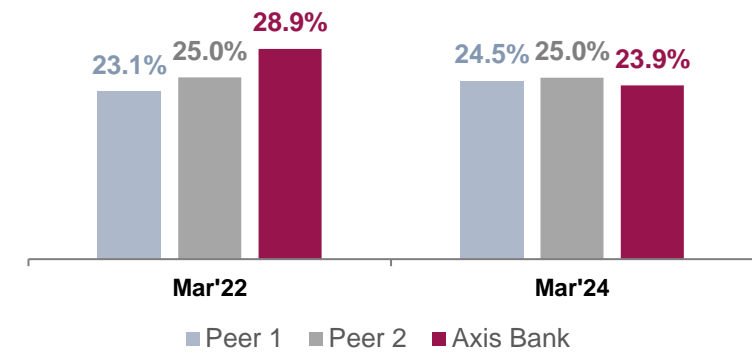
... CASA to average assets ratio is the best amongst the peers...



... Retail granular deposits growing faster than overall deposits⁽¹⁾



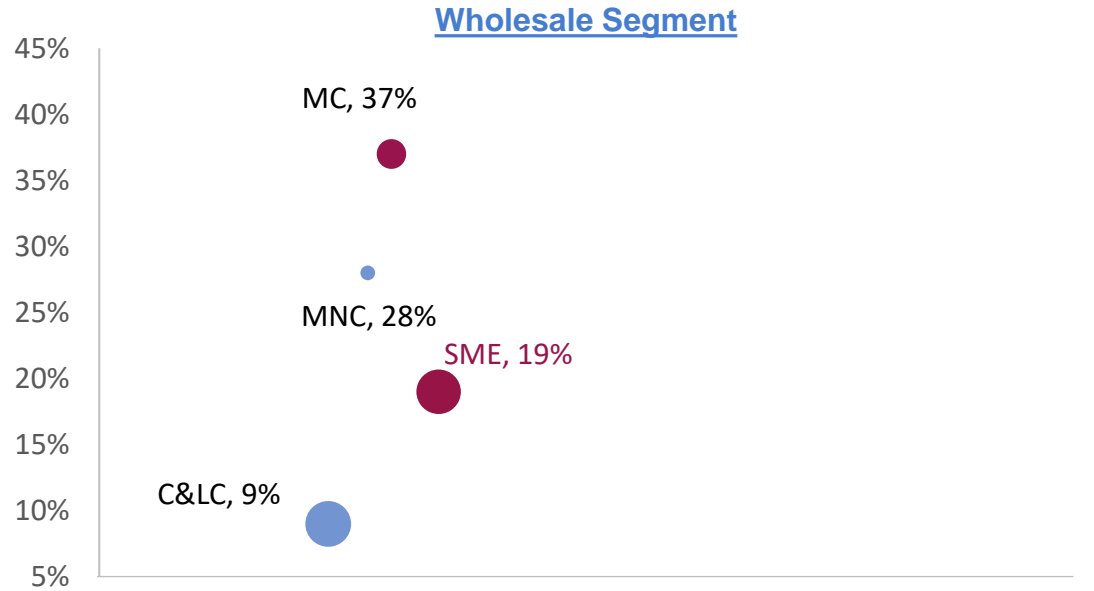
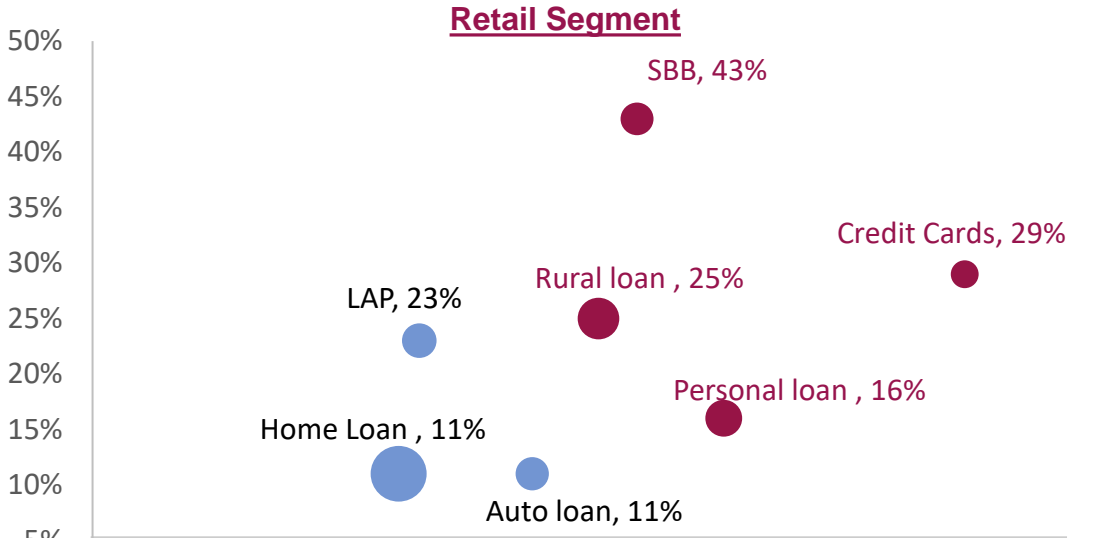
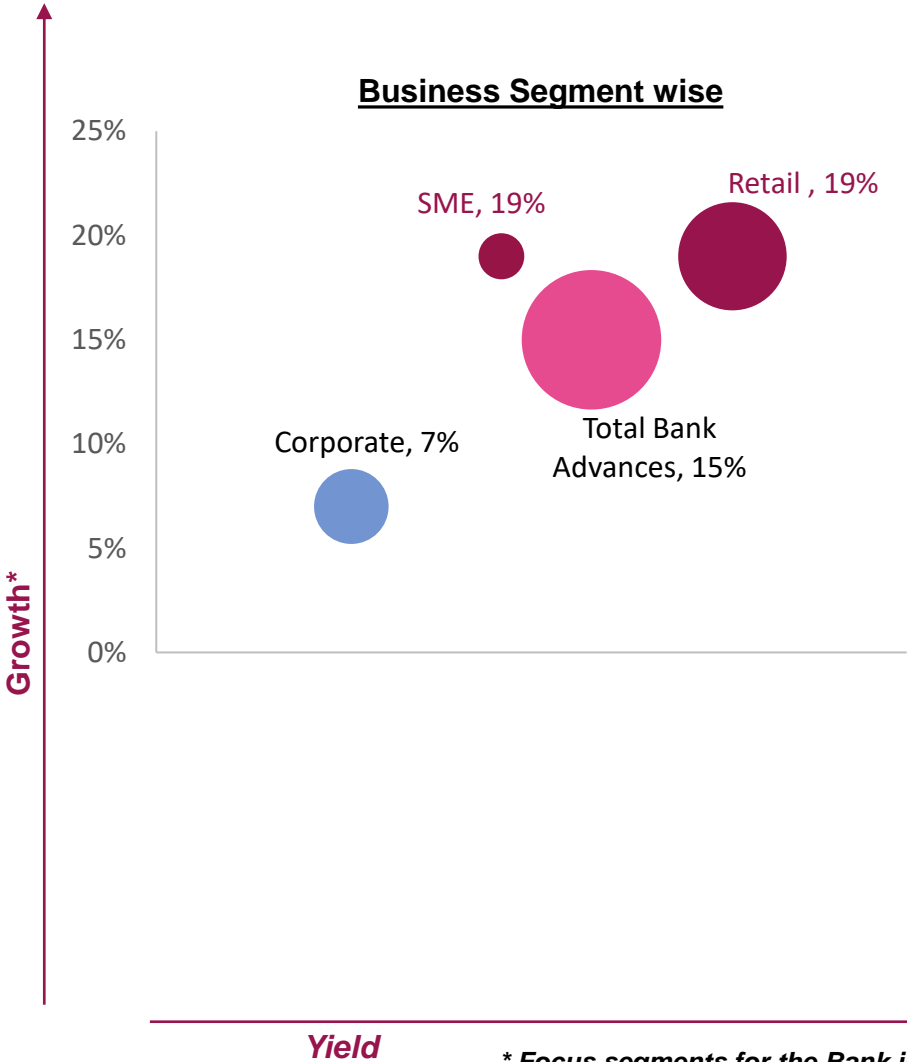
...Outflow rates the best amongst large peer banks⁽¹⁾



(1) Source : LCR disclosures of peer banks, differential is over the reported growth for period end overall deposits, For peer 2, Q3FY24 numbers have been taken

(2) CASA to average assets = CASA MEB deposits as of Mar'24 / (Average assets for Q4FY24); for peer 2, Q3FY24 numbers have been taken

Lifted growth momentum across our risk adjusted, higher yielding segments



25%
CAGR (since FY20) in *Focus business segments*

43%
Proportion of *Focus business segments* in Bank's total advances (as of Mar'24)

~1210 bps
Increase in share of *Focus business segments* in last 4 years

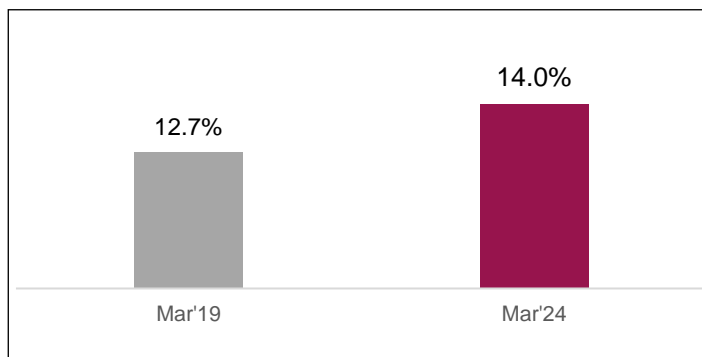
*CAGR (for last 4 yrs)

* Focus segments for the Bank include Small Business Banking (SBB), Small & Medium Enterprises (SME), Mid Corporate, Rural, Personal Loans (PL) and Credit Card Advances
C&LC - Conglomerates & Large Corporates, MNC - Multinational Corporate, MC – Mid Corporate Group

Sustained execution resulting in consolidation of our position across various businesses

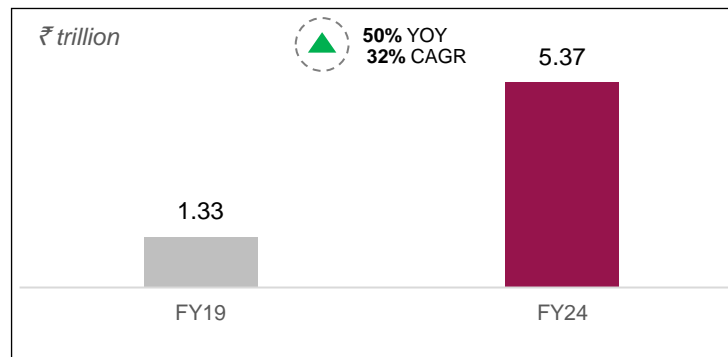


Credit cards CIF Market Share



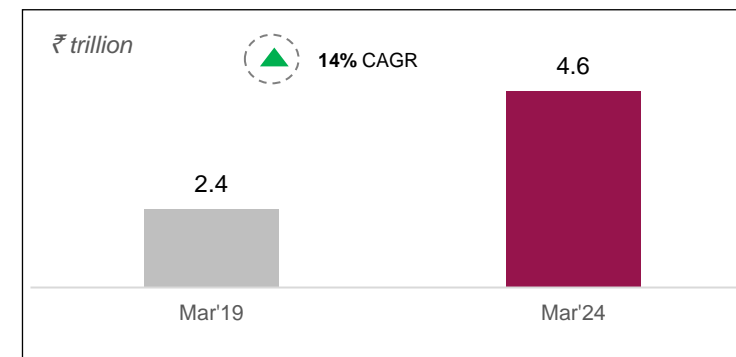
4th largest **Credit Card player**, closed gap significantly with 3rd ranked player on card advances outstanding & CIF

Burgundy AUM



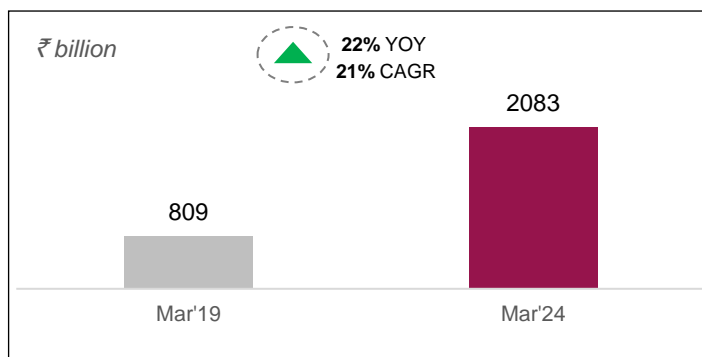
3rd largest Private Banking and **Wealth Management franchise** with 35 of top 100 individuals as clients

CASA deposits



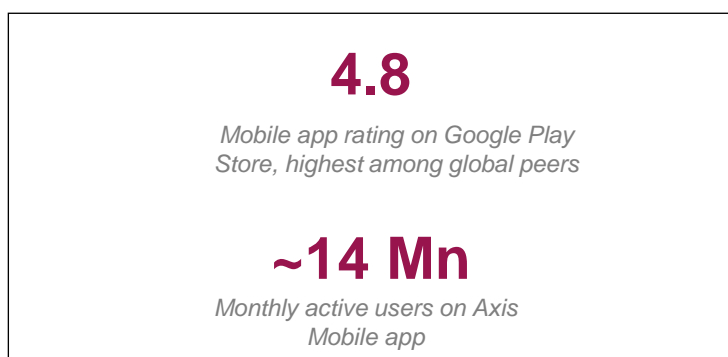
CASA deposits franchise is now among the best in industry with 43% CASA ratio*

SBB + SME + MC segment growth



SBB+ SME + MC segment has scaled up significantly

Mobile Banking



World's highest rated **Mobile Banking App**, doubling up as our largest branch

Leader in Wholesale



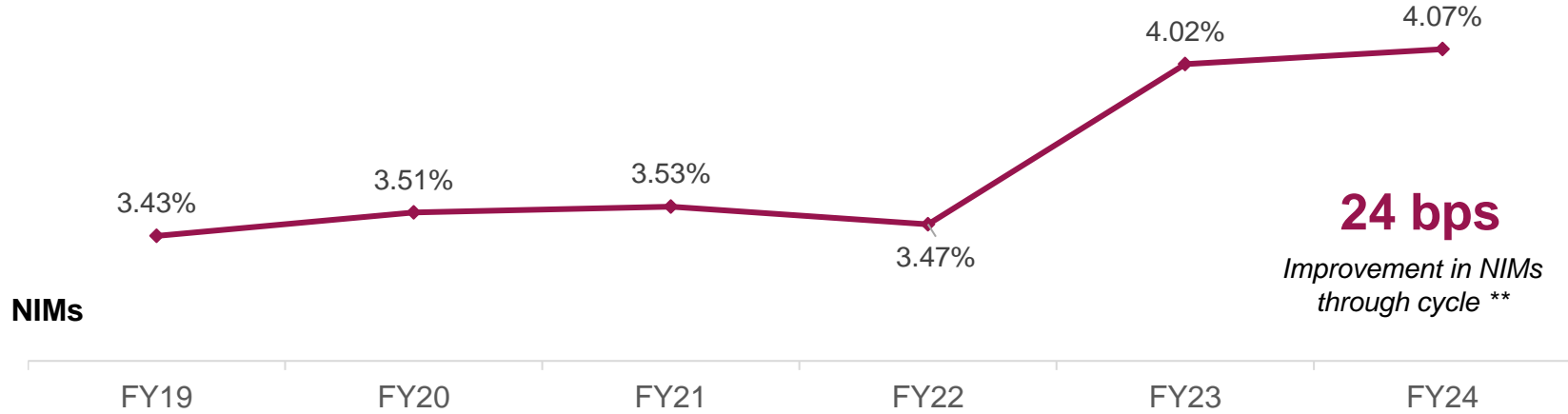
Amongst the best and most comprehensive **Wholesale Banking franchise**

* as a % of deposits

Structurally improved NIMs, while maintaining credit RWA...

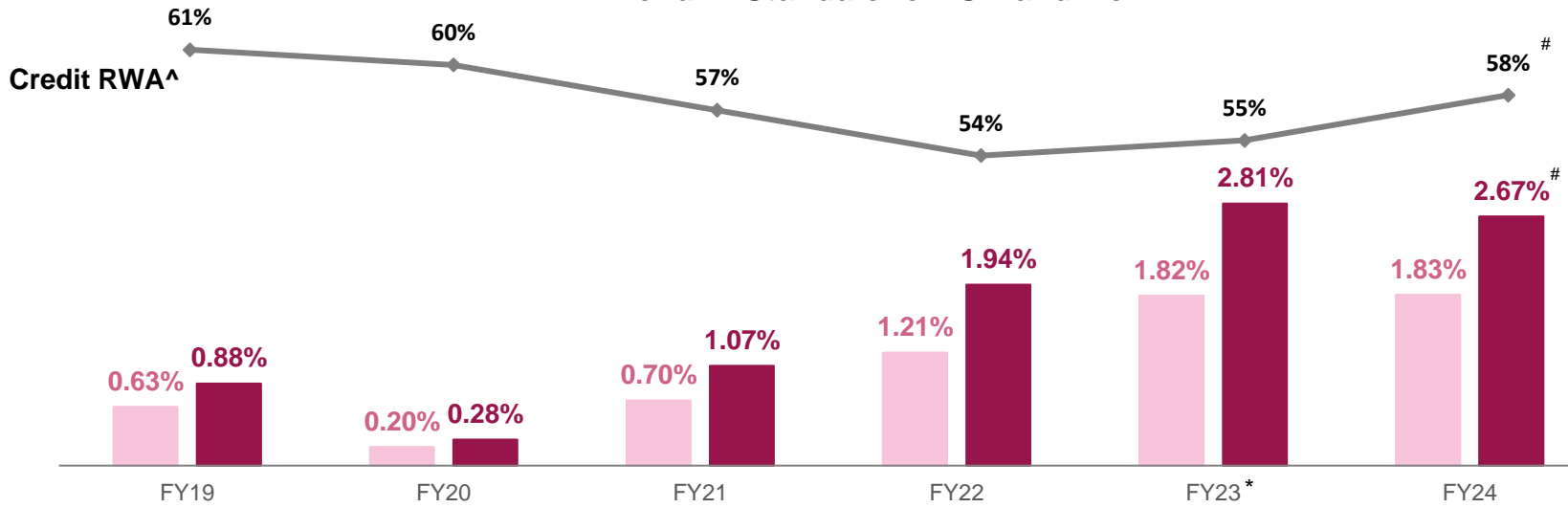


⁽¹⁾
Structurally improved NIM trajectory...



** Average NIMs for FY20 till FY24 as compared to average of previous 15 years from FY05 till FY19

Trend in Standalone ROA and RoRWA

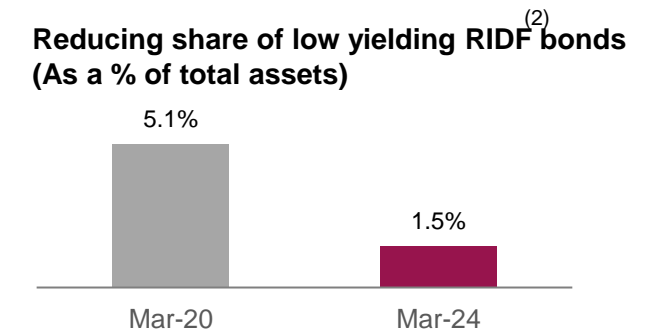
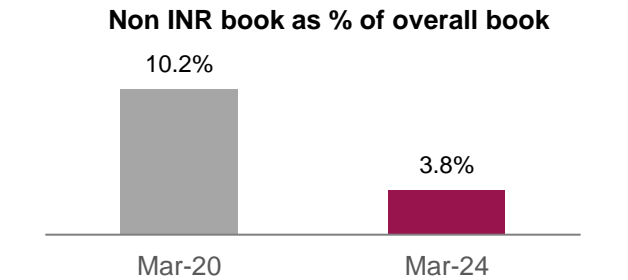
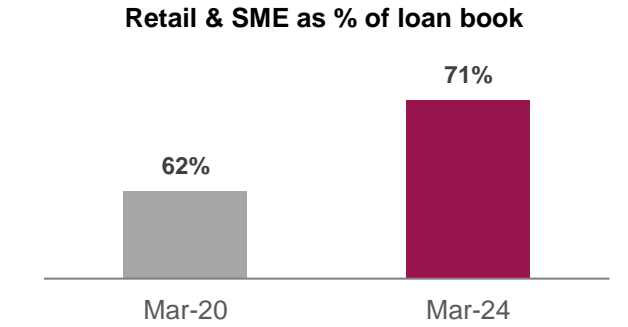


^ Average for the fiscal year

■ Standalone ROA ■ Standalone RoRWA

* excluding exceptional items # impact of regulatory changes

...led by key business drivers



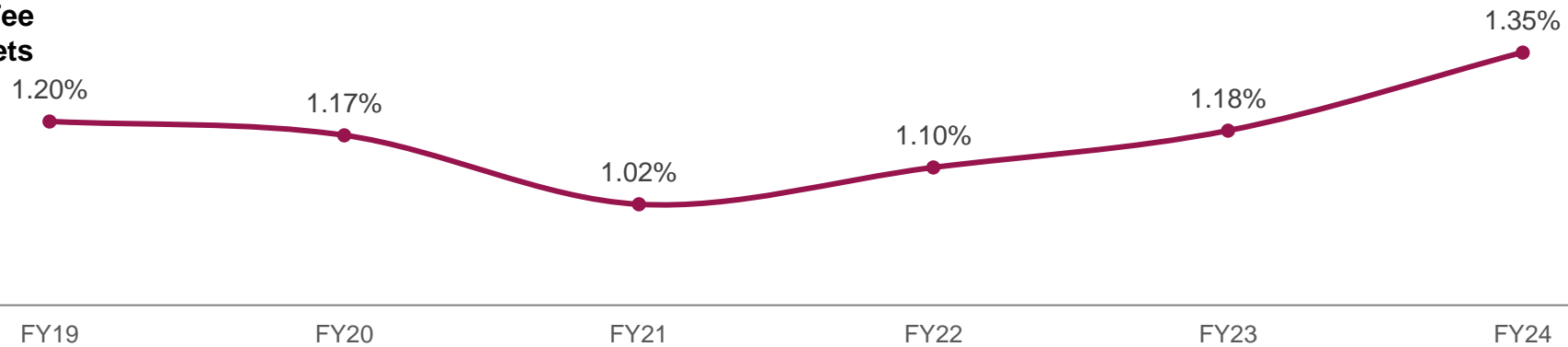
(1) Net Interest Margin (2) Rural Infrastructure Development Fund

... and strong growth in granular fees which is among the best in industry



Improved the fee profile significantly in last few years

Granular* Fee to Avg Assets



~93%

Share of **granular Retail & transaction banking related fee** (in FY24)

~600 bps

Improvement in proportion of granular fees since FY19

19%

Retail fee CAGR (since FY19)

Consistent execution on our GPS strategy positions us well for the future



A *Resilient, all-weather franchise*

GPS commitments have been delivered...

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B *Creating multiplicative forces to build competitive advantage*

- i. Multiple partnerships and key transformation projects to augment new customer acquisitions
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- iii. One Axis positions us well to play all the socio-economic mega trends of the next decade and beyond

C *Building for the future*

- i. Digital continues to be an area of relentless focus
- ii. Driving distinctiveness through 'Bharat Banking' and 'Sparsh' our customer obsession project
- iii. Enhancing People proposition and ESG focus continue to have Bank-wide sponsorship

Partnerships as a channel has significant potential to augment our customer base



We have 100+ Partnerships across Platforms and Ecosystems

Aggregators				
Mobility		E-commerce		Telecom
Enablers		Neo-Banks		Remittance Platforms

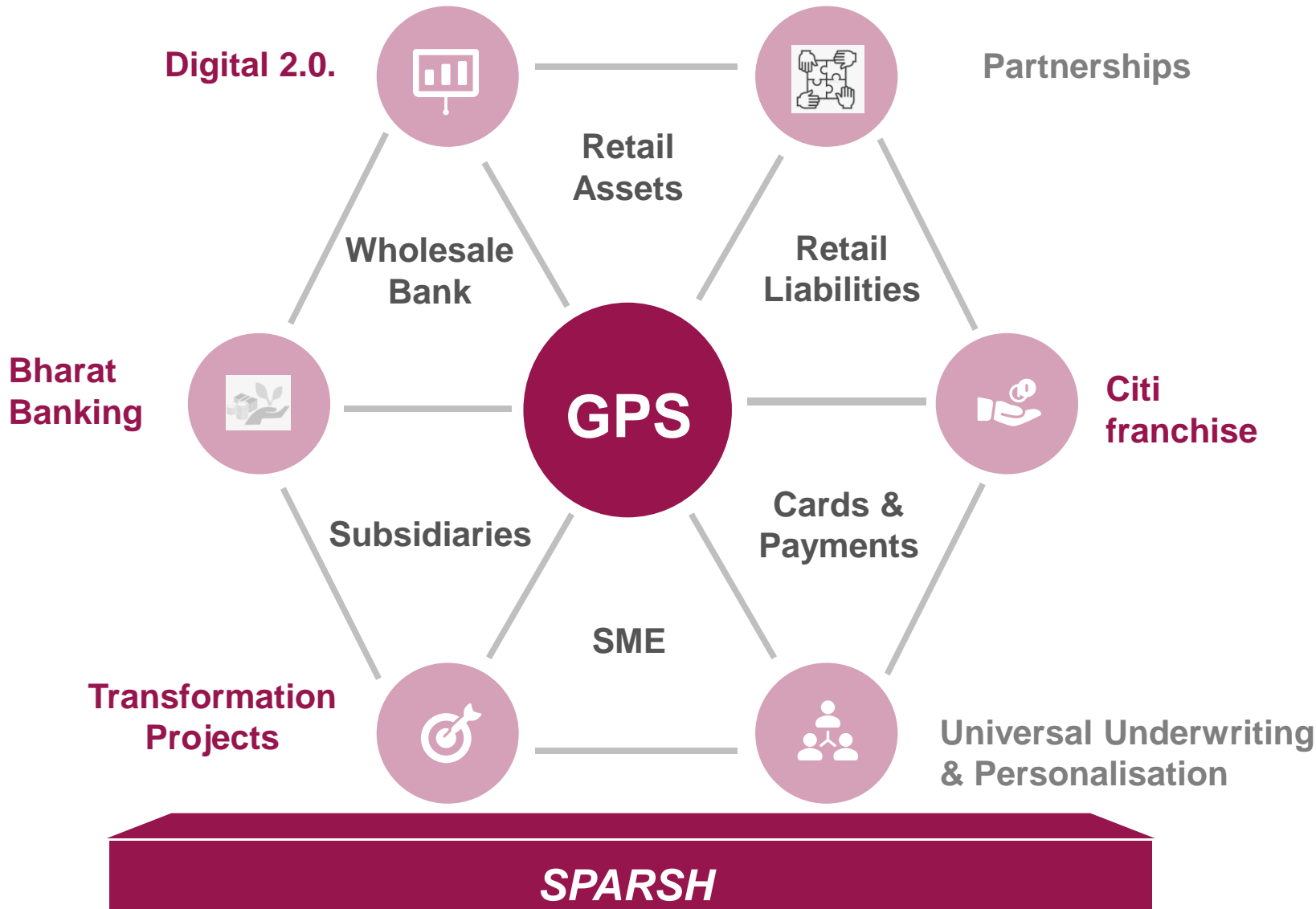
APIs hosted on Bank's API Developer Portal

410+
Total APIs

285+
Retail APIs

25+
Connected APIs

Multiplicative forces through unification of One Axis, partnerships and new age tech platforms gives *the right to win*



One Axis	₹1,591 Cr Combined PAT for operating domestic subsidiaries
Bharat Banking	64,550+ Common Service Centre Village level entrepreneurs
Digital	14 mn Mobile Banking Monthly active users
Citi Franchise	1600 Suvidha Corporates
Personalization	17K+ Nudge variants live
Universal Underwriting	~19 Crore Stamped lendable base out of 76 Crore identified lendable population

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Leadership in technology with several industry firsts...

1st

Indian Bank to be ISO certified for its AWS and Azure Cloud security

1st

Indian Bank to roll-out MS GenAI Co-pilot

1st

Indian Bank to launch BBPS for B2B

7000+

WAN Links Upgraded

75M

Daily API Hits

810

Best-in-class BitSight ^(a) rating in BFSI



Sparsh, our Customer Obsession program, is committed to delivering Smart Banking by improving institutional capabilities across the Bank



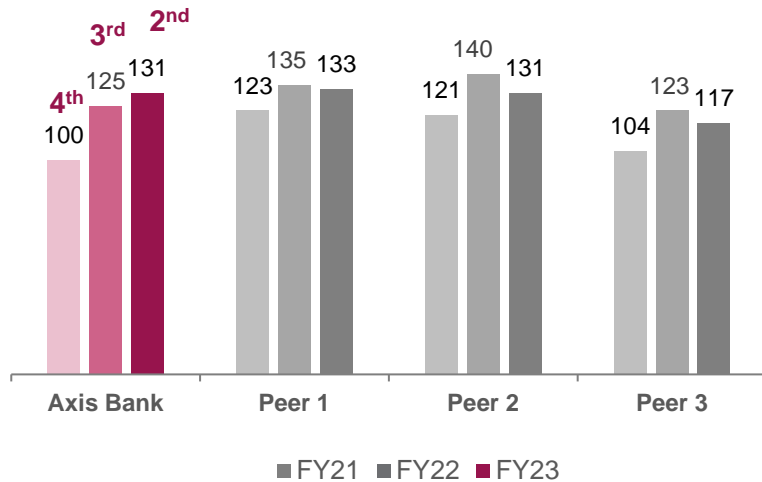
Sparsh embedded across all customer touchpoints, processes & metrics

Getting *more customers as promoters*

NPS (Net Promotor Score) movement over indexed baseline

	Baseline ¹	Mar '24	Movement
Retail Bank	100	145	+45

Kantar Survey: The Outside-in Perspective: Rank 4 (FY21) to Rank 2 (FY23)



Sparsh is committed to deliver Smart Banking: Industry-first **LIVE** Initiatives

Adi – Deep Intelligence by Axis Bank: *A Generative AI conversational chatbot* for frontline employees.

1st Gen AI use case by Axis Bank.

- Now LIVE for all Branch employees
- Enable to answer queries on core products.

Delivering *Axis Promise* to customers:

Unified request tracking page enabled on Open App and Axis Net Banking to transparently communicate turnaround time and status

- Tracking of **Burgundy 6-hour promise**.*
- Now covers requests for **all products** across account, assets and credit card **raised from any channel**
- Experienced by > 3.2 lacs customer per month & growing

Personalized Pre intimation **Low Balance Nudge and Fund** :

Functionality enabled for easy access customers to proactively track average balance to avoid charges

- Allows instant funding via UPI

* Enabled for top 10 account maintenance requests for Burgundy customers

Inherent strengths in Bharat Banking, gives us the right to win in RuSu markets



Large and deep distribution

2,480+

Bharat Banking branches
as of Mar 2024

64,550+

Common Service Centre Village
level entrepreneurs

80+

Partners

Delivered strong growth at current scale

30%

YOY growth in Rural
advances

30%

YOY growth in asset
disbursements ⁽¹⁾

12%

YOY growth in deposits
from BB branches

Quality business model established

High RAROC ⁽²⁾ product
segments

Self sufficient in overall
PSL at Bank level

Strong **risk, collections & Underwriting** capabilities

We have a distinctive people proposition



Building an Internal Talent Marketplace



5X the internal mobility
20% of movements saw promotions
Significant impact on advocacy and attrition

Strengthening the talent pipeline

AbLE ABYB ASA
ARISE ASPIRE Aexcept

+ more campus and skill factories
 Increased intake **3.5x** to build our own Bankers



400+ selected in internal talent programs

Invested in Learning

54,61,294+ learning hours in FY24

3X increase in FY24 through microlearning

DE&I

#COMEASYOUARE


VIBE industry forums
 Axis **Women in Motion**



Future of work

GIG-A

GIG – A -Anywhere
 GIG – A - Freelancer





	76%	Positive Business Outlook	▲ 2%
	86%	CEO approval	▲ 2%
	70%	Recommended to a friend	▲ 2%

ESG focus continues to have Bank-wide sponsorship



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



Environmental

~ ₹30,000 Cr

Achieved Under Wholesale Banking to sectors with positive social and environmental outcomes

600

Branches under centralized energy management

2 MW

In-house solar power capacity



Social

1.7 Mn

Households reached under Sustainable Livelihoods

~2.2 Mn

Women borrowers under Retail Microfinance

25%

Female representation in workforce



Governance

1st

Indian Bank to constitute an ESG Committee of the Board

67%

Proportion of Independent, Non-Executive directors

17%

Proportion of women directors on the Board

Steady Performance on Global ESG Benchmarks



Above **80th** percentile among global banks on DJSI in 2023



7th Consecutive year on FTSE4Good Index in 2023



MSCI ESG Ratings at **A** in 2023



CDP Score at **C** in 2022



5th amongst 601 companies on CRISIL ESG Ratings 2022



Rated **23.5 – Medium Risk** on Sustainalytics 2023 (Dec)



Among the top 10 Constituents of Nifty100 ESG Sector Leaders Index



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

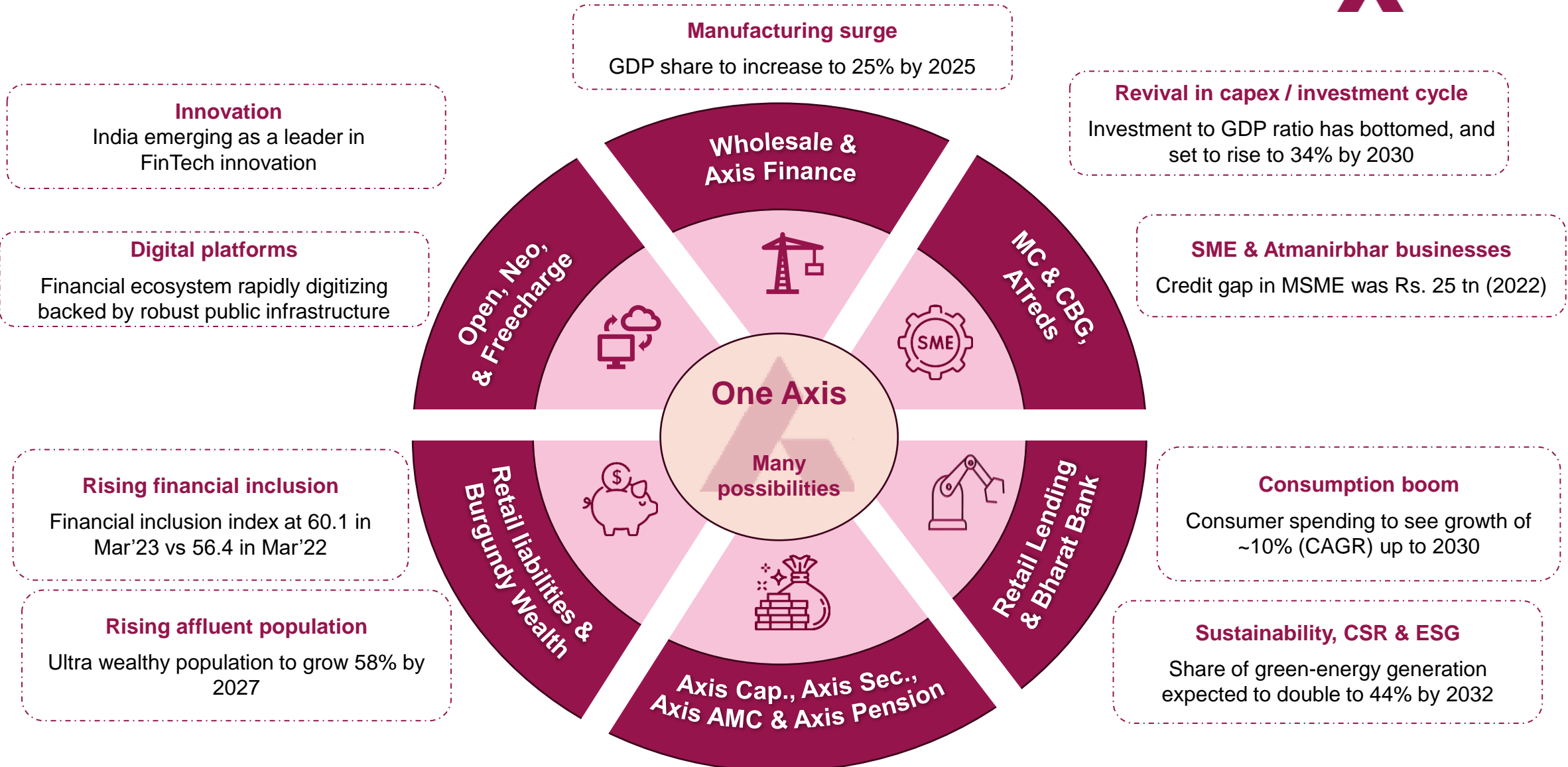


Among Top 10 Constituents of MSCI India ESG Leaders Index



Among Top 10 Constituents of S&P BSE CARBONEX Index

Axis remains well positioned to capitalize on India's growth story



AFL – Axis Finance Limited
ABF – Axis Bank Foundation
AMC – Asset Management Company

AA – Account aggregator

Source: RBI, Knight Frank, Government of India, Morgan Stanley, Central Electricity Authority estimates

Other important information

- *Debt instruments currently outstanding*
- *Credit Ratings*
- *Financials*

Axis Bank MTNs (Senior Notes + Subordinate) currently outstanding



Sr. No	Issue	Coupon	Issue Date	Maturity / Call Date	Size (US\$ Mn)
1	Senior Fixed Rate Note	3.75%	17-Feb-15	17-Feb-25	55
2	Subordinate Fixed Rate Note (ESG Bond)	4.10%	08-Sept-21	Perpetual*	600
					655

*Call option on 8-Sep-2026

Indicative Spreads for Axis Senior Bonds

Tenor	Spread over UST
3-Year	T+ 95-105 bps area
5-Year	T+100-105 bps area

Credit Ratings (as of May'24)



Foreign Currency Ratings

Rating Agency	Long term Issuer rating	Outlook
Moody's	Baa3 <i>Update as of 21-Feb-2024</i>	Stable
S&P Ratings	BBB- <i>Update as of 29-May-2024</i>	Positive
Fitch	BB+ [*] <i>Update as of 16-Oct-2023</i>	Stable

Domestic Currency Ratings

Rating Agency	Long term Issuer rating	Outlook
CRISIL	CRISIL AAA <i>Update as of 22-Nov-2023</i>	Stable
ICRA	ICRA AAA <i>Update as of 22-Nov-2023</i>	Stable
CARE	CARE AAA <i>Update as of 22-Sep-2023</i>	Stable
India Ratings	IND AAA <i>Update as of 03-Oct-2023</i>	Stable

* Fitch Ratings for Indian private bank peers under its coverage remains one notch below sovereign and none of them have higher rating than BB+

Financial Performance (as reported)



Financial Performance (\$ mn)		Q4FY24	Q4FY23	% Growth	FY24	FY23	% Growth
Interest Income	A	3,504	2,874	22%	13,113	10,211	28%
Other Income	B = C+D+E	811	574	41%	2,691	1,935	39%
- Fee Income	C	676	548	23%	2,429	1,901	28%
- Trading Income	D	122	10	-	208	(29)	-
- Miscellaneous Income	E	13	16	(21%)	54	63	(14%)
Total Income	F = A+B	4,315	3,448	25%	15,804	12,146	30%
Interest Expended	G	1,935	1,466	32%	7,131	5,062	41%
Net Interest Income	H = A-G	1,569	1,408	11%	5,982	5,149	16%
Operating Revenue	I = B+H	2,381	1,982	20%	8,673	7,085	22%
Core Operating Revenue*	J	2,258	1,972	15%	8,465	7,114	19%
Operating Expenses	K	1,117	883	27%	4,222	3,242	30%
-Staff Expense	L	351	259	35%	1,311	1,055	24%
-Non Staff Expense	M	767	623	23%	2,911	2,187	33%
Operating Profit	N = I-K	1,263	1,099	15%	4,451	3,842	16%
Core Operating Profit*	O	1,141	1,089	5%	4,244	3,872	10%
Provisions other than taxes	P	142	37	288%	487	318	53%
Profit Before Exceptional Items and Tax	Q = N-P	1,121	1,063	6%	3,964	3,524	12%
Exceptional items	R	-	1,498	-	-	1,498	-
Profit before tax	S = Q-R	1,121	(435)	-	3,964	2,027	96%
Tax Expenses	T	266	252	6%	983	878	12%
Net Profit	U = S-T	855	(687)	-	2,981	1,149	160%
EPS Diluted (in `) (annualized)		92.34	(75.53)		80.10	31.02	
Return on Average Assets (annualized)		2.00	(1.83%)		1.83%	0.80%	
Return on Equity (annualized)		20.35%	(19.20%)		18.86%	8.47%	
Capital Adequacy Ratio (Basel III) (incl. profit)		16.63%	17.64%		16.63%	17.64%	

\$ figures converted using exchange rate of 1\$ = ₹83.405

* excluding trading profit

Prior period numbers have been regrouped as applicable for comparison

Balance Sheet



Balance Sheet	As on 31 st Mar'24	As on 31 st Mar'23		As on 31 st Mar'24	As on 31 st Mar'23	% Growth
CAPITAL AND LIABILITIES	In ₹ Crores	In ₹ Crores		in \$ Mn	in \$ Mn	
Capital	617	615		74	74	0.3%
Reserves & Surplus	1,49,618	1,24,378		17,939	14,913	20%
ESOP Outstanding	827	424		99	51	95%
Deposits	10,68,641	9,46,945		1,28,127	1,13,536	13%
Borrowings	1,96,812	1,86,300		23,597	22,337	6%
Other Liabilities and Provisions	60,694	58,664		7,277	7,034	3%
Total	14,77,209	13,17,326		1,77,113	1,57,943	12%
ASSETS						
Cash and Balances with RBI / Banks and Call money	1,14,454	1,06,411		13,723	12,758	8%
Investments	3,31,527	2,88,815		39,749	34,628	15%
Advances	9,65,068	8,45,303		1,15,709	1,01,349	14%
Fixed Assets	5,685	4,734		682	568	20%
Other Assets	60,474	72,063		7,251	8,640	(16%)
Total	14,77,209	13,17,326		1,77,113	1,57,943	12%

\$ figures converted using exchange rate of 1\$ = ₹83.405
 Prior period numbers have been regrouped as applicable for comparison

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

