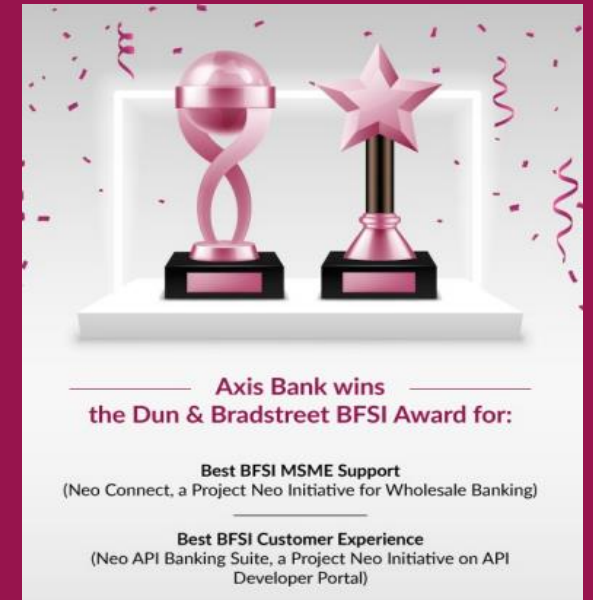


# Investor Presentation

## Quarterly Results Q4FY23



# Axis Bank at a glance



## Axis Bank



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

**41 mn+**  
Customers

**~91,900**  
Employees

**4,903**  
Branches\*

## Market Share



### Traditional Banking Segment

**5.4%**  
Assets <sup>1</sup>

**5.1%**  
Deposits <sup>2</sup>

**6.0%**  
Advances <sup>2</sup>

### Digital Banking Segment

**18%**  
UPI <sup>3</sup>

**17%**  
Mobile <sup>3</sup>

**14%**  
Credit Cards <sup>^^</sup>

## Profitability



**4.22%**  
Net Interest Margin <sup>4</sup>

**2.25%**  
Cost to Assets <sup>4</sup>

**2.92%**  
Operating Profit Margin <sup>4</sup>

## Balance Sheet



**17.64% | 14.02%**  
CAR <sup>\*\*\*</sup> | CET 1 <sup>\*\*\*</sup>

**₹119 Bn | 1.42%**  
Cumulative provisions  
(standard + additional non-NPA)

**81% | 0.39%**  
PCR | Net NPA

## Key Subsidiaries



**30%**  
Growth in Axis Finance  
PAT (FY23)

**16%**  
Growth in Axis AMC  
PAT (FY23)

**1<sup>st</sup>**  
Axis Capital's position  
in ECM<sup>§</sup>

**28%**  
Growth in Axis Securities  
new customer additions  
(FY23)

\*domestic network including extension counters    \*\*\*CAR – Capital Adequacy ratio; CET 1 – Common Equity Tier 1 ratio  
<sup>1</sup> Based on Mar'22 data    <sup>2</sup> Based on Mar'23 data    <sup>3</sup> by volumes for Q4FY23    <sup>4</sup> for Q4FY23  
<sup>^^</sup> Credit Cards in force as of Mar'23    <sup>§</sup> As per Prime Database rankings for Equity Capital Markets for FY23

# Three core areas of execution to move forward on our GPS strategy

## **A** *Deepening a performance driven culture*

- i. Lifted the growth trajectory across business segments
- ii. Improving profitability metrics
- iii. Fostering a winning mindset

## **B** *Strengthening the core*

- i. Built a strong balance sheet
- ii. Building next generation technology architecture
- iii. Organization wide transformation projects to accelerate our GPS journey

## **C** *Building for the future*

- i. Digital continues to be an area of relentless focus
- ii. Bank-wide programs to build distinctiveness
- iii. ESG has Bank-wide sponsorship

Surpassed our aspirational ROE target and have structurally improved NIMs to deliver stronger, consistent and sustainable earnings in the last 4 years



### Strengthened the Bank significantly

Net NPA	0.39% ↑ 2.06%	PCR <sup>^</sup>	81% ↑ 62%	CET 1	14.02% ↑ 11.27%
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### Improved profitability considerably

Cons. ROE <sup>**</sup>	18.84% ↑ 8.58%	NIM	4.02% ↑ 3.43%	Core Op Profit CAGR <sup>*</sup>	19% ↑ 4%
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### Lifted the growth momentum

Advance Market share	6.0% ↑ 4.9%	Deposits Market share	5.1% ↑ 4.3%	Operating Revenue CAGR <sup>*</sup>	16% ↑ 8%
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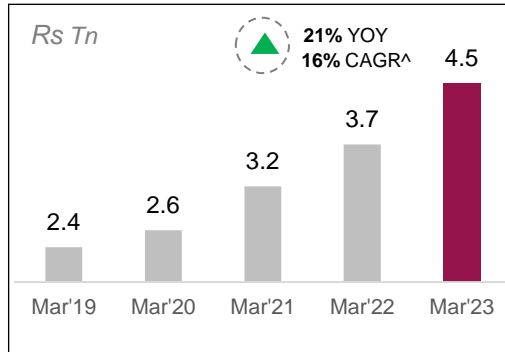
\*CAGR for FY23 over FY19 period as compared to CAGR during FY16 to FY19 period

<sup>^</sup> excluding technical write-offs

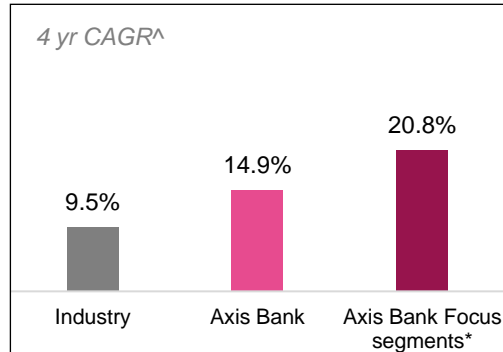
<sup>\*\*</sup> excluding exceptional items

# Lifted growth trajectory across business segments

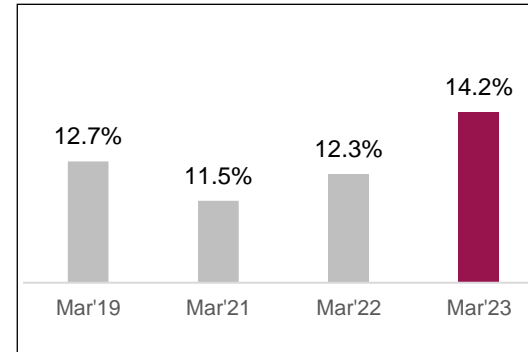
## CASA deposits



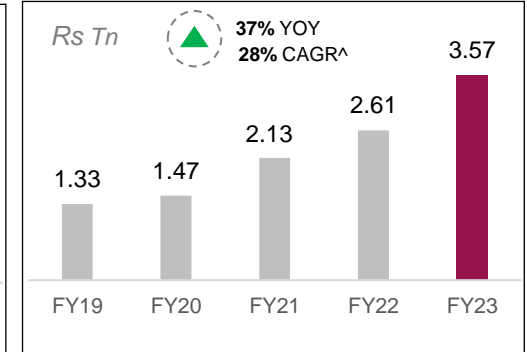
## Loan growth



## Credit cards Market Share

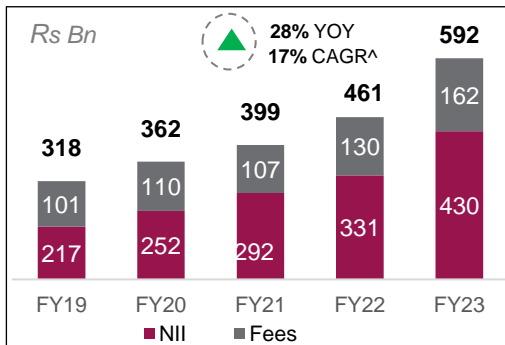


## Burgundy AUM

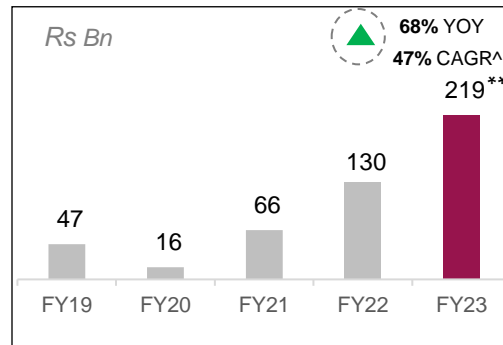


## ...with improvement in profitability metrics

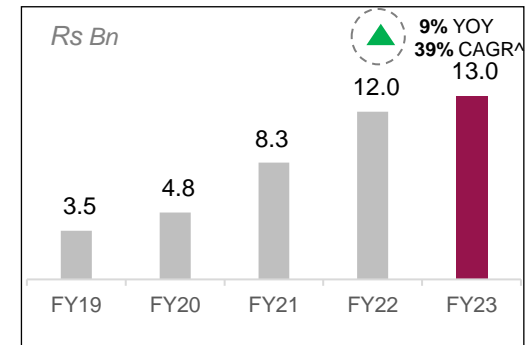
## NII + Fees



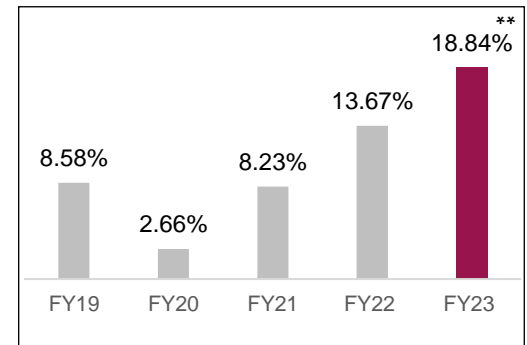
## Standalone Net profit



## Subsidiary profits<sup>#</sup>



## Consolidated ROE



<sup>#</sup>The figures represented above are for all the domestic subsidiaries and are as per Indian GAAP, as used for consolidated financial statements of the Group

\* Focus segments comprise of Mid corporate, SME, Small Business Banking

<sup>^</sup>CAGR calculated for 4 years from FY19 - FY23

\*\* excluding exceptional items

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



Won “**Best Private Bank for Client Acquisition, Asia**”, 5th Annual Wealth Tech Awards



Won “**Retail Banker’s International Asia Trailblazer**”, for use of AI & ML in financial services



Won “**Finnoviti Award for Project Maximus**”



**Customer engagement initiative of the year for NEO Connect**



**Best BFSI Customer Experience of the year for NEO API Banking Suite**



**#1 for Large Corporate banking and Middle Market banking in India**



**Asia’s Best in Infrastructure Modernization**



**Excellence of the year in Innovation and Banking**



**“Banking Innovation Award for the year 2022”**



**Best BFSI MSME Support for NEO Connect, a Project NEO initiative for Wholesale Banking**



**“Asian Bank of the year 2021” and “India Bond House” award**



Won ‘**Analytics India Magazine’s Cypher**’ award for Data Engineering excellence



Won ‘**Red Hat APAC Innovation**’ award for Digital Transformation and Cloud Native Development



**‘Most Recommended Retail Bank in India’ and ‘Most Helpful Bank during Covid-19 in India’**



**Priority Sector Lending**



Won ‘**Leadership in Social Impact**’ award at the ESG India Leadership Awards 2021

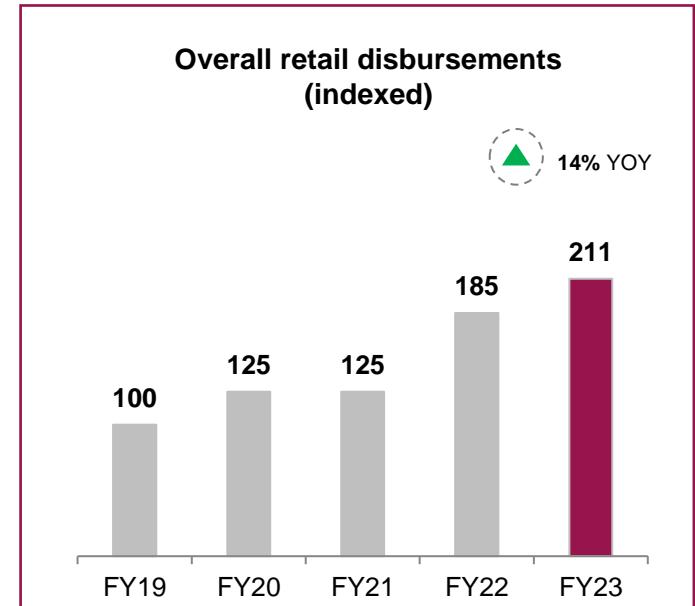
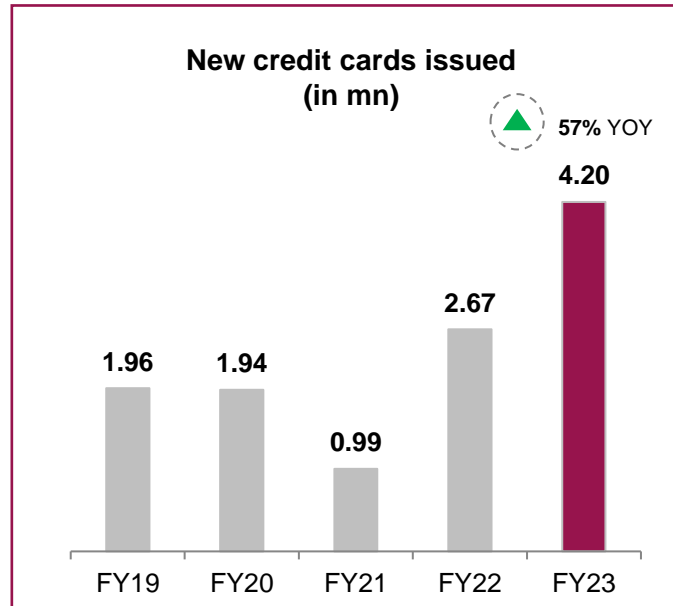
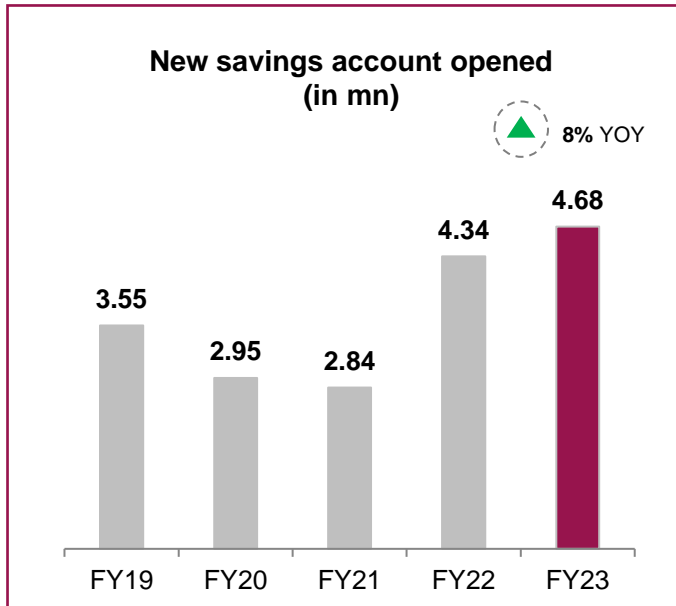


**“Great Place to Work-Certified” among India’s Best Workplaces™ in BFSI 2022.**



**‘Best Sustainability-linked Bond – Financial Institution’ for its US\$600m Sustainable AT1 Bond**

# ...substantiated by many 'all-time highs' across different segments



**10.8 mn** New liability relationships added, at yearly highs

**26%** incremental market share gained in new POS terminals installation (FY23)

**Highest ever** disbursements in Retail Assets and Rural loans for Q4FY23



**New products to enrich segment offerings** like Prestige, Liberty, Priority Banking, Ultima Salary, Silver Linings (in SA)



**Partnerships** across cards (Flipkart, Google, Airtel) and retail (fintechs and CSCs)



**Multiple transformation projects** (Triumph, Unnati & Zenith) and digital initiatives (SA VKYC, Maximus, etc)



**Right fitment strategy** to accelerate premiumization

# Strong momentum in Retail Bank across all businesses



Deposits^^	Burgundy Wealth management ^^	Retail loans^^	Cards and Payments	Bharat Banking
<ul style="list-style-type: none"> <li>• <b>15%</b> YOY growth in overall MEB total deposits</li> <li>• <b>870 bps</b> YOY growth in premium* SA QAB deposits</li> <li>• <b>23%</b> YOY growth in SA MEB balances</li> <li>• <b>17%</b> YOY increase in CA MEB deposits</li> </ul>	<ul style="list-style-type: none"> <li>• <b>3.6 trillion</b> Burgundy assets under management</li> <li>• <b>58%</b> YOY growth in Burgundy Private AUM</li> <li>• <b>215%</b> YOY growth in Burgundy Private customer base</li> <li>• <b>20%</b> YOY growth in fees from wealth management</li> </ul>	<ul style="list-style-type: none"> <li>• <b>22%</b> YOY growth in retail advances in FY23</li> <li>• <b>50%</b> YOY growth in SBB loans in FY23</li> <li>• <b>20%</b> YOY growth in LAP book in FY23</li> <li>• <b>41%</b> YOY growth in unsecured PL &amp; CC book</li> </ul>	<ul style="list-style-type: none"> <li>• <b>17%</b> incremental market share# in credit card CIF</li> <li>• <b>3.6 mn</b> Flipkart cards in force as of Mar'23</li> <li>• <b>26%</b> incremental market share in POS base FY23</li> <li>• <b>17%</b> market share in UPI (FY23)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>26%</b> YOY growth in Rural advances</li> <li>• <b>37%</b> YOY growth in disbursements (ex IBPC)</li> <li>• <b>15%</b> YOY growth in deposits (Bharat branches)</li> <li>• <b>2,137</b> Bharat Bank branches <b>60,600+</b> CSC outlets network</li> </ul>

# For last 6 months as per RBI data

Includes Burgundy and Burgundy Private segments

^^Not strictly comparable as it includes acquired Citibank India Consumer Business



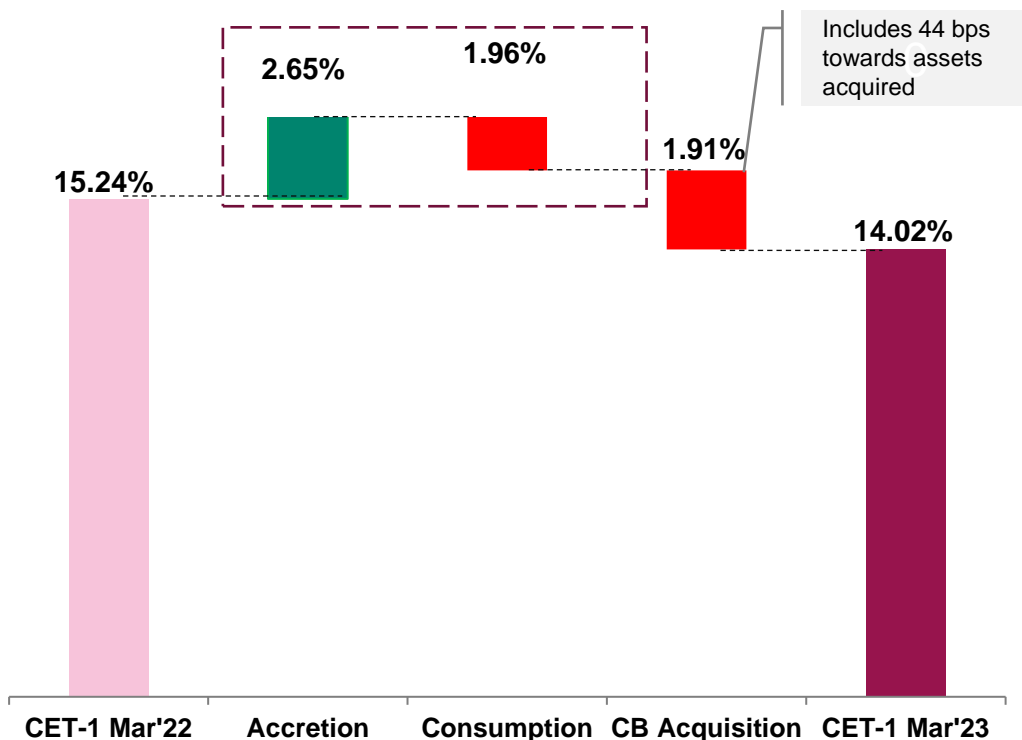
# Amongst the best and most comprehensive Wholesale Banking franchise for our customers



Growth in focus segments	Transaction Banking	Leadership in DCM	One Axis	Project Neo Digital transformation
<ul style="list-style-type: none"> <li>• <b>24%</b> YOY growth in domestic corporate loans</li> <li>• <b>38%</b> YOY growth in Mid corporate book</li> <li>• <b>23%</b> YOY growth in SME loans</li> </ul>	<ul style="list-style-type: none"> <li>• <b>11.1%</b> Foreign LC Market Share</li> <li>🏆 <b>1<sup>st</sup></b> Blockchain enabled domestic trade* executed</li> <li>🏆 <b>2<sup>nd</sup></b> rank in <b>NEFT</b> market share</li> </ul>	<ul style="list-style-type: none"> <li>• <b>18%</b> market share in India Bonds</li> <li>🏆 <b>1<sup>st</sup></b> rank in DCM for rupee bonds for 16<sup>th</sup> consecutive year</li> <li>🏆 <b>Best DCM House</b> at the Finance Asia's Country Awards, 2021</li> </ul>	<ul style="list-style-type: none"> <li>• Deliver <b>One Axis</b> by being reliable partner through customer life cycle</li> <li>• Creating <b>Ecosystem solutions</b> across key segments</li> <li>🏆 Awarded "<b>Asian Bank of the year 2021</b>" by IFR Asia, in the Asian investment banking space</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Market leading</b> depth and breadth of Transaction Banking APIs</li> <li>• <b>95+</b> corporate APIs hosted on Bank's API Developer Portal</li> <li>🏆 <b>Best BFSI Customer Experience of the year</b> for NEO API Banking Suite &amp; <b>Best BFSI MSME Support</b> for NEO Connect, at Dun &amp; Bradstreet Award BFSI Fintech 2023</li> </ul>

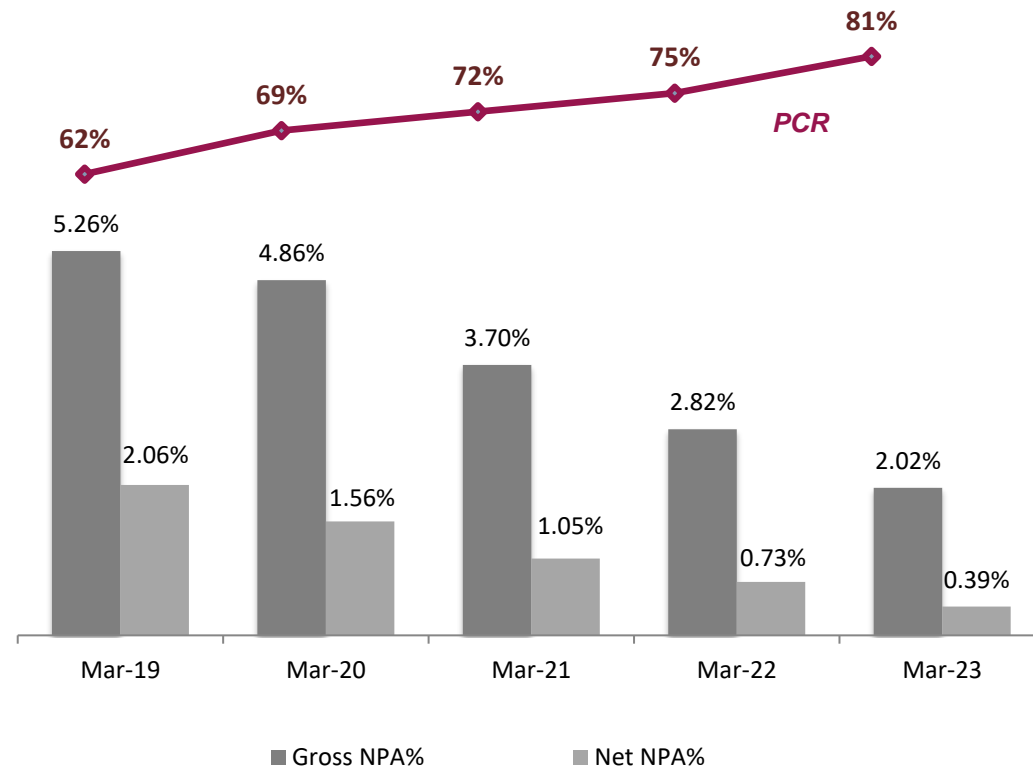
\* transaction involved the process of Letter of Credit advising as well as digital presentation of underlying trade documents including invoice & transport documents

# Self sustaining capital structure, asset quality adequately dealt with



Organic Axis business accreted 69 bps of CET-1 excluding exceptional items in FY23 as against net consumption of 176 bps during Mar'17-Mar'22 period

**17.64%**  
Total Capital Adequacy Ratio as of Mar'23



**0.39%**  
Net NPA as of Mar'23, lowest in the last 36 quarters since Mar'14

**1.42%**  
Standard asset cover as of Mar'23 (all non NPA prov / std assets)

# Building next generation technology architecture



## Modernizing the Core

- Cloud-first, Cloud-native architecture leading to leadership in **Cloud adoption with 76 apps** on Cloud
- **38%** increase in **new apps adopting cloud** in FY23; **100+ containerized environments** for micro services
- **Reduction in infra provisioning TAT by ~90%**; Trained 300 professionals on Cloud technologies



## Accelerate Delivery

- API development & next generation Open ecosystem integration with **380+ Retail and Corporate APIs**
- Investment in emerging tech with creation of **~2990 RPA bots** and **1480+ automated processes**
- Maintained strong positioning in UPI with **553M cumulative VPA base**, catering to ~50L merchant txn / day



## Talent & Culture

- Trained **40+ teams** around **600+ employees** and vendor partners on Axis Agile ways of working
- Revamped hiring strategy **focused on insourcing**, with FY26 target to achieve **55-60% resource mix**
- **1750+** member full service inhouse team



## Fix the Basics

- Consistent and reusable architecture through **Architecture Review Board** and **Reference Capability maps**
- **Upgraded our core systems** under platforms, payments, and collections to stay ahead of the curve
- Bolstered infrastructure for **increased monthly volumes**: UPI 1.9B, IMPS 170M, NEFT 30M, and RTGS 1M



## E2E Customer Journey

- Made tremendous strides in our Digital channel capabilities to achieve **4.8 rating on PlayStore and 12M MB MAU\* users**; Enhanced channel experience through **WhatsApp Banking** and **Enterprise Wide chatbot**
- Employee empowerment and **embedding customer obsession** through **Retail Omni, Neo, Siddhi**



## Risk & Governance

- **BitSight rating**, a key risk indicator of overall cyber security, at **800** out of 900 (at par / ahead of peers)
- Improved overdue audit observations at **1%**, with Bank's aspirations to continue to **maintain < 1%**
- Progress towards a secure, **zero-trust architecture** internally across BYOD, Cloud, Mobile, WFH

\* mobile banking monthly active users

# Cloud adoption leading to significant outcomes

**38%**

Increase in new apps adopting cloud in FY22-23

**3000+**

Virtual Machines running across multiple operating system

**96%+**

CIS Benchmark score across bank public cloud

**98%+**

VA and IPT Compliance across bank public cloud

**Process**

Continuous improvements and process streamlining

**150+\***

Use cases on cloud decisioning platforms

**76**

Applications Hosted on Cloud

**Security**

Guard Rails in place with robust Landing Zone architecture

**30+**

Cloud Native Managed Service leveraged across multiple applications

**100+**

Containerized environments to support microservices based architecture



## Architecture & Security

**50+**

Standard Security Document created for Cloud services

**10+**

Reference architecture created with Security Best practice adoption



## Learning & Development

**300+**

Staff benefitted from the curated training programs and Learning Needs Assessment



## Certification & Standards

**1st**

Indian Bank getting ISO 27017-2015 Cloud Certification

# Organization wide transformation projects have accelerated our GPS journey



## Triumph (Liabilities)

**870 bps**

*YOY improvement in premium retail SA mix*

## Zenith (Credit Cards)

**4.2 mn**

*Credit Cards issued in FY23*

## Unnati ( Retail Assets)

**2.1 times**

*Retail disbursements in FY23 by value as compared to that in FY19*

## Sankalp (SME)

**34%**

*YOY growth in NTB business book*

## Neo (Wholesale Banking)

**2 times**

*Growth in Transaction value  
YOY (Mar'23 over Mar'22)*

## Bharat Banking ( Rural)

**26%**

*YOY growth in Rural advances*

## Kanban

**2nd**

*Largest Merchant Acquiring Bank with 18.6% market share*

## Siddhi

**>35%**

*Higher lead conversions*

## Branch of the Future

**67%**

*Service requests done digitally*

# Digital: Early traction visible, our relentless focus continues



We are investing heavily in building capabilities...

**1,750+**  
People dedicated to digital agenda

**390+**  
In-house development team

**65%**  
New hires from non-banking background

**1,13,100+**  
Staff enabled on Bring your own device

**250+**  
Services on digital channels

**2,990+**  
RPA Bots

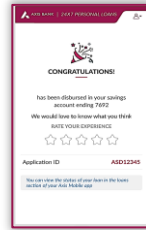
**Agile**  
Enabled teams with CI/CD, micro-services architecture

**40%+**  
Lift of bank credit model GINI scores over bureau

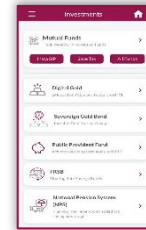
**300+**  
Employee tool journeys

**4.8**  
Mobile App Ratings

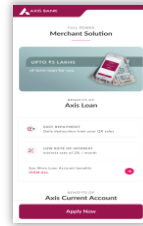
...and introduced re-imagined customer journeys and new innovative offerings ...



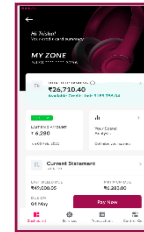
Digital PL



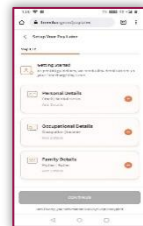
Insta Investments



Merchant Card Advances



Credit Cards Lifecycle



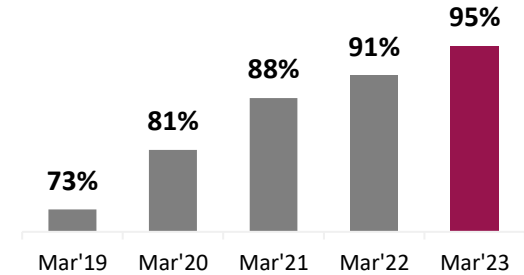
Pay Later



Digital Forex

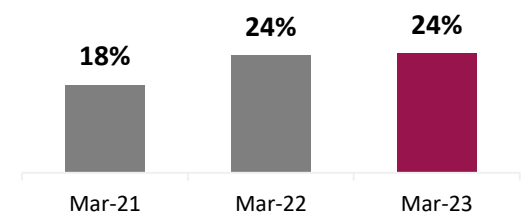
...that has led to improvement in digital adoption

Digital transactions \* (%)

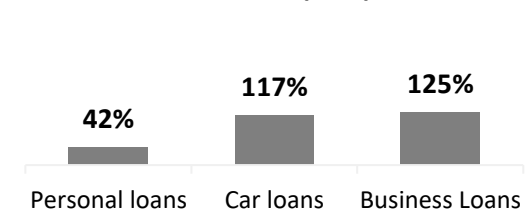


\* Based on all financial transactions by individual customers

Digital non-salary SA accounts (%)



Growth in Digital loans sourced (YOY)



# 'Bharat Banking' strategy has been scaling up well

Customer centric framework that is connecting all parts of the Bank



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 an ecosystem for Bharat across the value chain...

### Specific Products



- Building an array of **'Bharat centric' products** for better segmental coverage & penetration
- Offer a broader range of Retail Asset products and leverage asset sales team & branches to grow liability business
- Connecting the dots across the bank through **One Axis** solutioning approach for seamless delivery to customers in the Bharat markets

### Distribution & Partnerships



- Significantly expanding the partnership ecosystem & pursue co-lending opportunities
- CSC outlets scaled up to **60,600+** and strong momentum in sourcing asset and liability products
- Tie up with Payment Banks & NBFCs to improve reach in rural and unbanked areas

### Digital & Analytics



- Redesigning end to end customer journey to reduce TAT and improve customer experience
- Use of **alternate ecosystems** to leverage data & underwrite customers better
- Distinctive Bharat** specific capability stack

## ...has delivered strong growth across key metrics

- 26%** YOY growth in Rural advances
- 37%** YOY growth in disbursements (ex IBPC)
- 15%** YOY growth in deposits\*

**Achieved highest ever monthly disbursement in Mar'23 across all the major product segments**

\*Bharat branches

# 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 tCO<sub>2</sub>e\***

GHG emissions avoided

**~ ₹16,300 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

**69%**

Proportion of Independent, Non-Executive directors

**15%**

Proportion of women directors on the Board

## Steady Performance on Global ESG Benchmarks



Above **80<sup>th</sup>** percentile among global banks on DJSI in 2022



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



MSCI ESG Ratings at **A** in 2022

CCC | B | BB | BBB | **A** | AA | AAA



CDP Score at **C** 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



## Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment Performance

Asset Quality

Sustainability

Subsidiaries' Performance

Other Important Information

# Major highlights

**Q4FY23 (excluding Exceptional Items\*) – PAT at ₹6,625 crores, up 61% YOY, consolidated ROA at 2.18%, consolidated ROE at 21.58%, driven by strong all round operating performance**



## Strong operating performance

- Net Interest Income grew **33%** YOY and **2.5%** QOQ, Net Interest Margin at **4.22%**, up by **73 bps** YOY
- Fee income grew **24%** YOY and **14%** QOQ, granular fee constituted **92%** of overall fees, Retail fee grew **31%** YOY and **14%** QOQ
- Core operating profit grew **46%** YOY and **3%** QOQ, Operating profit grew **42%** YOY and de-grew **1%** QOQ
- Consolidated ROA (annualized, excluding EI\*) at **2.18%**, up **64 bps** YOY & **18 bps** QOQ, with subsidiaries contributing **8 bps**

## Robust loan growth delivered across all business segments

- Advances\*\* grew **19%** YOY and **11%** QOQ; Domestic loan\*\* book grew **23%** YOY and **13%** QOQ
- Retail\*\* loans grew **22%** YOY & **14%** QOQ of which Rural loans grew **26%** | **19%**, Card advances grew **97%** | **53%** on YOY | QOQ basis
- Domestic Corporate loans grew **24%** YOY and **11%** QOQ, Mid-Corporate (MC) up **38%** YOY, SME loans grew **23%** YOY
- SBB<sup>1</sup> book grew **50%** YOY & **12%** QOQ, SBB+SME+MC mix at **₹1,722 bn** | **20%** of total loans, up **~629 bps** in last 3 years

## Steady growth in granular deposits, improving quality visible

- On MEB basis, deposits\*\* grew by **15%** YOY & **12%** QOQ; SA grew by **23%** YOY & **18%** QOQ, CA grew **17%** YOY & **18%** QOQ
- On MEB basis, term deposits\*\* grew by **11%** YOY & **6%** QOQ, CASA\*\* ratio stood at **47%**, up **215 bps** YOY and **261 bps** QOQ
- On QAB basis, deposits grew by **11%** YOY & **6%** QOQ; QAB SA grew **13%** YOY & **4%** QOQ, QAB CA grew **15%** YOY & **9%** QOQ
- Average LCR during Q4FY23 was **~129%**, **growing 13% QoQ and YOY**

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

- Excluding EI, net accretion to CET-1 **69 bps** in FY23, self-sustaining capital structure for FY23
- Overall capital adequacy ratio (CAR) stood at **17.64%** with CET 1 ratio of **14.02%**
- **₹5,012** crores of COVID provisions not considered for CAR calculation, provides cushion of **51 bps** over the reported CAR
- Excess SLR of **₹75,071** crores

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

- **1.13** million credit cards acquired in Q4FY23, incremental CIF market share of **~17%** in last six months<sup>2</sup>
- **2<sup>nd</sup> largest** player in Merchant Acquiring with terminal market share of **19%**, incremental share of **26%** in last one year
- 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, Ranked **2<sup>nd</sup>** in NEFT market share

## Declining NPAs and slippages, moderate credit costs

- GNPA at **2.02%** declined by **80 bps** YOY & **36 bps** QOQ, NNPA at **0.39%** declined **34 bps** YOY & **8 bps** QOQ, PCR healthy at **81%**
- Coverage<sup>4</sup> ratio at **145%**, Standard Covid-19 restructuring implemented loans at **0.22%** of GCA
- Gross slippage ratio (annualized) at **1.76%**, declined **62 bps** YOY & **27 bps** QOQ, Net slippage ratio (annualized) at **0.38%**, declining **55 bps** QoQ
- Annualized credit cost at **0.22%**, declined **10 bps** YOY and **43 bps** QOQ

## Key subsidiaries continue to deliver steady performance

- Total FY23 PAT of domestic subsidiaries at **₹1,304** crs, up **9%** YOY; Return on investments in subsidiaries at **50%**
- Axis Finance FY23 PAT grew **30%** YOY, ROE at **17.9%**, asset quality metrics improve with net NPA **0.36%**
- Axis AMC's FY23 PAT grew **16%** YOY
- Axis Capital FY23 PAT at **₹142 crores**
- Axis Securities FY23 revenue up **9%** YOY, customer base up **17%** YOY

**Q4 FY23 Consolidated ROE (annualized, excluding EI) at 21.58%, up 500 bps YOY and 177 bps QoQ, with subsidiaries contributing 46 bps**

\*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

\*\*Not strictly comparable as it includes acquired Citibank India Consumer Business ("CICB"). For details of growth without CICB, see slide 89 of this presentation

QAB: Quarterly Average Balance MAU: Monthly Active Users <sup>1</sup> SBB : Small Business Banking; <sup>2</sup> Based on RBI data from Oct'22 to Mar'23

<sup>4</sup> Coverage Ratio = Aggregate provisions (specific + standard + additional + Covid) / IRAC GNPA <sup>3</sup> across 59 global banks, 8 global neo banks and 50 Indian fintech apps with 2 mn+ reviews

# Key metrics for Q4FY23

Snapshot (As on 31<sup>st</sup> March 2023)



Profit & Loss

	Absolute (₹ Cr)			QOQ   YOY Growth		
	Q4FY23	Q3FY23	FY23	Q4FY23	Q4FY23	FY23
Net Interest Income	11,742	11,459	42,946	2%	33%	30%
Fee Income	4,676	4,101	16,216	14%	24%	25%
Operating Expenses	7,470	6,847	27,398	9%	14%	16%
Operating Profit	9,168	9,277	32,048	(1%)	42%	30%
Core Operating Profit	9,084	8,850	32,291	3%	46%	40%
PBT (excluding EI)	8,862	7,840	29,396	13%	62%	69%
<b>Profit excluding EI</b>	<b>6,625</b>	<b>5,853</b>	<b>21,933</b>	<b>13%</b>	<b>61%</b>	<b>68%</b>
Exceptional items (EI)	12,490	-	12,490	-	-	-
<b>Profit after Tax (PAT)</b>	<b>(5,728)</b>	<b>5,853</b>	<b>9,580</b>	<b>-</b>	<b>-</b>	<b>(26%)</b>

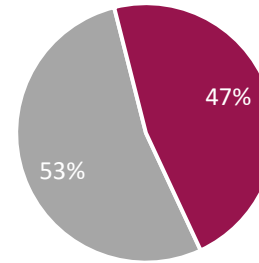
Balance Sheet

	Q4FY23	YOY Growth
Total Assets	13,17,326	12%
Net Advances **	8,45,303	19%
Total Deposits ^ **	9,46,945	15%
Shareholders' Funds	1,24,993	9%

Key Ratios

	Q4FY23		FY23		Q4FY22   FY22	
	Excl EI	Reported	Excl EI	Reported		
Diluted EPS (Annualised ₹)	<b>86.31</b>	(75.53)	<b>71.03</b>	31.02	54.27	42.35
Book Value per share (in ₹)	<b>446</b>	406	<b>446</b>	406	375	375
ROA (Annualised)	<b>2.10%</b>	(1.83%)	<b>1.82%</b>	0.80%	1.46%	1.21%
ROE (Annualised)	<b>21.12%</b>	(19.20%)	<b>18.38%</b>	8.47%	15.87%	12.91%
Consol ROA (Annualised)	<b>2.18%</b>	(1.68%)	<b>1.82%</b>	0.85%	1.54%	1.29%
Consol ROE (Annualised)	<b>21.58%</b>	(17.37%)	<b>18.84%</b>	9.26%	16.58%	13.67%
Gross NPA Ratio	2.02%		2.02%		2.82%	
Net NPA Ratio	0.39%		0.39%		0.73%	
Basel III Tier I CAR	14.57%		14.57%		16.34%	
Basel III Total CAR	17.64%		17.64%		18.54%	

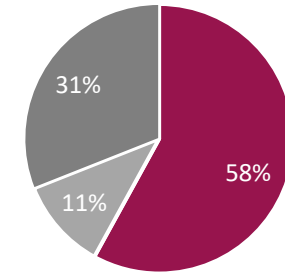
Deposits\*\* ↑ 15% YOY



↑ 21% YOY (MEB)  
↑ 13% YOY (QAB#)

#QAB – Quarterly Average Balance

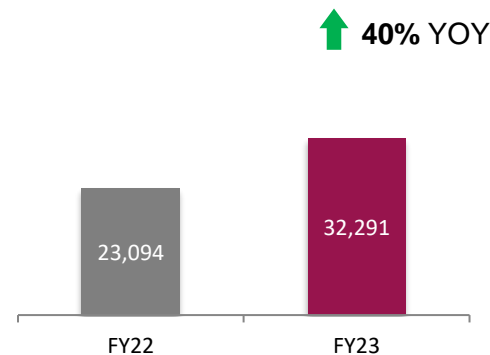
Advances ↑ 19% YOY  
↑ 23% YOY<sup>1</sup>



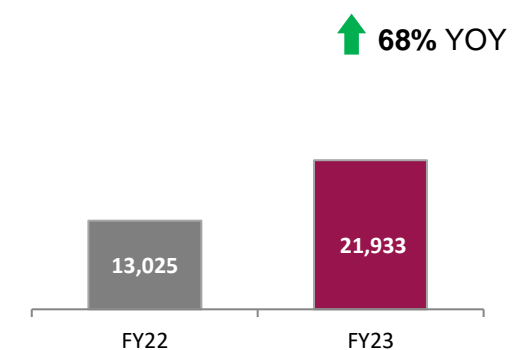
↑ 22% YOY (Retail)  
↑ 23% YOY (SME)  
↑ 14% YOY (Corporate)  
↑ 24% YOY<sup>1</sup>

<sup>1</sup>domestic loans

Core Operating Profit excluding exceptional items (in ₹ Crores)



Profit After Tax excluding exceptional items (in ₹ Crores)



^ period end balances

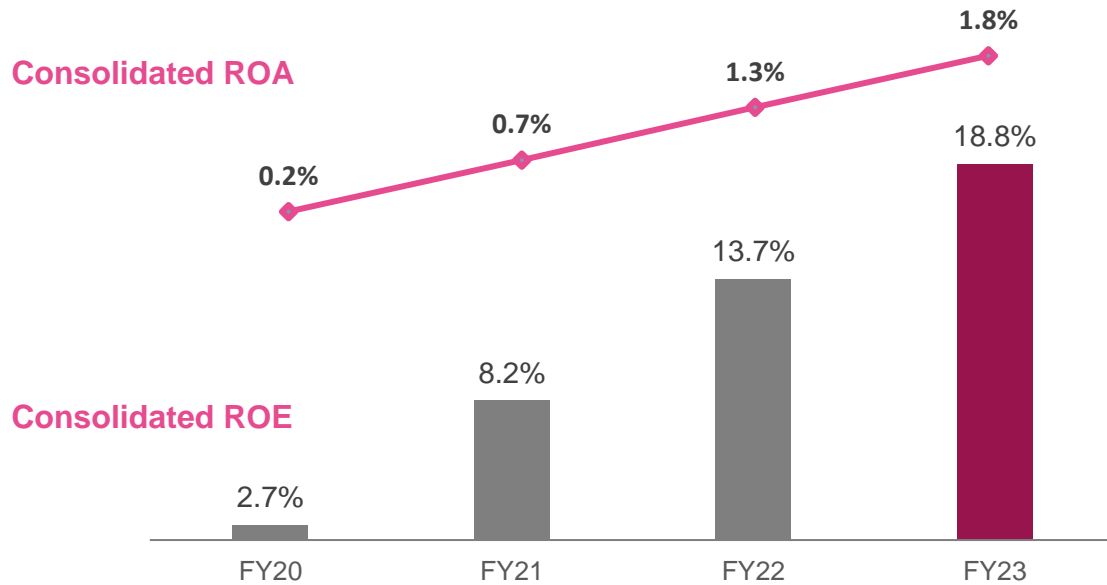
\*Exceptional Items (EI) for Q4FY23 and FY23 comprise of (i) full amortization of Intangibles and Goodwill (ii) impact of policy harmonization on operating expenses and provisions; and (iii) one-time stamp duty costs

\*\*Not strictly comparable as it includes acquired Citibank India Consumer Business ('CICB'). For details of growth without CICB, see slide 89 of this presentation

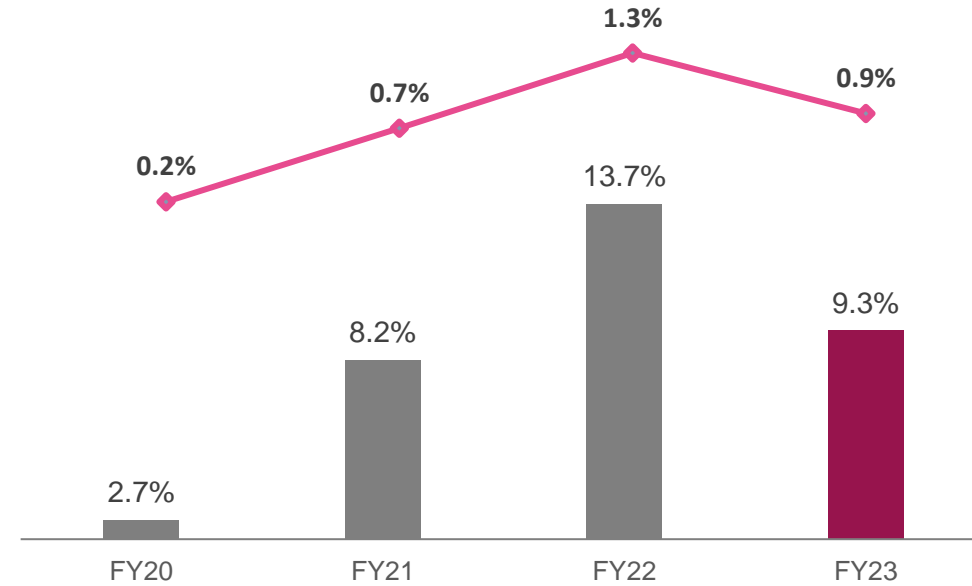
# We have delivered consistent and robust improvement in the shareholder return metrics...



Trend in Consolidated ROA and ROE (excluding Exceptional Items\*)



Trend in Consolidated ROA and ROE (Reported)



\*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

Executive Summary

**Financial Highlights**

Capital and Liquidity Position

Business Segment Performance

Asset Quality

Sustainability

Subsidiaries' Performance

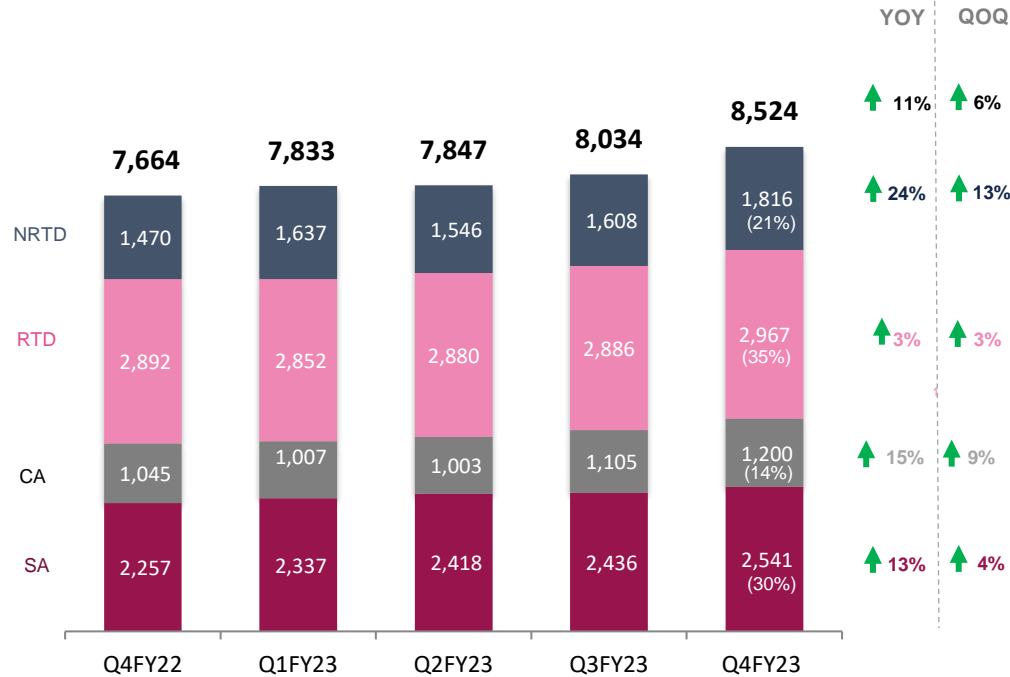
Other Important Information

# Deposit and Loan growth performance



All figures in ₹ Billion

## Deposit\* mix (QAB)^



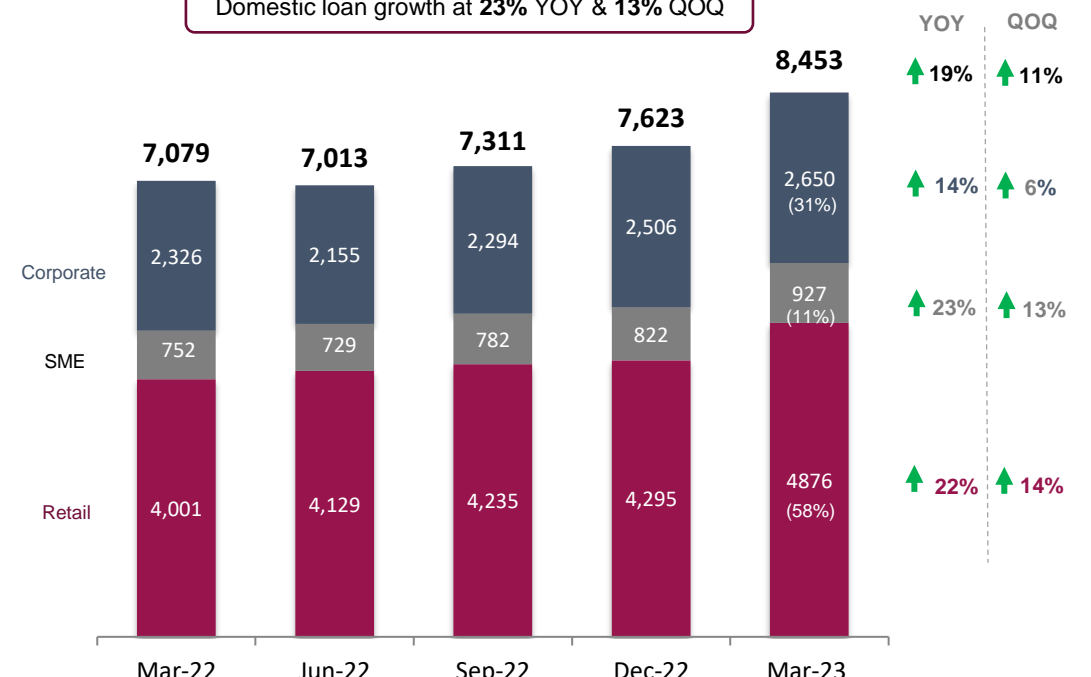
3.65%      3.69%      3.80%      3.94%      4.31%

Cost of Deposits

^ Quarterly Average Balance

## Segment loan\* mix

Domestic loan growth at 23% YOY & 13% QOQ

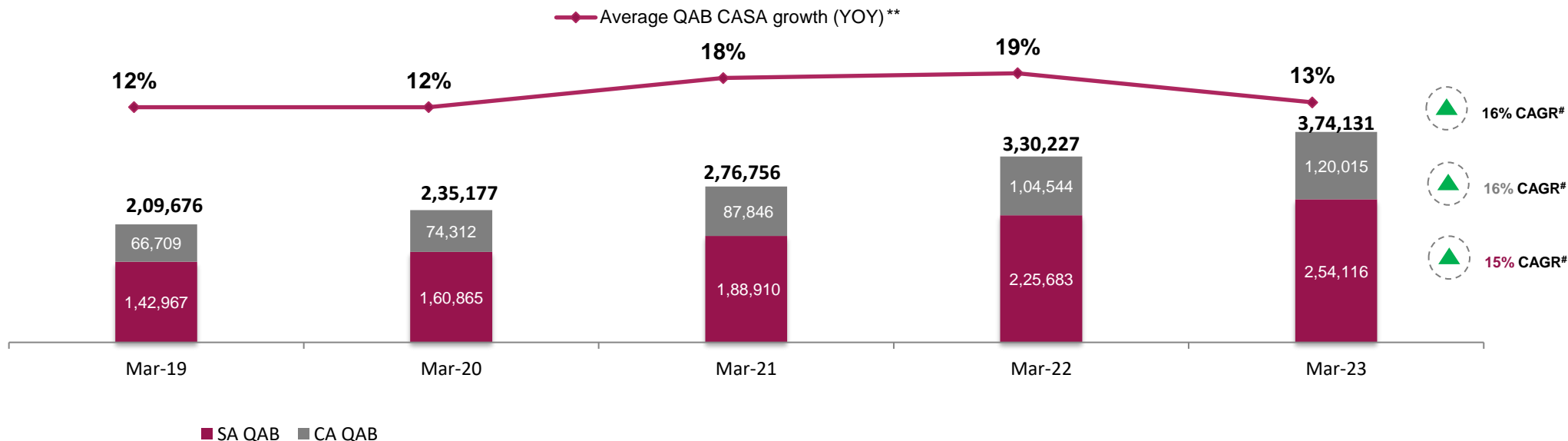


93%      94%      94%      95%      96%

Share of Domestic Loans in overall loan book

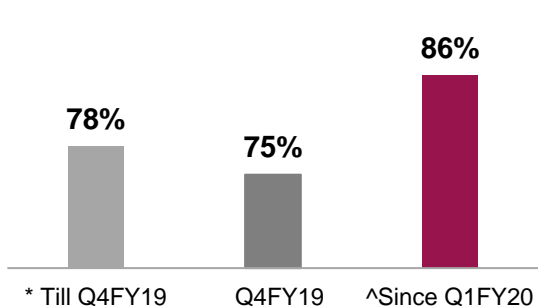
\*Not strictly comparable as it includes acquired Citibank India Consumer Business ('CICB'). For details of growth without CICB, see slide 89 of this presentation

# Trend in CASA growth

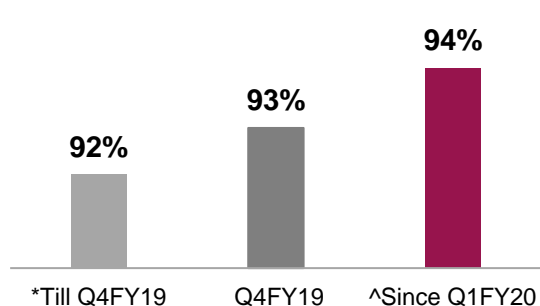


#Mar-19 to Mar-23

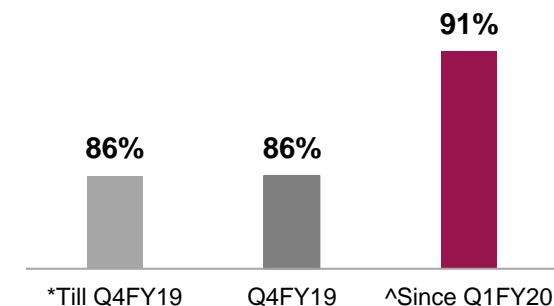
## CA QAB as % of period end CA balances



## SA QAB as % of period end SA balances



## CASA QAB as % of period end CASA balances



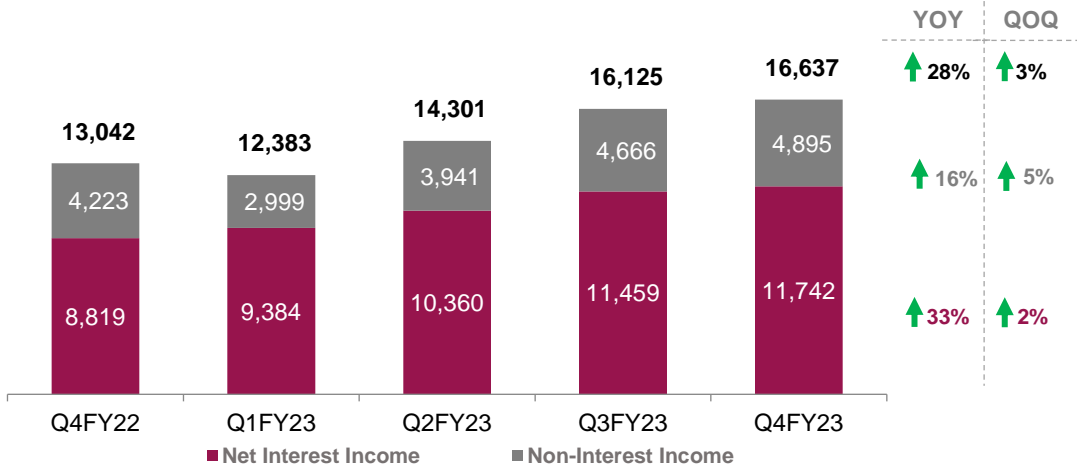
^ Quarterly Average Balance

\*Q1FY17 to Q4FY19    ^Q1FY20 to Q4FY23

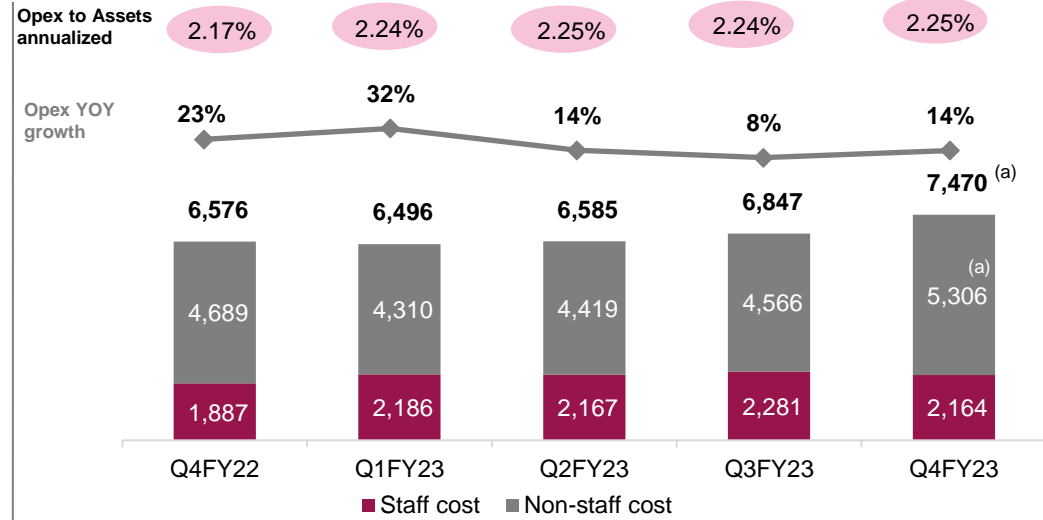
\*\* Not strictly comparable as it includes acquired Citibank India Consumer Business

# Core operating profit up 46% YOY, PAT (excluding exceptional items) up 61% YOY

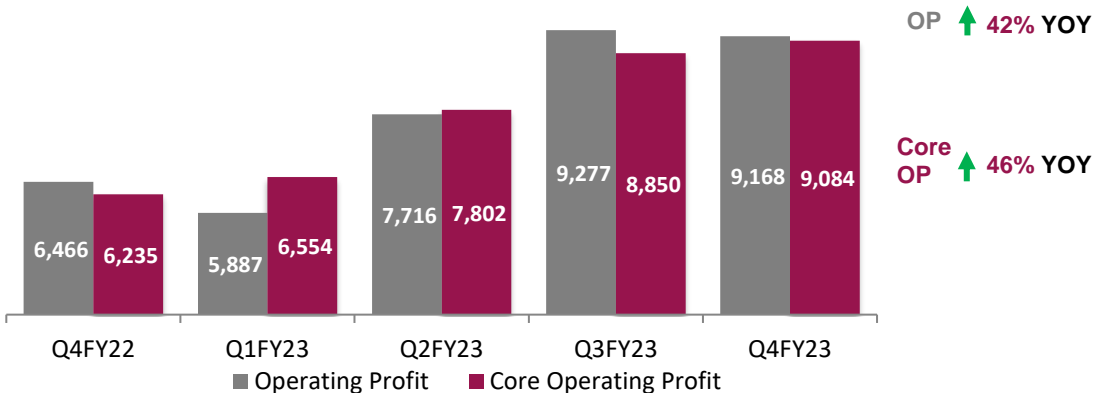
## Operating revenue



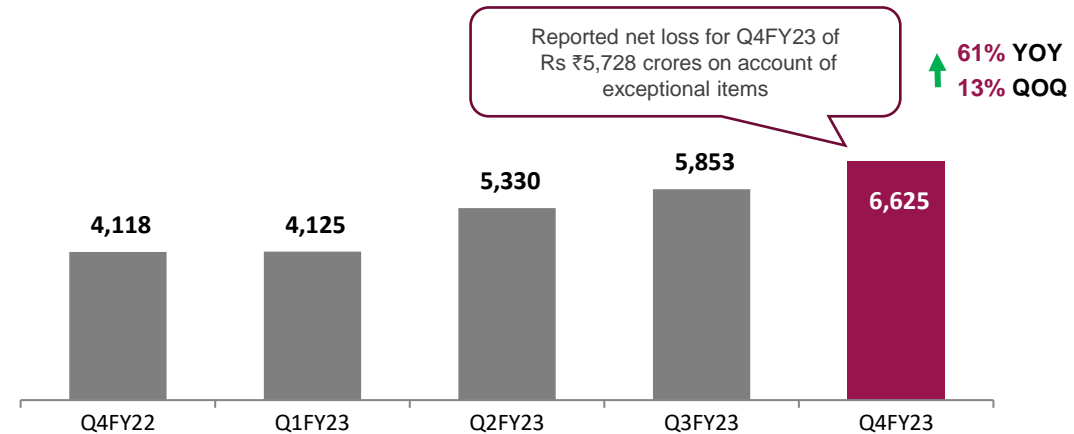
## Operating expense



## Operating profit & Core Operating profit



## Profit after tax (excluding EI\*)



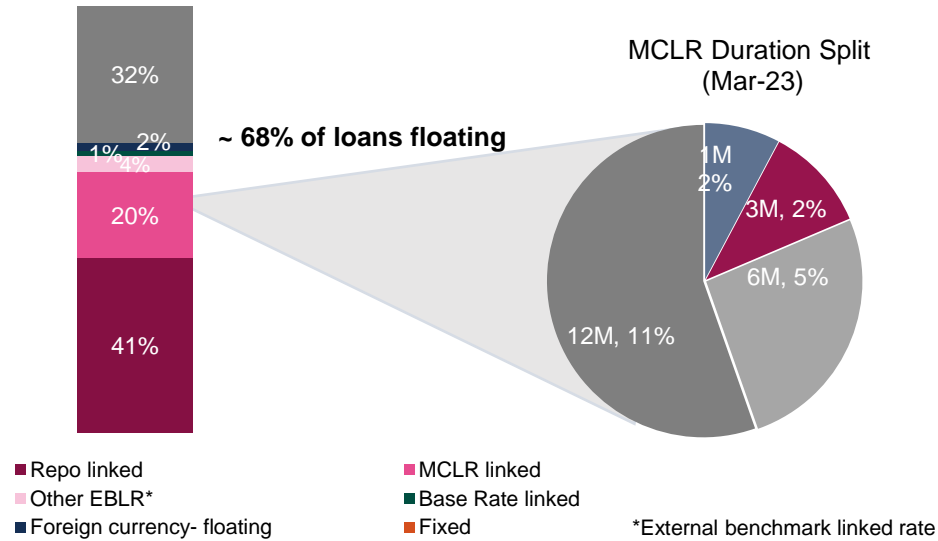
\*Exceptional Items (EI) for Q4FY23 comprise of (i) full amortization of Intangibles and Goodwill (ii) impact of policy harmonization on operating expenses and provisions; and (iii) one-time stamp duty costs



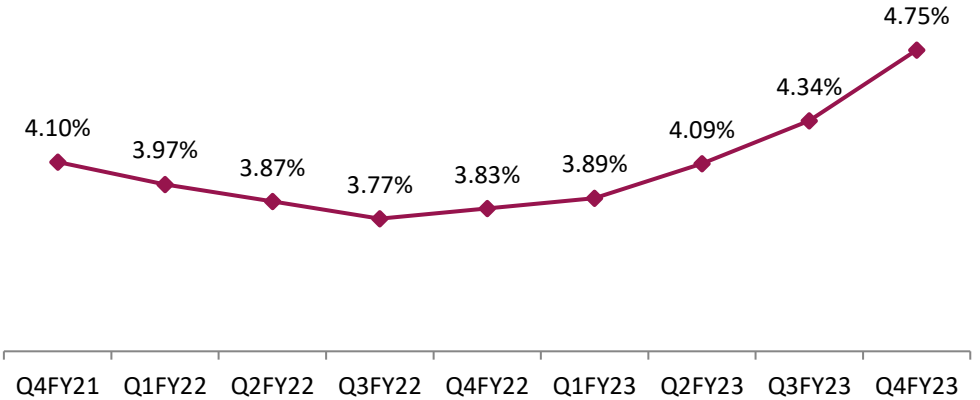
# Net interest margin improved 73 bps YOY



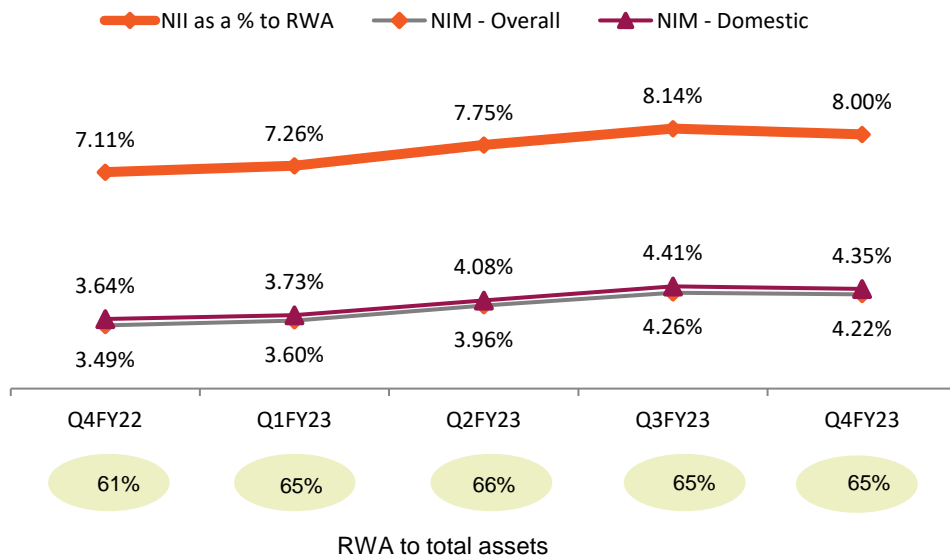
### Advances mix by rate type



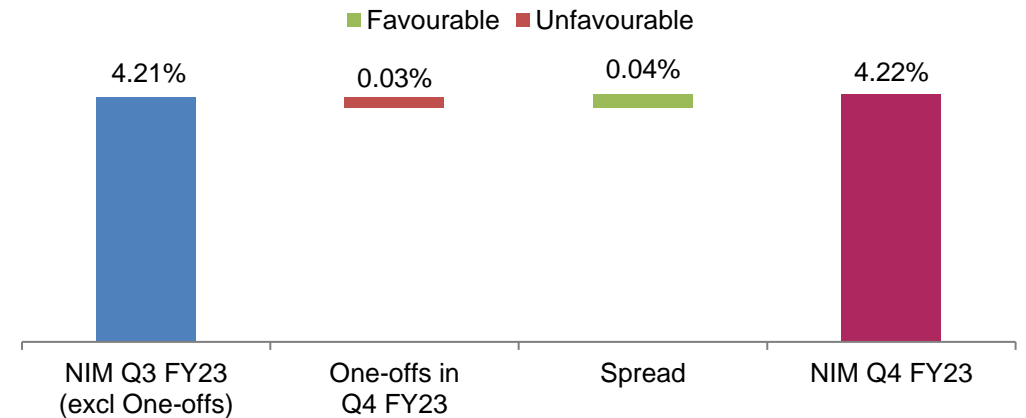
### Cost of Funds



### Net interest Margin (NIM)



### NIM Movement - Q3 FY23 to Q4 FY23

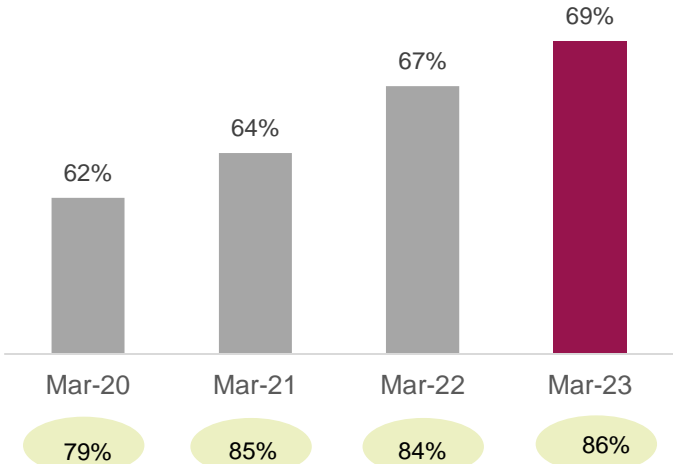


# NIM improvement led by structural drivers across the businesses



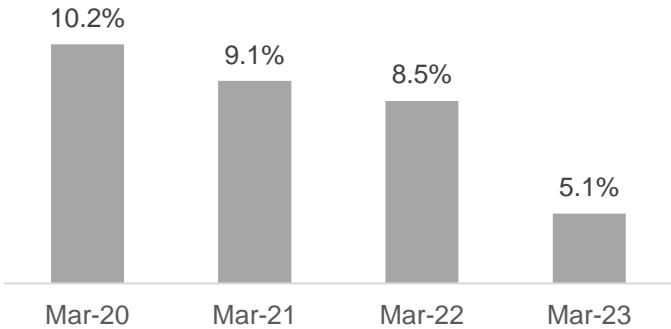
## 1 Improvement in balance sheet mix

Retail & SME as % of loan book

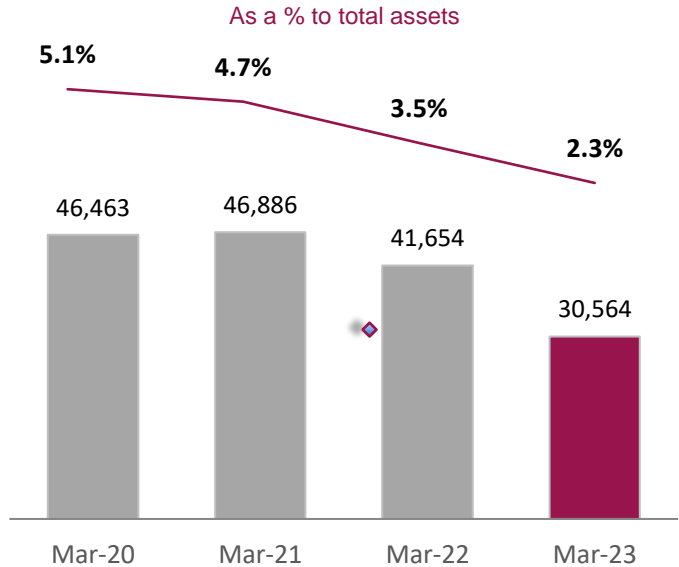


Loans and investments as % of total assets

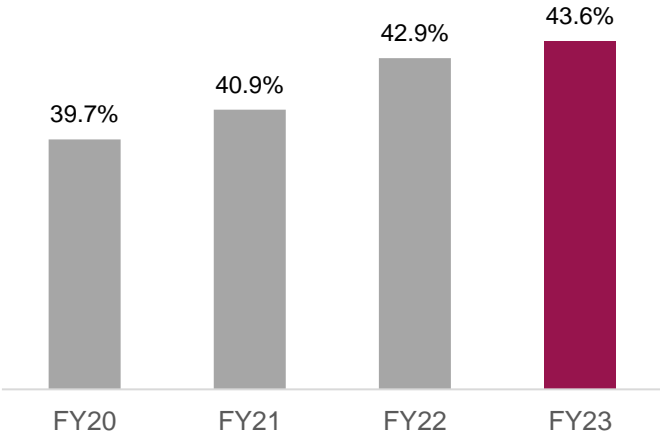
Non INR book as % of overall loan book



## 2 Reducing share of low yielding RIDF bonds

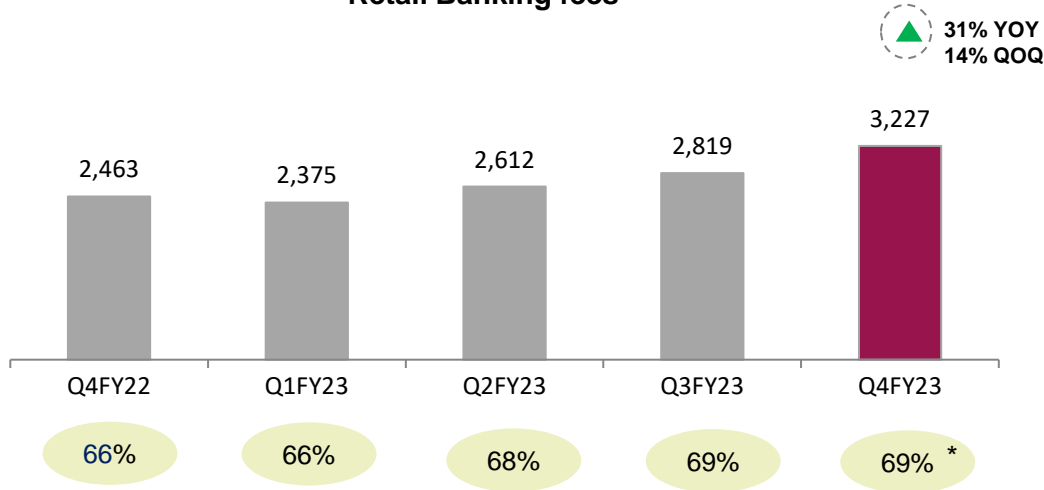


## 3 Improvement in composition reflected through improvement in average CASA %

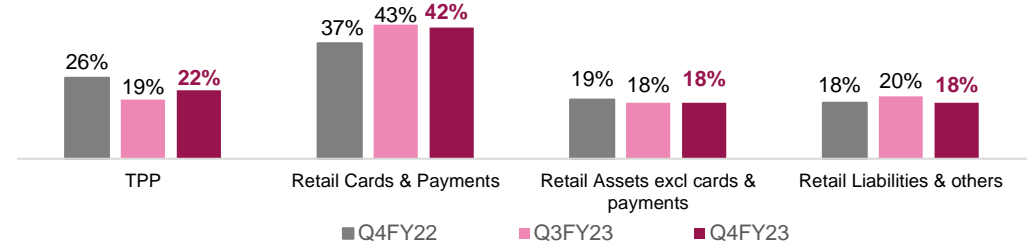


# Strong growth in fees; granularity built across our business segments

## Retail Banking fees

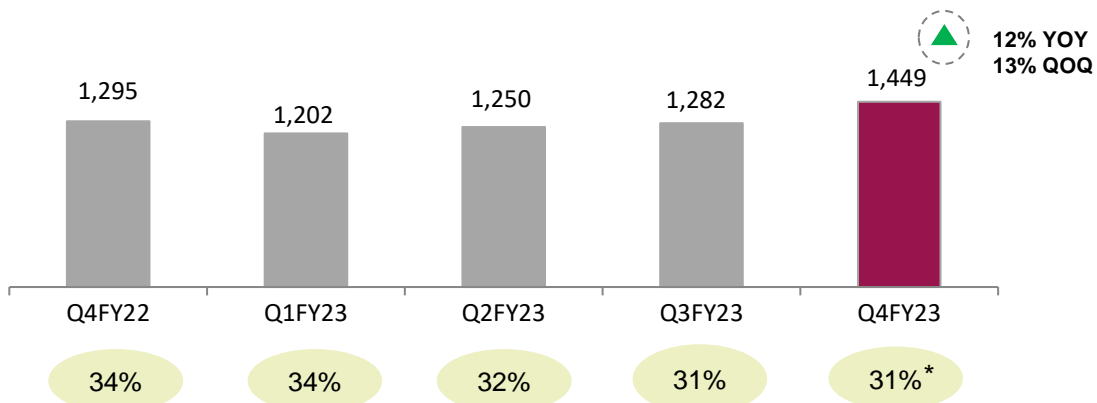


## Retail fee mix

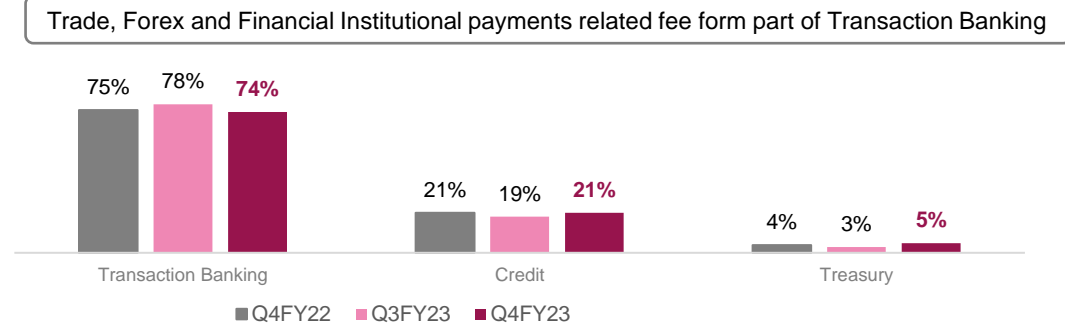


- **50% YOY & 14% QOQ** growth in Retail Cards & payments fees;
- **22% YOY & 12% QOQ** growth in Retail Assets fees (excl cards & payments)
- **10% YOY & 29% QOQ** growth in Third Party products (TPP) distribution fees


## Corporate & Commercial Banking fee



## Corporate & Commercial Banking fee mix



- **10% YOY & 6% QOQ** growth in Transactional Banking fees

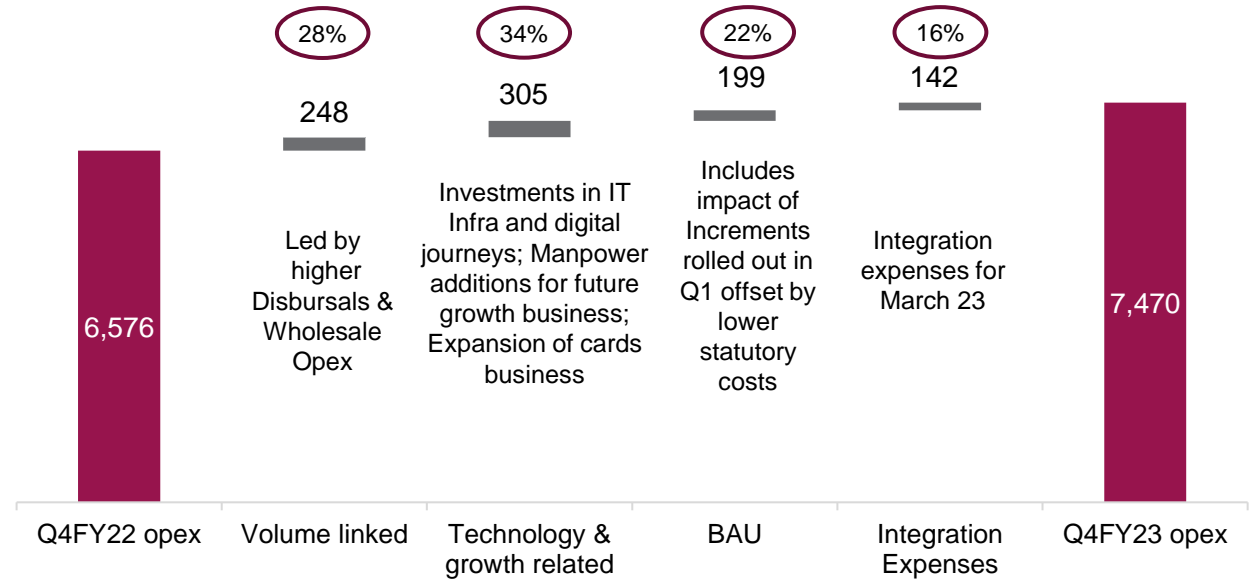
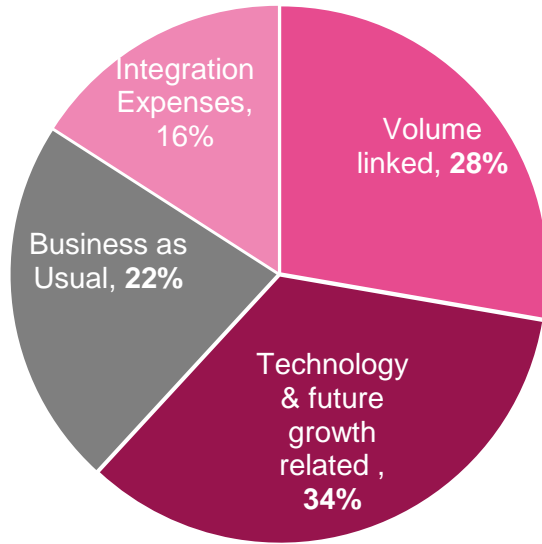
\* Figures in  represent share of segment contribution to total fees

# Cost growth at 14% YoY; integration expenses contribute 2% to YoY growth; continue to invest in technology and growth related businesses;

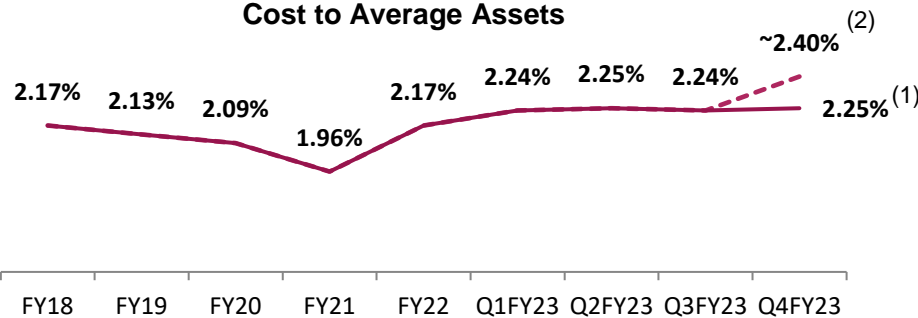


## YoY Incremental Opex in Q4FY23 was led by volume linked expenses and Growth Business

Incremental YOY cost break up (Rs 893 Crore) (YoY ↑ 14%)



Cost to Average Assets



- 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

(1) Reported  
 (2) Post annualisation of all costs booked for 1 month

Executive Summary

Financial Highlights

**Capital and Liquidity Position**

Business Segment Performance

Asset Quality

Sustainability

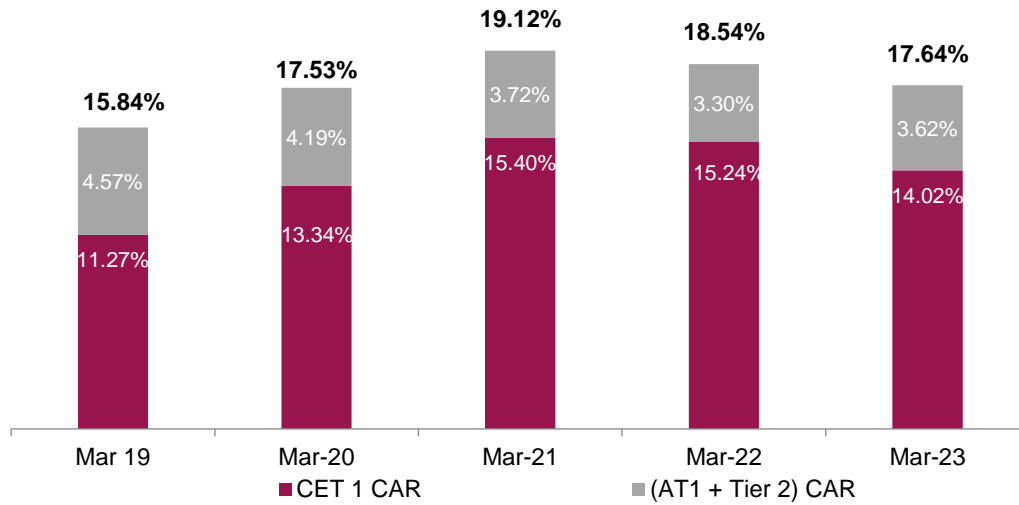
Subsidiaries' Performance

Other Important Information

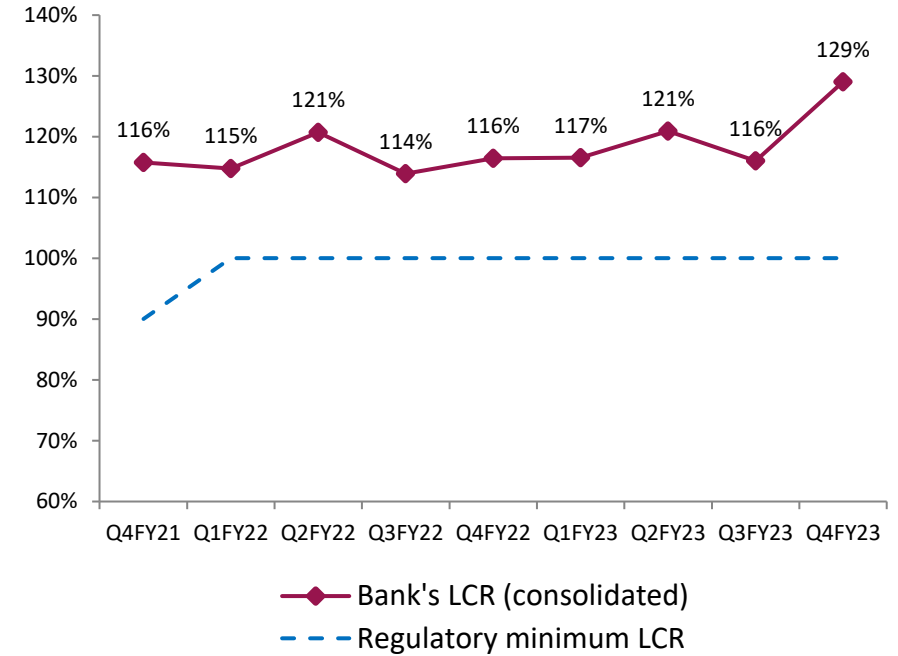
# Strong capital position with adequate liquidity



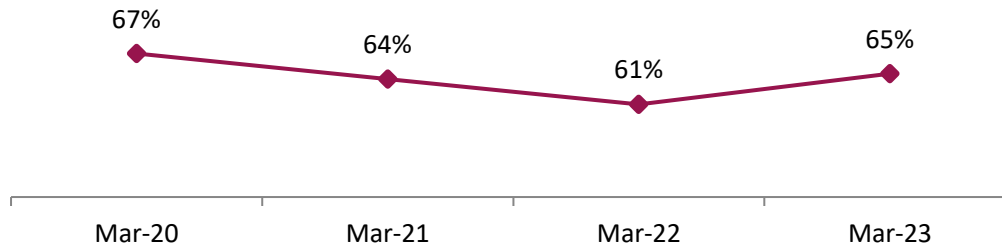
Bank's Capital Adequacy Ratio



Liquidity Coverage Ratio (consolidated)



RWA to Total Assets



• The Bank holds excess SLR of ₹75,071 crores

Executive Summary

Financial Highlights

Capital and Liquidity Position

**Business Segment Performance**

Asset Quality

Sustainability

Subsidiaries' Performance

Other Important Information

# Retail Banking

**~29 Mn**

*SA customers*

**4<sup>th</sup>**

*Largest issuer of  
Credit Cards*

**₹3.57 Tn**

*AUM in wealth  
management*

**22%**

*YOY growth in  
Retail advances\*\**

**26%**

*YOY growth in  
Rural advances*

**58%**

*Share of  
Advances~*

**23%**

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

**47%**

*CASA ratio  
(MEB\*)*

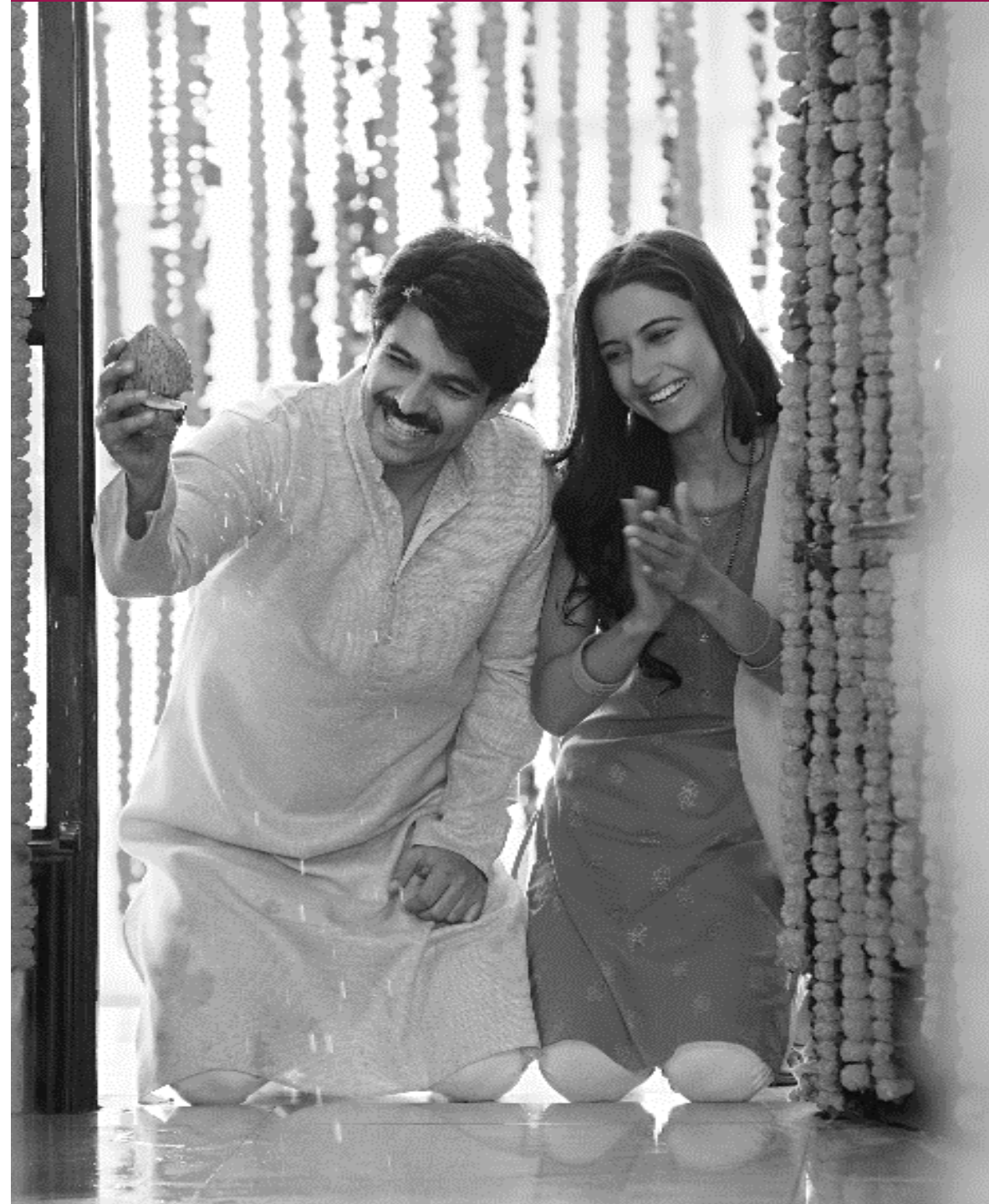
**69%**

*Share in  
total fee^*

~ share in Bank's total advances, ^ share in Bank's total fee for Q4FY23

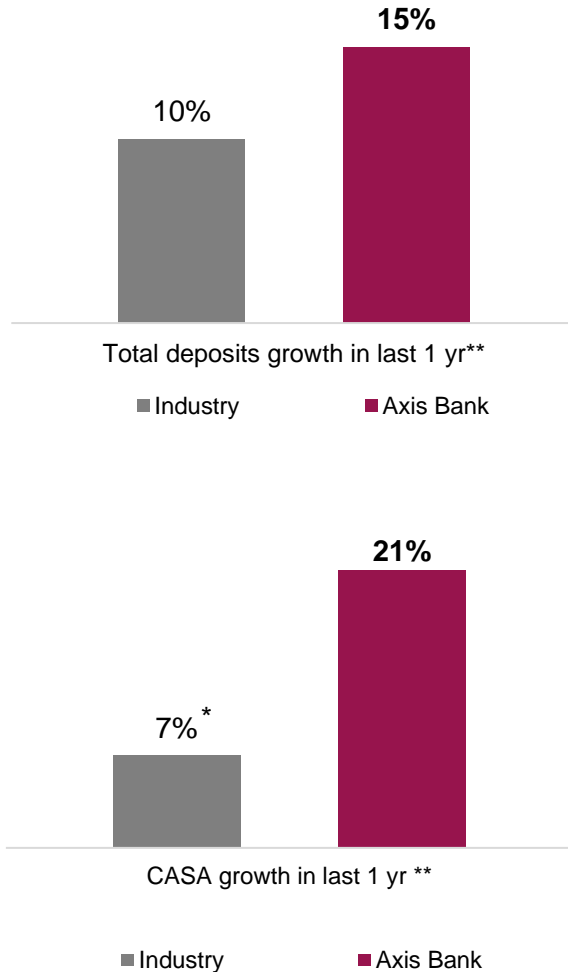
\*MEB: Month End Balance

\*\*Not strictly comparable as it includes acquired Citibank India Consumer Business ('CICB'). For details of growth without CICB, see slide 89 of this presentation





# Our Deposit franchise continues to grow faster than the industry



## Continue to focus on improving the franchise quality further

- 1 **“Right fit” customers to accelerate ‘Premiumization’**
  - ~870 bps YOY increase in share of Premium segment in Retail SA portfolio
- 2 **Higher digital channel contribution to sourcing and balances**
  - In FY23, Digital now contributes to **24%** overall SA sourcing (non salary),
  - **49%** to CA individual sourcing and **70%** to individual RTD sourcing
- 3 **Building focus on Corporate Salary acquisitions**
  - **33%** YOY growth in new salary labels acquired in FY23
- 4 **Project ‘Neo’ focused on end-to-end digital transformation**
  - **3x** growth in transaction volumes, Online CA journey for individuals & sole proprietors launched
- 5 **Higher contribution from transaction-oriented flow businesses**
  - Leverage API-led partnerships to drive acquisitions & balance growth

**11.1%**  
Foreign LC  
market share  
for FY23

**8.4%**  
RTGS  
market share  
for Q4FY23


**5.7%**  
Forex turnover  
market share as of  
Feb'23


\* Industry growth number for period ended Dec-22

Growth is based on Month end numbers basis

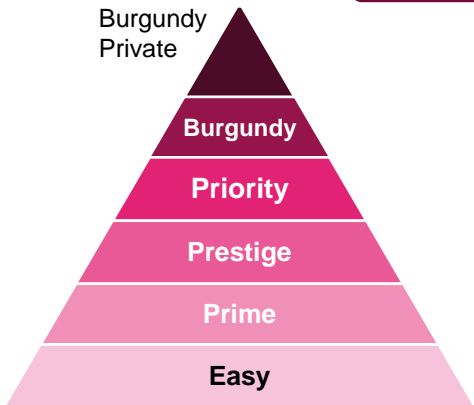
\*\*Not strictly comparable as it includes acquired Citibank India Consumer Business ('CICB'). For details of growth without CICB, see slide 89 of this presentation

# Steady growth in SA deposits with 870 YOY bps increase in premium segment mix

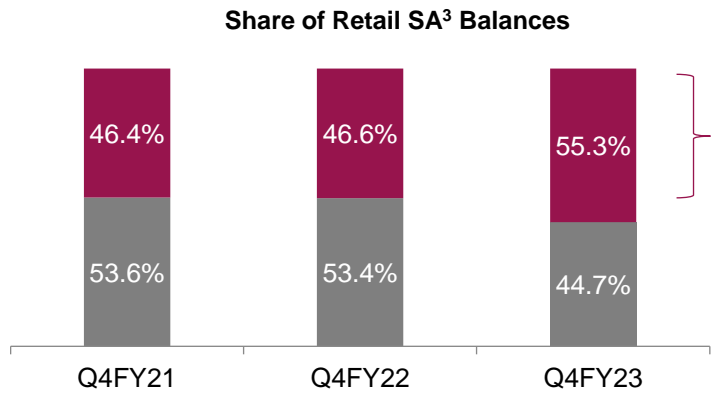
 Continue to maintain sharp focus on quality of NTB<sup>2</sup> acquisitions; Branch channel continued its focus on deepening ETB<sup>2</sup> relationships

 Premiumization strategy focuses on improving account quality of overall balances while increasing contribution from premium<sup>1</sup> segments

## Focus on Premiumization leading to higher share in Retail SA book

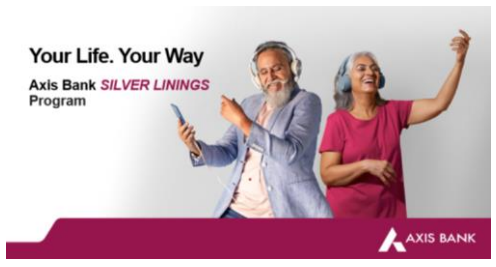


Above graph is not to scale, Area doesn't represent the actual proportion of deposits



Premium segment share in the Retail Savings<sup>#</sup> portfolio increased by ~870 bps YOY

## New 'Priority', 'Ultima' and Silver Linings product propositions with focus on lifestyle, travel, health and investment benefits, launched in FY23



<sup>1</sup> Premium includes Burgundy Private, Burgundy, Priority and Prestige and NRI segments

<sup>2</sup> NTB: New to Bank; ETB: Existing to Bank

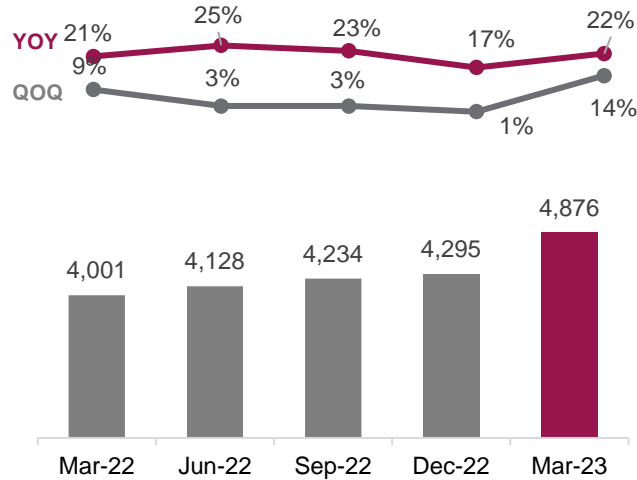
<sup>3</sup> Retail SA (excluding TASC)

# Rs 4.9 trillion Retail loan book remains well diversified



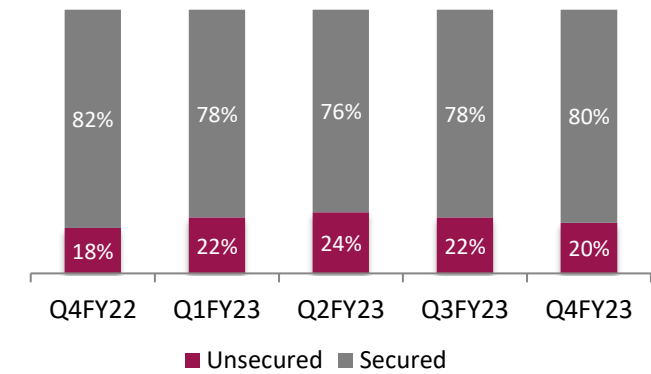
~ 78% of our retail book is secured

**Retail book\*\***  
(in ₹ Billion)



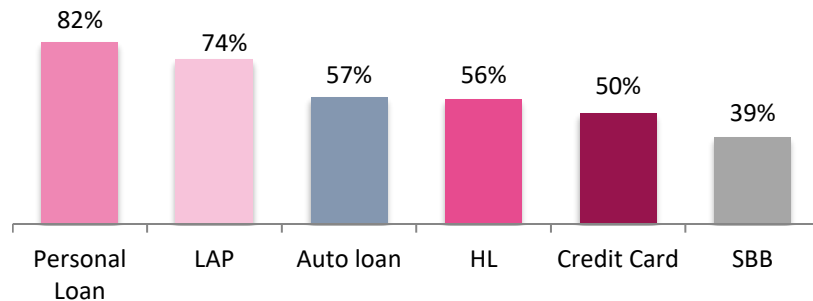
in Rs Crores	Mar-23**	QOQ	YOY	% Prop
Home Loans	1,57,392	7%	10%	32%
Rural loans	70,918	19%	26%	15%
Personal loans	54,561	8%	21%	11%
Auto loans	52,278	12%	18%	11%
LAP	50,756	14%	20%	10%
SBB	42,982	12%	50%	9%
Credit Cards	31,684	53%	97%	7%
Comm Equipment	10,935	43%	48%	2%
Others <sup>1</sup>	16,065	16%	(2%)	3%
<b>Total Retail</b>	<b>4,87,571</b>	<b>14%</b>	<b>22%</b>	<b>100%</b>

**Disbursement mix in retail loans**



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

**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



**Sourcing:**  
**51%** contribution from Branches to overall Retail book sourcing in Q4 FY23

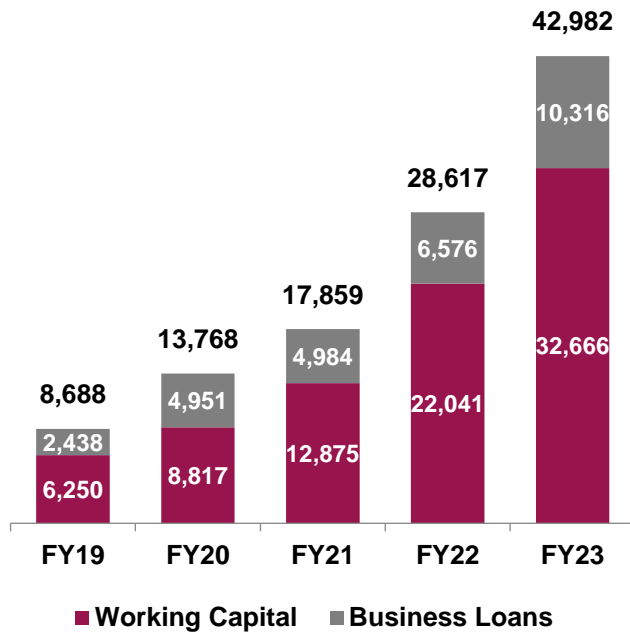
<sup>^</sup> Including acquired Citi Consumer business portfolio

\*\*Not strictly comparable as it includes acquired Citibank India Consumer Business ('CICB'). For details of growth without CICB, see slide 89 of this presentation

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

SBB portfolio (Cr.)

50% YOY  
12% QoQ



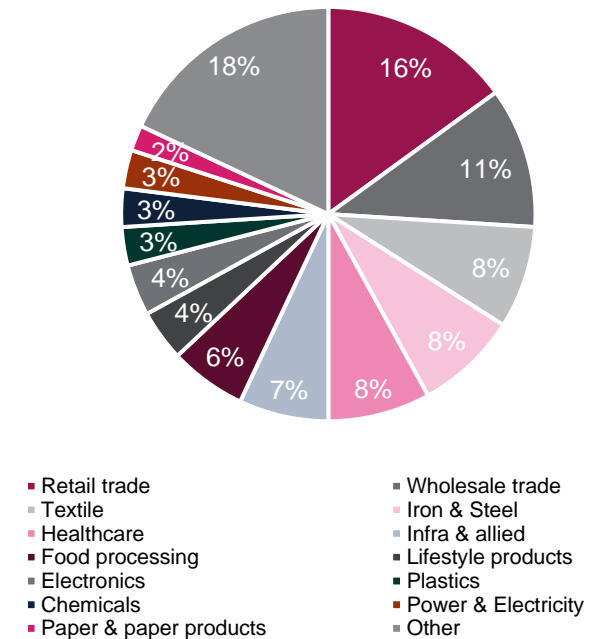
- ~₹43,000 crores overall book with Business Loan book of +₹10,300 crores
- **78%** value contribution from Secured products (working capital, overdraft, term loans, etc.)
- **75 lakh+** average ticket size of working capital secured loans
- **90%+** of SBB working capital portfolio is PSL compliant
- **EWS** portfolio monitoring indicates risks well under control
- **83%** Branch contribution to total business



### 24x7 Business loans :

End to End digital lending contributes **45%+** to overall unsecured BL disbursements

Well diversified customer base



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

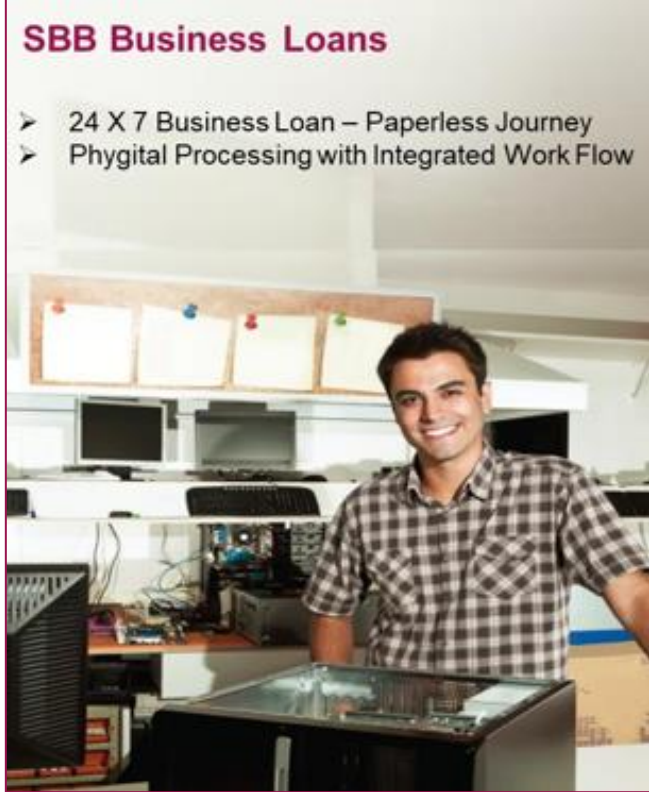
### SBB Merchant Finance

- Supply Chain Finance.
- 100% Paperless E2E for Loans upto 25 Lacs & CA Opening for Sole Prop / RI



### 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

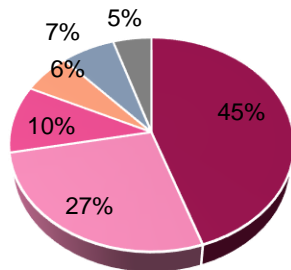
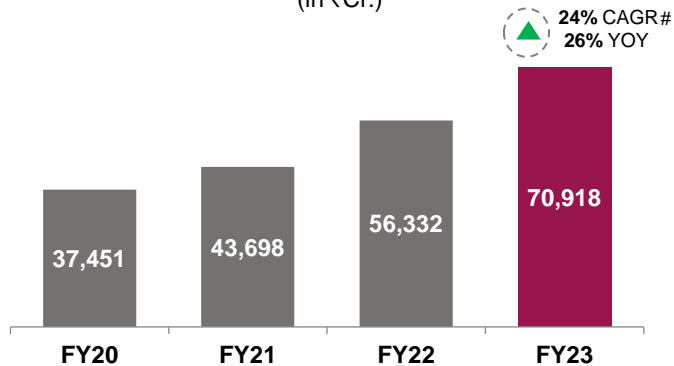
**'SBB Sankalp'** project to further improve efficiencies and deliver superior TATs by re-imagining and digitizing underwriting systems and loan disbursals

# 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

## Rural loans portfolio & composition

(in ₹Cr.)



- Farmer Finance
- Bharat Enterprises
- Gold
- MFI-Retail
- MFI-Wholesale
- Farm Equipment

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

### Farmer Funding

- Launched new region and crop specific products & expanded scope of existing products

### Bharat Enterprises

- Widen the product suite to cover multiple financing needs of the enterprises in the entire 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

- Expanding branch coverage & sourcing leads via partnerships network
- 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 5+ 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 **Agri-tech 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

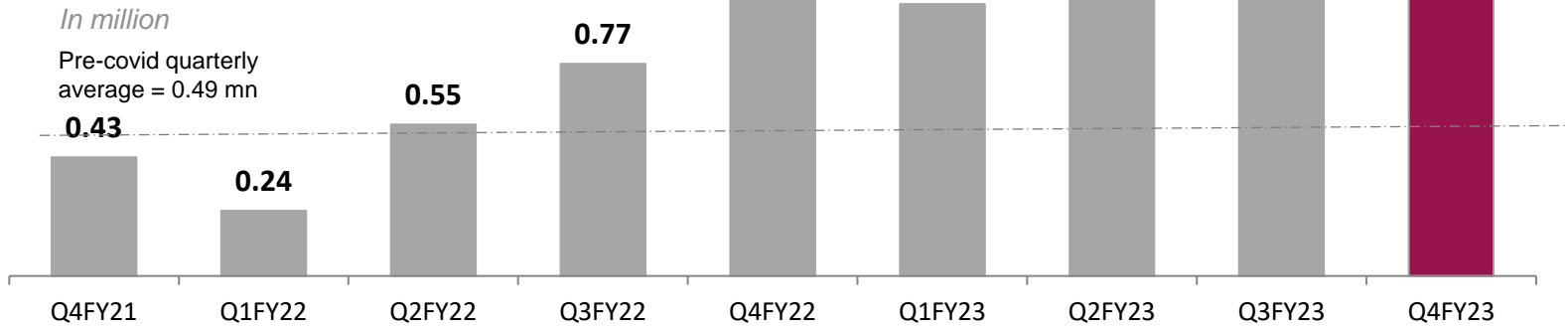
The book is well diversified across regions

# Highest ever number of Credit Card's issued during the quarter

Increase in Cards in force (CIF) market share with increasing card issuances aided by KTB<sup>1</sup> partnerships



**~1mn cards issued for 5<sup>th</sup> consecutive quarter**



**32%**  
share of KTB<sup>1</sup> sourcing to total card issuances in FY23

**17%**<sup>2</sup>

incremental CIF market share in last 6 months

**14.2%**

period end market share<sup>3</sup> for credit cards in force as of Mar'23

**10%**

spends market share<sup>3</sup> in Q4FY23



Axis Bank launches an array of cards with exciting features and benefits

**Indian Oil Axis Bank RuPay Card**



**Airtel Axis Bank Credit Card**



**Samsung Axis Bank Credit Card**

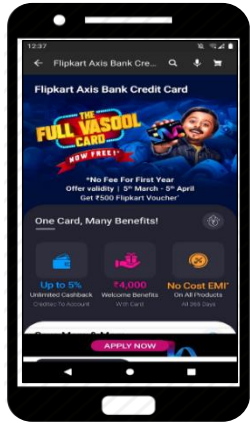


<sup>1</sup> Known to Bank

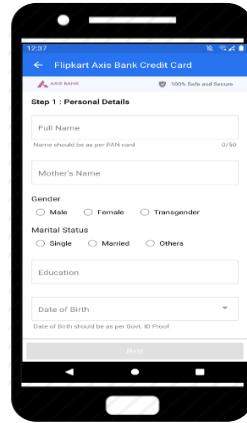
<sup>2</sup> Not considering Citi's acquired card portfolio

<sup>3</sup> Including Citi's acquired card portfolio

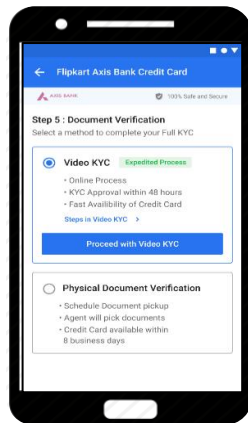
# End to End Digital KTB acquisition journey with best in class early activation and spend metrics for Flipkart Axis Bank Credit Card



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



**3.58 mn<sup>§</sup>** CIF for *Flipkart Axis Bank Credit Card*, making it one of the fastest growing co-brand portfolio since its launch in July 2019

**71%** monthly activity rate\* - Best in class engagement in Retail segment

<sup>§</sup> CIF as of 31<sup>st</sup> Mar 2023  
\*Based on the average data as on 31<sup>st</sup> Mar'23 for cards acquired via Flipkart Platform



# Retail spends market share up ~200 bps YOY, with spends up 76% YOY



All figures In ₹ Cr

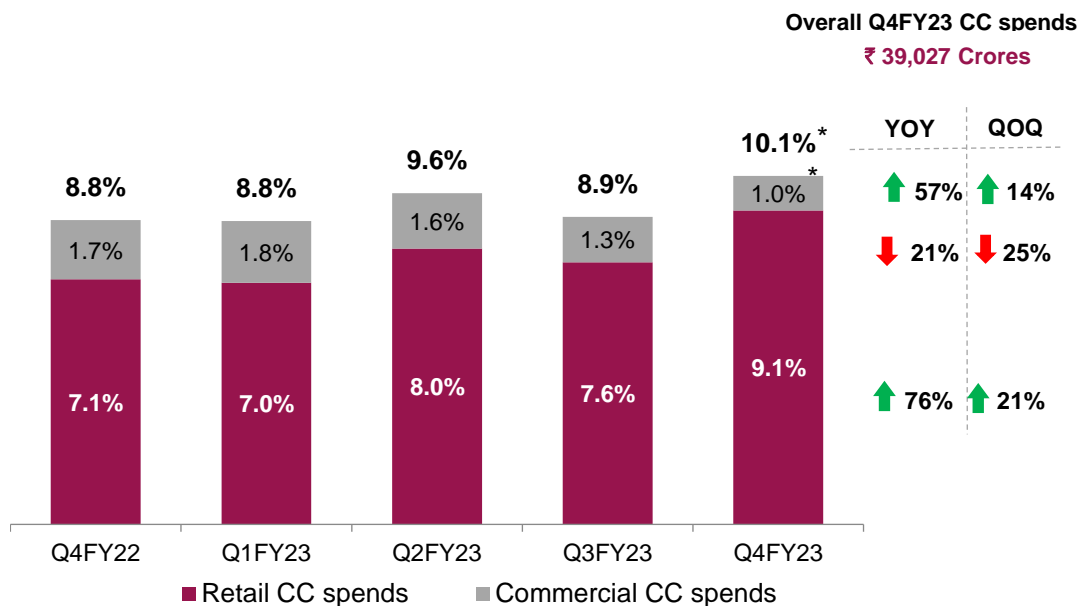


'GRAB DEALS', Axis Bank's exclusive shopping platform has scaled up significantly

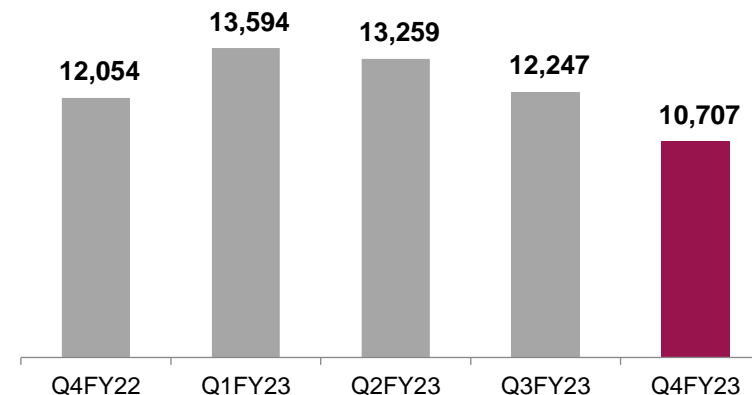
40% YOY increase in GMV (Q4FY23)

23% YOY growth in Q4FY23 transactions

## Trend in Credit Card spends market share



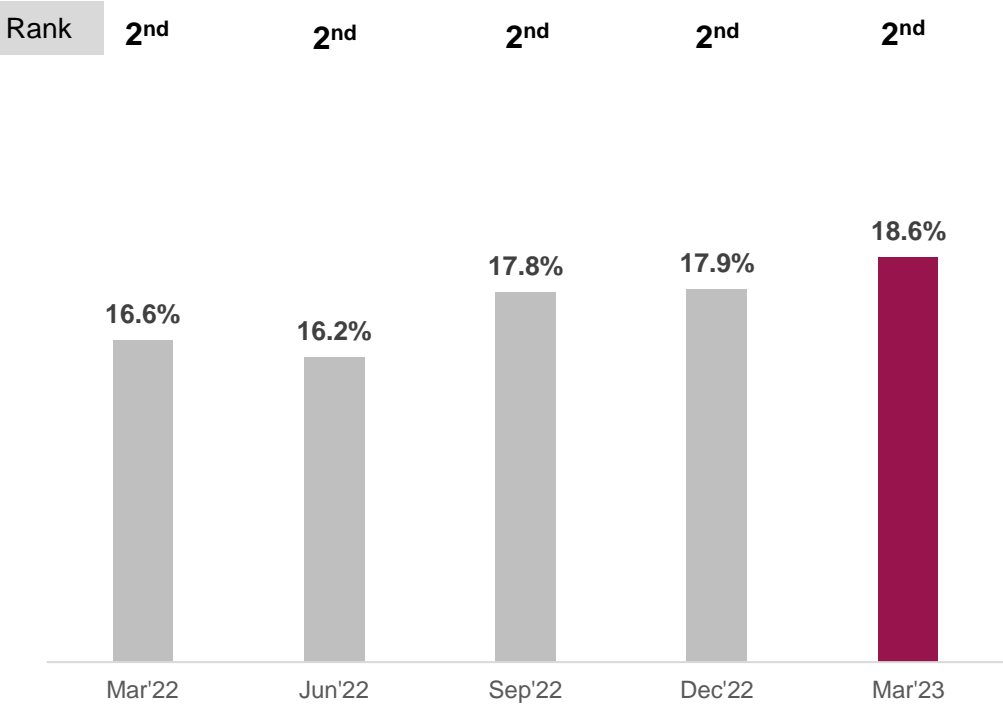
## Trend in Debit Card spends



\*Market share based on RBI reported data for Q4FY23

# 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 Mar'23

**26%**  
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



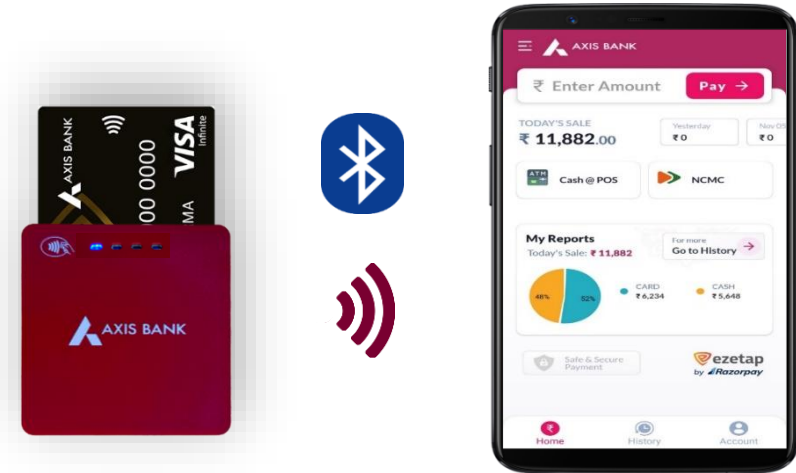
## Market partnerships

**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.

## DIGITAL DUKAAN



## MicroPay POS Solution



### Android POS with advanced solutions

- Easy Store Management
- Generate Bills
- Multiple Payment Modes
- Inventory Management
- Online Store Customer Management
- Reports & Analytics
- Central Tracking Dashboard

### Features

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

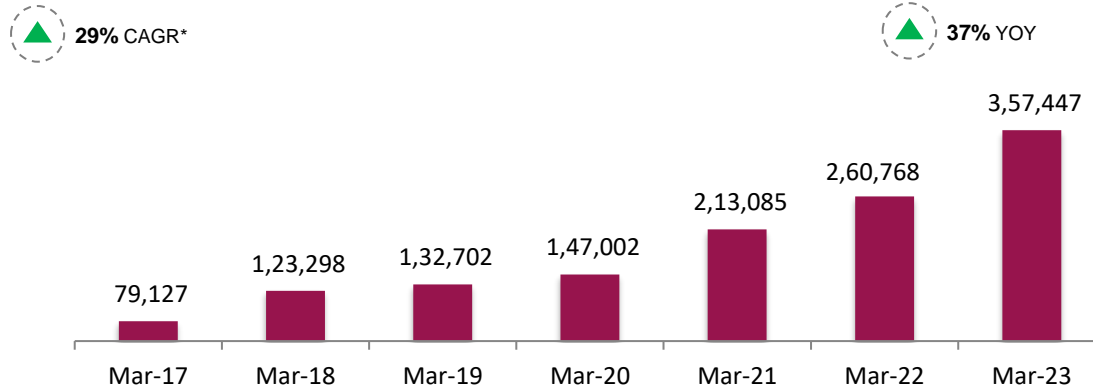
**Strong and deep rooted alliance** with multiple partners across India with over **3.3 lakh** MIDs and a yearly throughput of **23k+ crores**

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



All figures In ₹ Cr

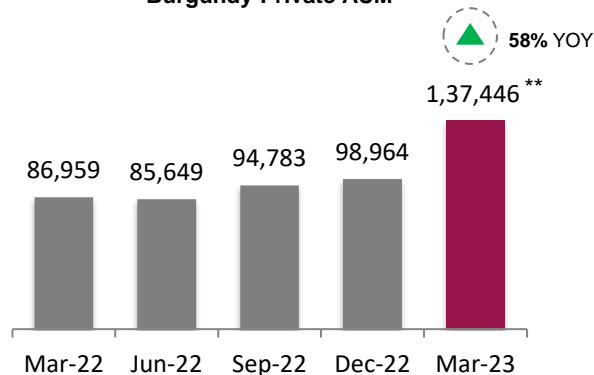
Overall Burgundy AUM<sup>^</sup> has grown steadily <sup>\*\*</sup>



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

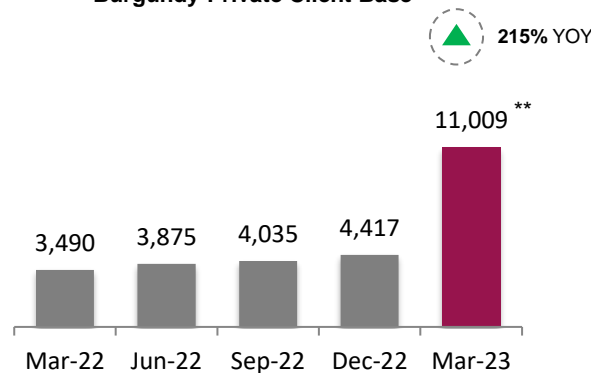
\* CAGR for period Mar-17 to Mar-23

## Burgundy Private AUM

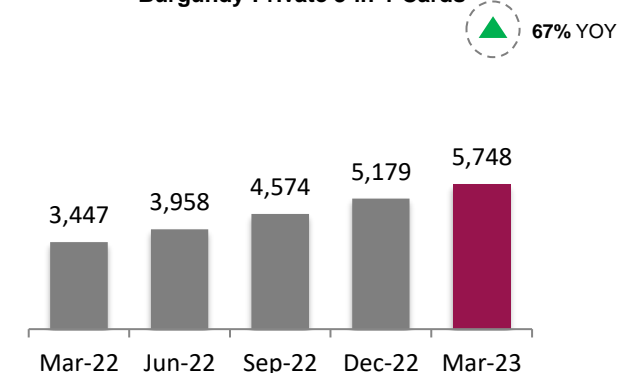


Burgundy Private was launched on 2<sup>nd</sup> December, 2019

## Burgundy Private Client Base



## Burgundy Private 3-in-1 Cards

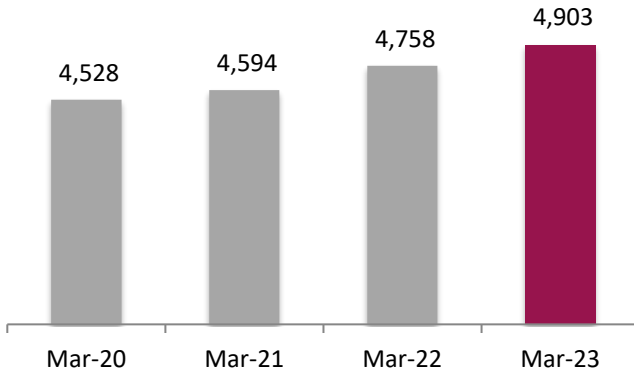


<sup>^</sup> includes Burgundy Private AUM as well <sup>\*\*</sup>Mar'23 not strictly comparable to previous periods

# We have a very well distributed branch network

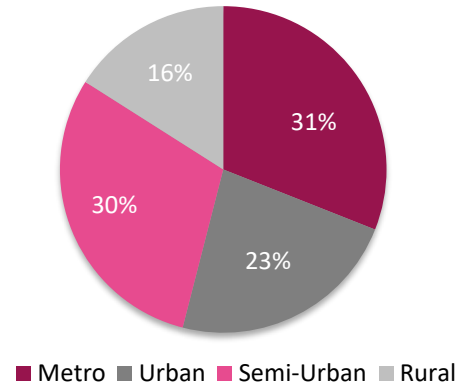


## Domestic branch network\*



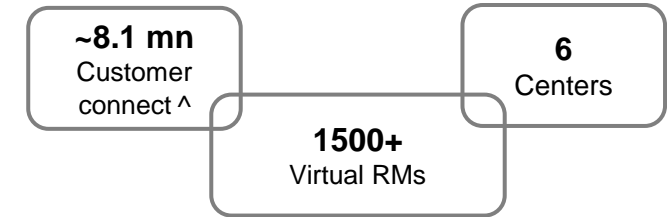
\* Includes extension counters

## 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 **~8.1 mn** customers through this channel in Q4FY23.
- 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 Q4FY23

# Corporate & Commercial Banking

**24%**

*YOY growth in Domestic corporate loans*

**23%**

*YOY growth in SME loan book*

**38%**

*YOY growth in Mid Corporate book*

**29%**

*Share of short term loans to overall corporate loans*

**89%**

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

**89%**

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

**17%**

*YOY growth in CA deposits on period end basis*

**12%**

*YOY growth in Corporate & CBG fees*

**11.1%**

*Foreign LC Market Share FY23*



\*\* in corporate segment for FY23

# 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*

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



## ***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 \**

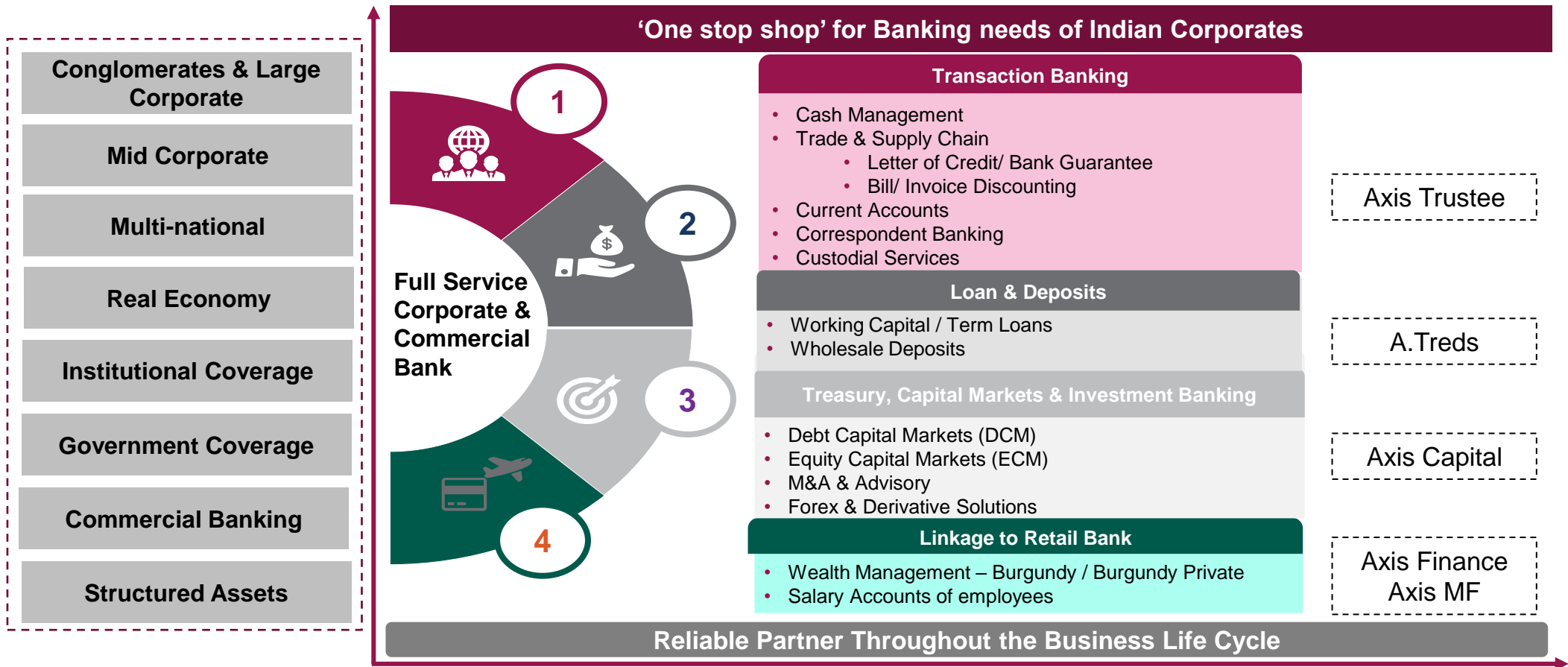
*\*Market Penetration is the proportion of companies interviewed that consider each bank an important provider of corporate banking services*

# 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

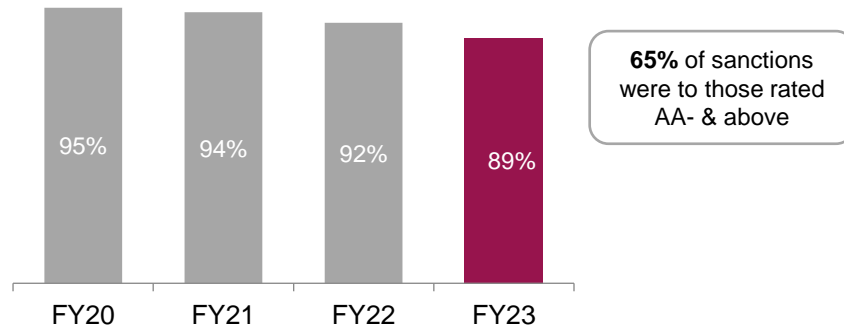
- Segregated the responsibilities of coverage and product groups to ensure sharper focus
- Corporate & Commercial Bank coverage reorganized into 8 coverage groups, each with a stated objective



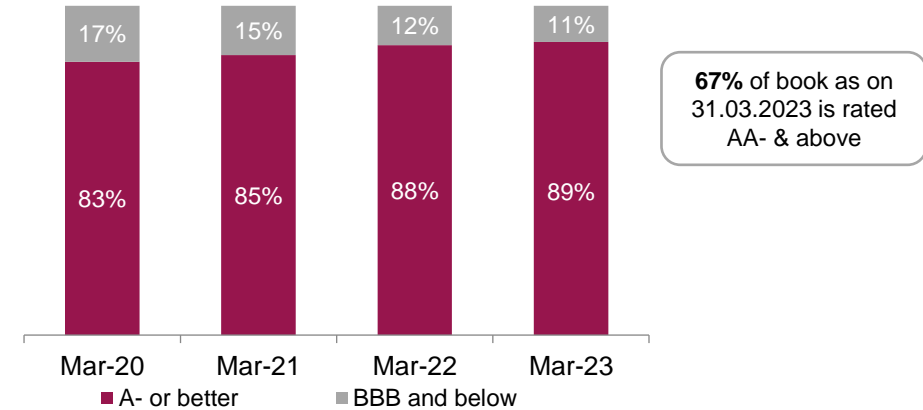


# ...with 89% of the book rated A- and above

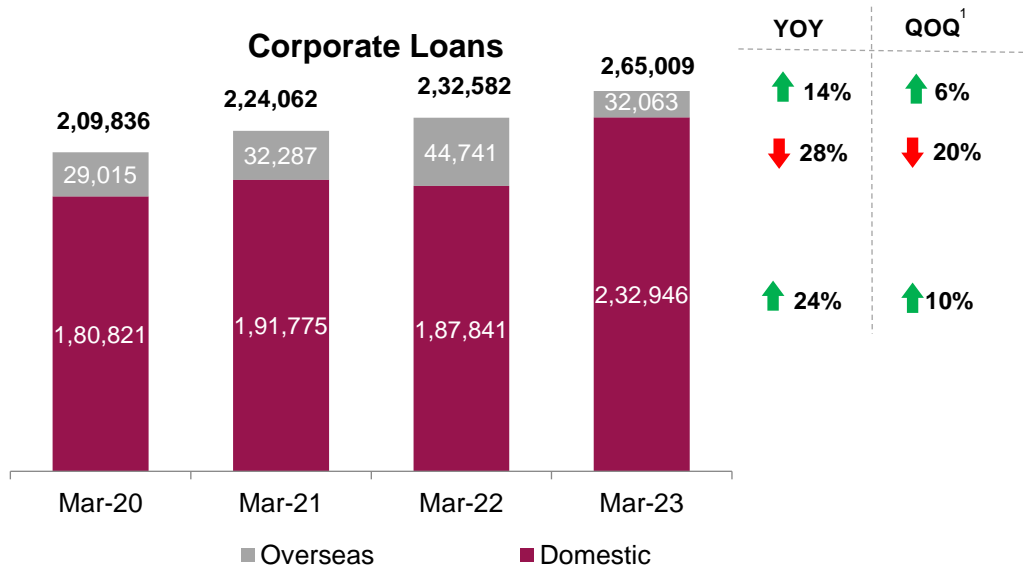
## Incremental sanctions to corporates rated A- & above



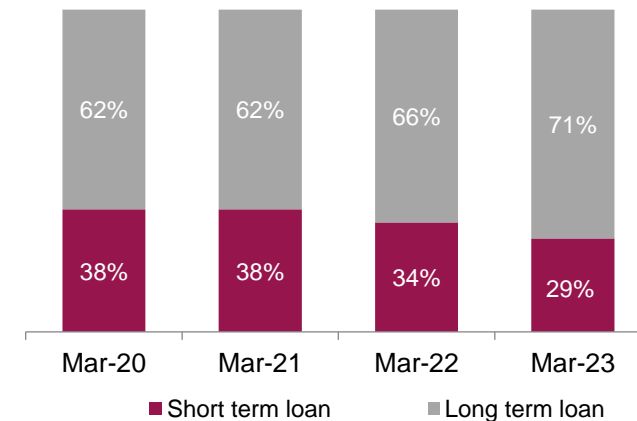
## 89% of the corporate loan book is rated A- or better



## Corporate Loans



## Corporate loan book mix (tenure based)



Short term refers to loans of less than 1 yr tenure; Long term refers to loans of greater than 1 yr tenure  
1. Gross of loans sold under IBPC

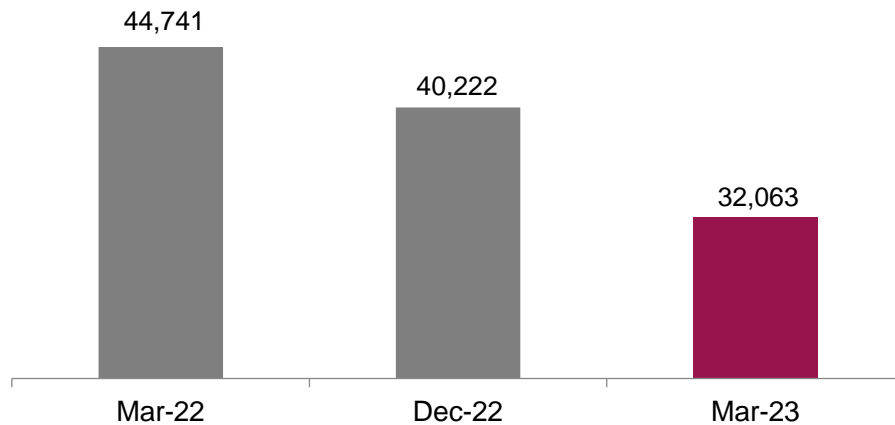
# Overseas Corporate loan book is 96% India linked



- 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
- **92%** is rated A- and above based on standard book
- **73%** of standard outstanding constituted by top 10 conglomerates



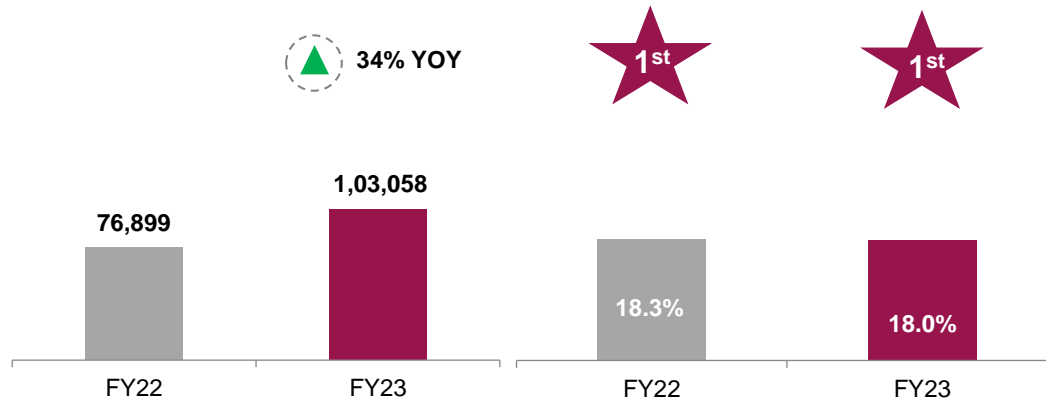
# We remain well placed to benefit from a vibrant Corporate Bond market



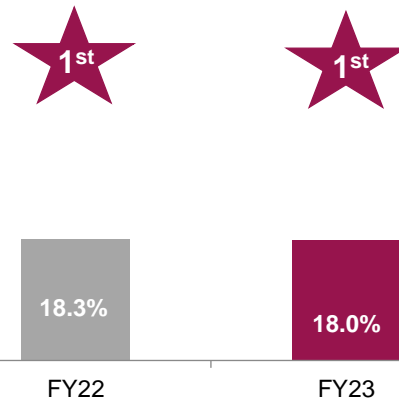
All figures in ₹ Crores

## Placement & Syndication of Debt Issues

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



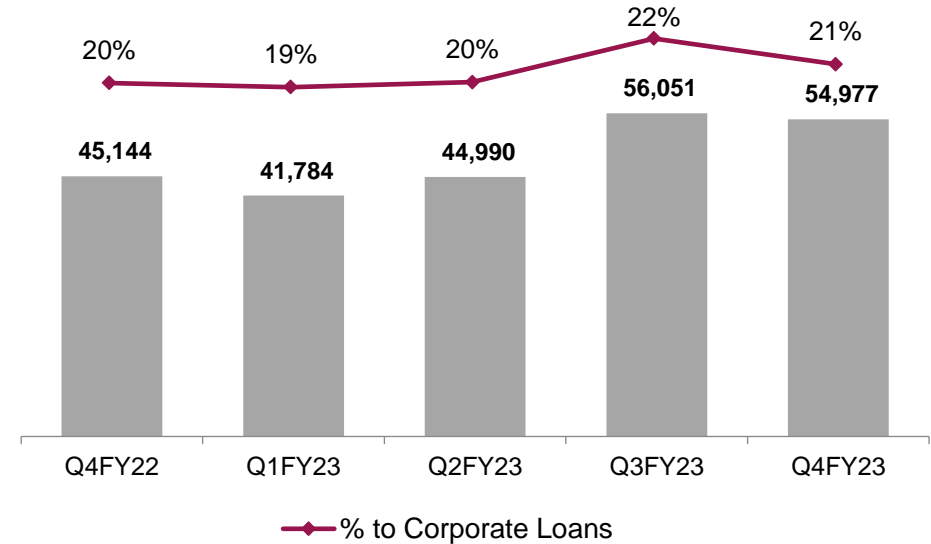
Market share and Rank\*



**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

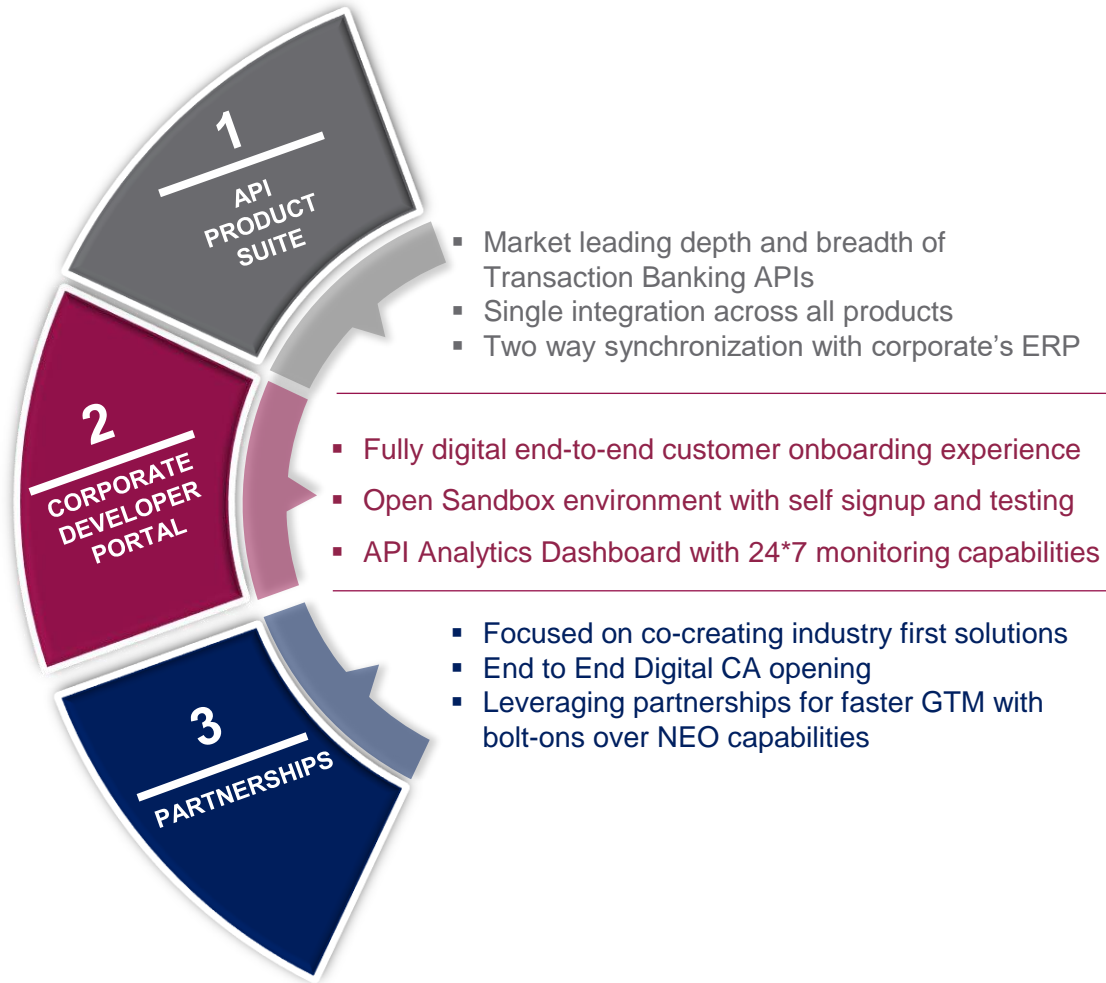


- Leveraging our leadership position in Debt capital markets, we had mobilized ~ ₹18,000 crores through active participation in the TLTRO auctions
- We have invested funds in marquee names (non FI, non PSU) thereby helping to build some new client relationships in wholesale segment .
- We have limited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

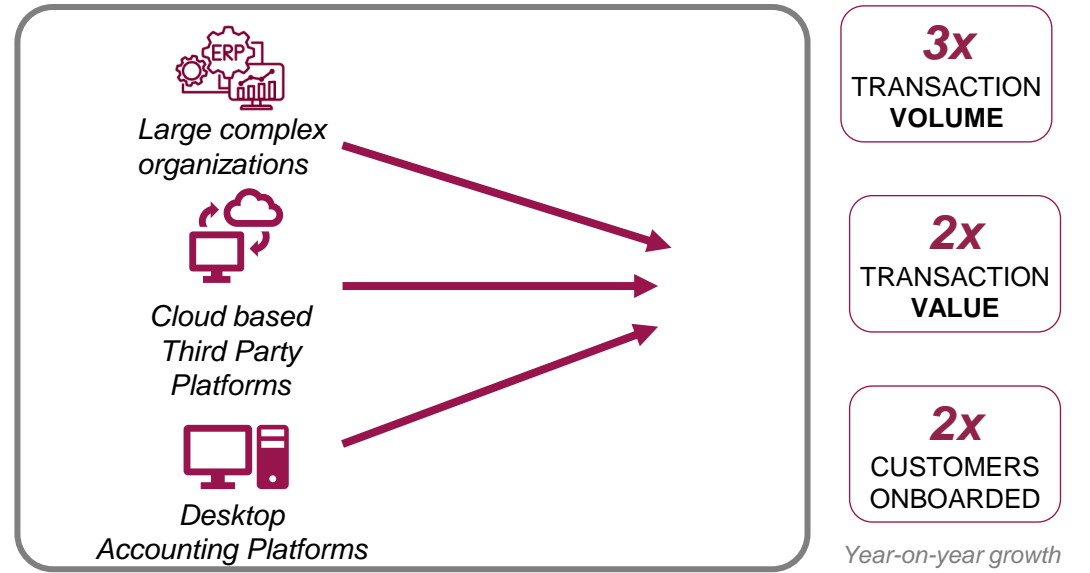
<sup>^</sup> Only includes the proportion of amount arranged by Axis Bank

\*As per Bloomberg League Table for India Bonds

# Project NEO launches continue to demonstrate strong product-market fit across customer adoption and market recognition



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



## Awards & Recognition



Customer engagement initiative of the year for **NEO Connect** at **ET BFSI Excellence Awards**

Best BFSI Customer Experience of the year for NEO API Banking Suite, a project NEO initiative on API Developer Portal at **Dun & Bradstreet BFSI Fintech 2023**

Best BFSI MSME Support for **NEO Connect**, a Project NEO initiative for Wholesale Banking at **Dun & Bradstreet Award BFSI Fintech 2023**

# Industry-wise Distribution (Top 10)



All figures in ₹ Crores

Rank	Outstanding <sup>1</sup> as on 31 <sup>st</sup> Mar'23 Sectors	Advances	Investments	Non-fund based	Total	
					Value	(in % terms)
1.	Financial Companies <sup>2</sup>	57,928	30,453	20,312	1,08,693	10.30%
2.	Engineering & Electronics	17,479	1,861	36,143	55,483	5.26%
3.	Infrastructure Construction <sup>3</sup>	24,285	5,564	15,229	45,078	4.27%
4.	Trade	29,187	1,200	6,721	37,108	3.52%
5.	Petroleum & Petroleum Products	17,488	3,937	11,000	32,425	3.07%
6.	Iron & Steel	17,610	1,148	13,379	32,137	3.05%
7.	Power Generation & Distribution	22,785	1,886	6,885	31,556	2.99%
8.	Real Estate <sup>4</sup>	28,062	750	752	29,564	2.80%
9.	Food Processing	21,169	20	4,284	25,473	2.41%
10.	Chemicals & Chemical Products	14,132	621	10,415	25,168	2.38%

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

<sup>2</sup> Includes Banks (20%), Non Banking Financial Companies (42%), Housing Finance Companies (19%), MFIs (5%) and others (14%)

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

<sup>4</sup> Lease Rental Discounting (LRD) outstanding stood at ₹19,341 crores

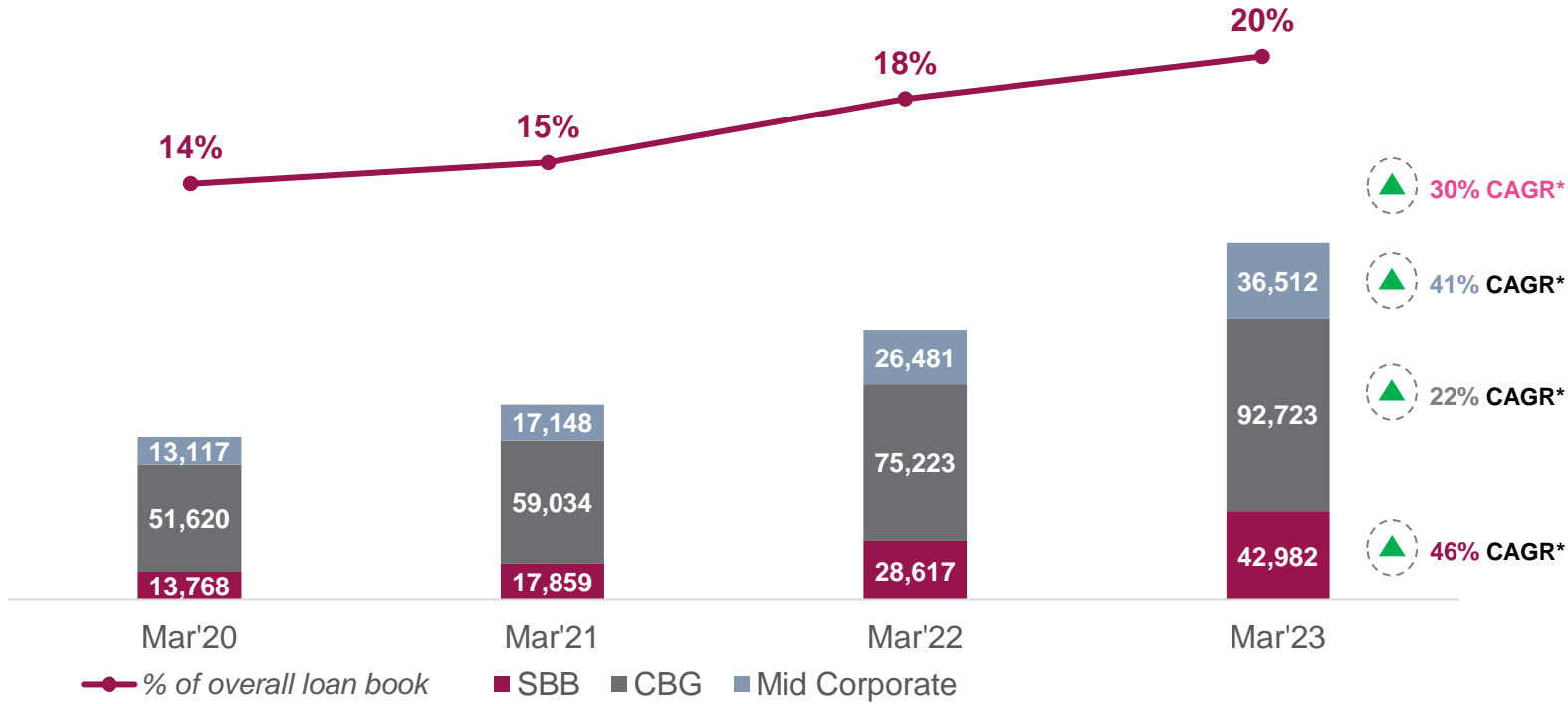
**Business Performance**

**Commercial Banking**





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



**30%**  
CAGR in combined MSME, MC and SBB segment since Mar'20

**15.5%**  
Axis Bank's Incremental MSME market share\* in last 3 years

**8.6%**  
Axis Bank's market share\* as % of overall Industry MSME credit

**SBB+SME+MC book has grown at ~2x the overall book growth, with 629 bps improvement in contribution mix from 14.1% to 20.4%**

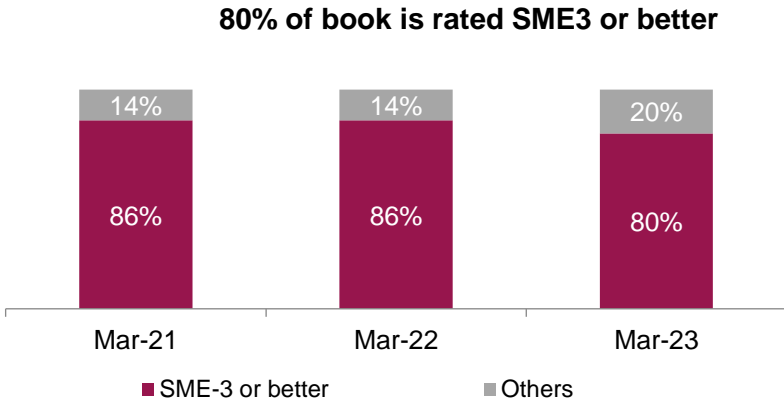
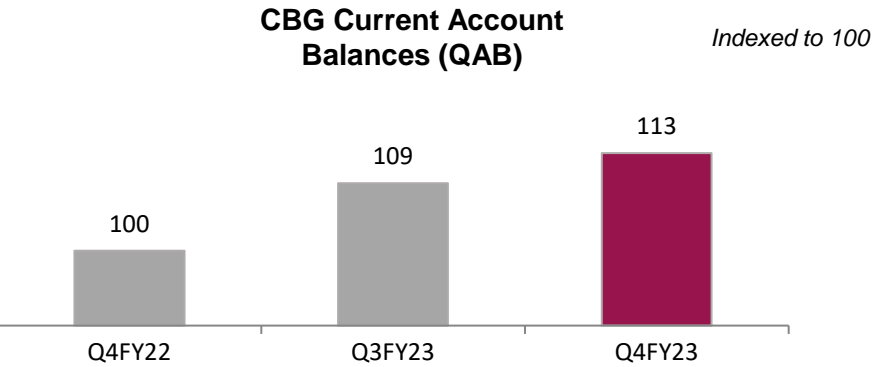
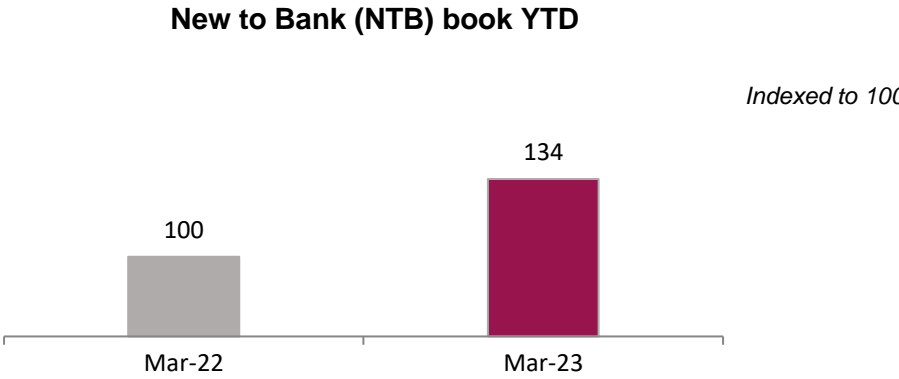
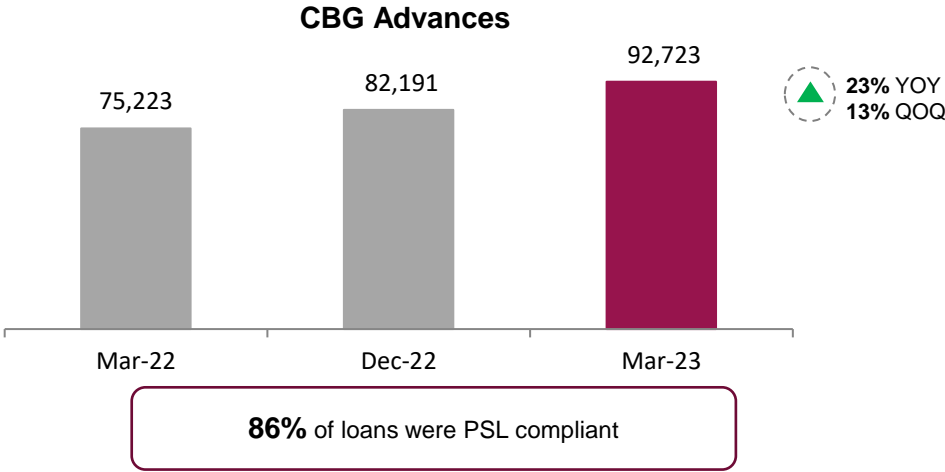
\* Considering our SME+SBB+MC book as numerator



# Commercial Banking business benefitting from technology led transformation



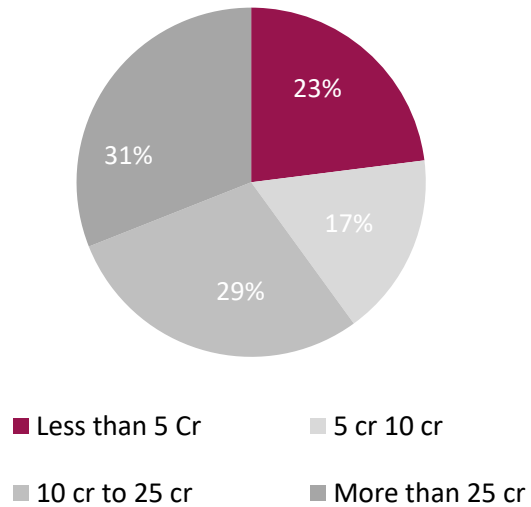
- One of the most profitable segments of the Bank with high PSL coverage
- Data driven credit decisions, minimal documentation, simplified products and digitized operations aiding higher business growth



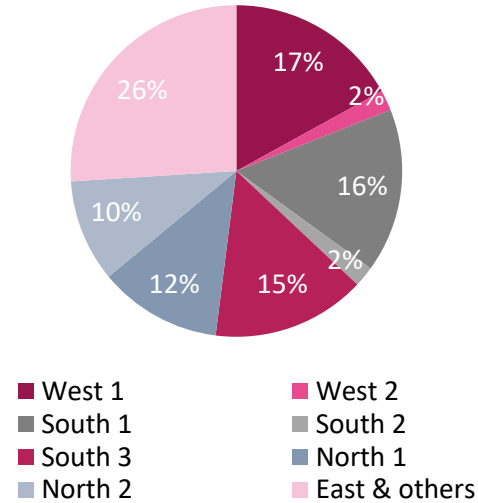
# SME lending book is well diversified



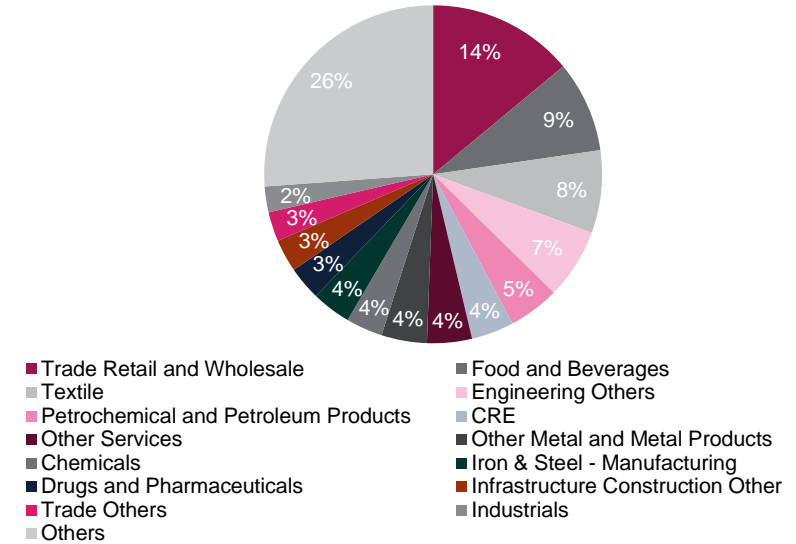
Book by Loan size



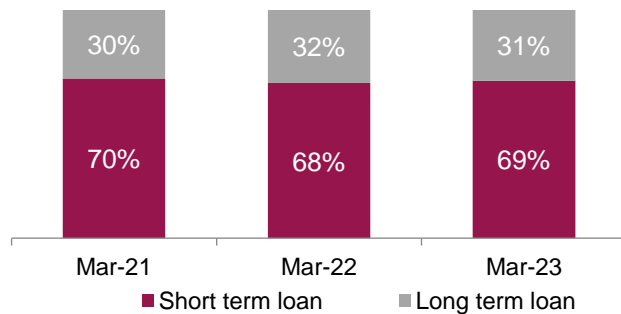
Well diversified Geographical mix



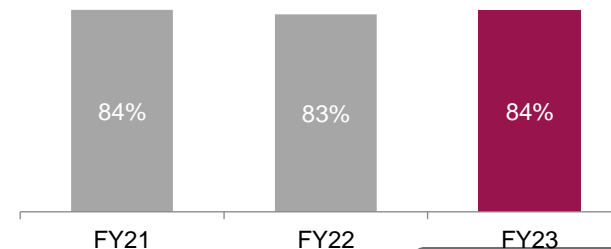
Well diversified Sectoral mix






SME book mix (by tenure)



Incremental sanctions to SME rated SME3 & above



# Digital Banking

 <p><b>D2C products</b></p>	<p><b>95%</b> Digital transactions<sup>^</sup></p>	<p><b>82%</b> Credit cards issued<sup>**</sup> (Q4FY23)</p>	<p><b>76%</b> New MF SIP volume (Q4FY23)</p>	<p><b>70%</b> New SA acquisition*</p>	<p><b>70%</b> Individual RTDs volume (Q4FY23)</p>	<p><b>58%</b> PL disbursed (end-to-end digital) (in Q4FY23)</p>	<p><b>4.8@</b> Mobile App ratings</p>
 <p><b>Transformation</b></p>	<p><b>250+</b> Services on digital channels</p>	<p><b>18%</b> Market share in UPI (Q4FY23)</p>	<p><b>17%</b> Market share in mobile (Q4FY23)</p>	<p><b>~12 Mn</b> Mobile Banking MAU<sup>#</sup>(Mar-23)</p>	<p><b>113100+</b> Devices on BYOD<sup>^</sup></p>	<p><b>~2990</b> RPA Bots</p>	<p><b>300+</b> Employee tool Journeys</p>
 <p><b>Capabilities</b></p>	<p><b>1750+</b> People dedicated to technology agenda</p>	<p><b>~390</b> In-house development digital team</p>	<p><b>65%</b> New hires from non-banking backgrounds</p>	<p><b>PB</b> Scale big data Hadoop clusters</p>	<p><b>40%+</b> Lift of bank credit model GINI scores over bureau</p>	<p><b>75+</b> Apps on cloud</p>	<p><b>Agile</b> Enabled teams with CI/CD, micro-services architecture</p>

**~7.8 Mn**

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

**32%**

Contribution of KTB channels to overall sourcing of Cards (in Q4FY23)



\*Digital tablet based account opening process for Q4FY23 \*\*through digital and phygital mode ^RBI data for FY23

@ on Google Play store ~Bring your own device enabled for staff and outsourced team  
<sup>^</sup>Based on all financial transactions by individual customers in Q4FY23 #Monthly Active Users

# Our digital strategy is aligned with our GPS strategy

**A**

## Reimagine Customer Proposition



**Digital-first products** embedding design thinking



**End-to-end simplification** of customer journeys



Banking services **integrated** across partner ecosystems



**Omnichannel experience** to differentiate customer experience and **hyper personalization**

**B**

## Transform the Core



**Ops excellence** & institutionalization of data & tech enabled operating rhythm



**Twin-engine approach** to build digital stack and **modernize the core**



**Modular, resilient technology** with **Cloud first** architecture



**Proprietary in-house capabilities** for accelerated design and go-to-market



Next gen **cyber security capabilities**

**C**

## Build Future-ready Capabilities



**Data architecture 3.0**; moving beyond analytical models to **data engineering**



Integrating **alternate, unconventional data** for **risk-moderated growth**



**Digital workforce** for digital consumers



Creating a **cutting edge, future ready workspace 2.0**

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



## Our product portfolio

Deposits		Investments & Insurance		Loans & Cards	
Saving Accounts	Current Accounts	Mutual Funds	General Insurance	Personal loan	Credit cards
Fixed Deposit	PPF	Forex card	Life Insurance	GST based business loans	Auto loans

## Recent launches in last few quarters

Buy Now Paylater	Merchant Cash Advance	Cards lifecycle	Auto loan
OW Remittance	GrabDeals	Insurance 2.0	CA Sole Proprietor



**O**-based redesign; customer centric, design led and 0-operations



**P** Proprietary in-house capabilities



**E** Ecosystems capable; built for all Axis and partner channels



**N** Numbers, Numbers, Numbers: Impact led and metrics driven

# We are investing heavily in building capabilities

## Building the right talent

- **1750+** people dedicated to technology agenda
- **~390** member full service inhouse team:
- **~65%** new hires from non-banking background
  - Design
  - Product managers
  - Developers: Front-end, back-end, full stack
  - Dev-ops
  - QA
  - Scrum masters
  - Digital marketers

## Establishing agile processes

- Agile operating model established
- Cross-functional teams as end-end owners
- Operating rhythms across daily huddles, development in sprints, in-sprint automated user testing setup
- Dev-ops infrastructure set up. Info-sec checks integrated into development lifecycle

## Enabling the team through technology

- Fully cloud ready: new customer facing applications as cloud native
- CI-CD pipeline in place; using new age tools such as Jira, Confluence, Bitbucket, Jfrog etc
- Deployment in Kubernetes clusters for scale
- Modular micro-services based architecture

## Setting the right data infrastructure

- Big data clusters developed on Hadoop with PetaByte scale data
- **150+** use cases deployed across credit, fraud, marketing analytics on cloud decisioning platform
- Multiple machine learning based credit models developed; **2000** attributes considered; up to **40%+** lift on GINI over generic bureau models

# Leadership in technology with several industry firsts



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

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

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

Bank to hollow the core for elite merchants on UPI  
Leading player in UPI Payer PSP<sup>1</sup>

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

Only among peers to have 3 Enterprise grade landing zones

**800**

Best-in-class BitSight\* rating in BFSI, better than 90% of the Finance peer group

**2.5x**

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

**380+**

Retail & Corporate APIs Partnership  
Integration with Market Leaders

**# 1**

in digital execution of corporate loan agreements<sup>2</sup>

**Next Gen Data Platform**

Customer 360, Central DQ, Enterprise Data, Decision Engine

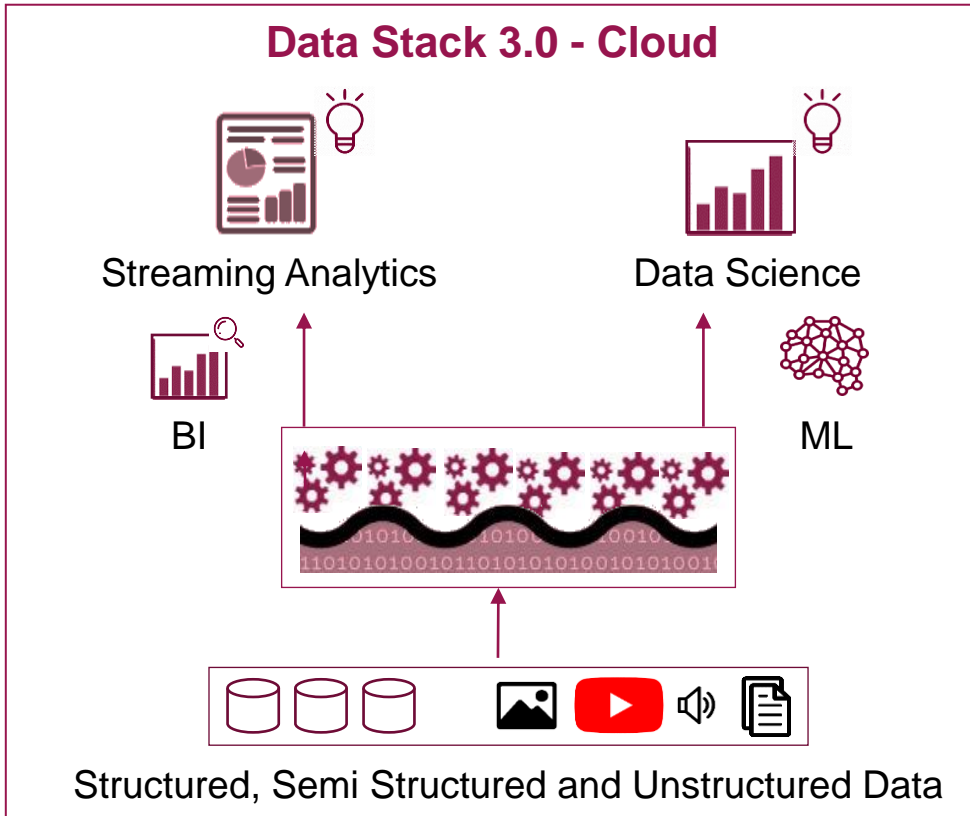
1. National Payments Corporation of India; 2. National E-Governance Services Ltd

\* BitSight Security Ratings as of Mar'2023 – higher the rating, the more effective the company is in implementing good security practices

# 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



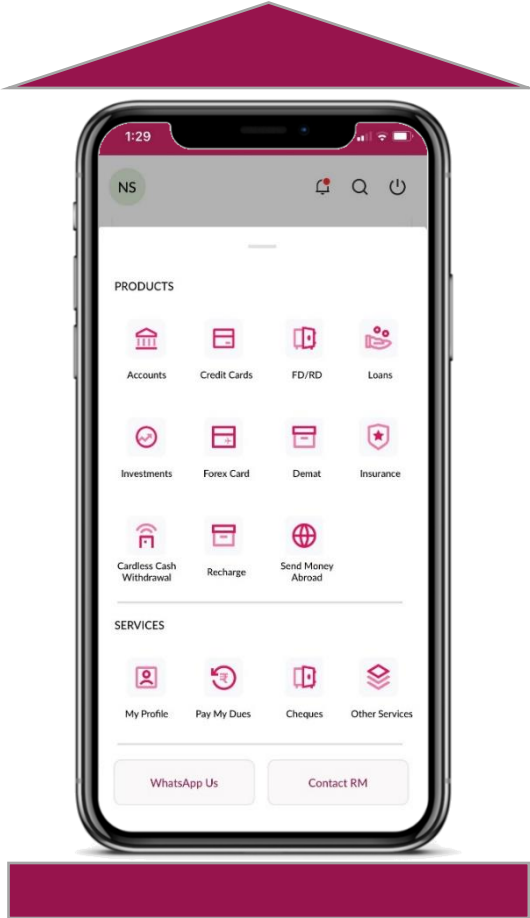
**80%** of the lending happens via in-house scorecards, **1.5x** more predictive than CIBIL scores



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



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



**Store Rating**

Google Play Store: 4.8

App Store: 4.6

**People's Choice**

**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 59 global banks, 8 global neo banks and 50 Indian fintech apps

<p><b>67%</b> of Branch service request volumes covered</p>	<p><b>250+</b> DIY Services on mobile channel</p>	<p><b>~ 23 mn</b> Registered customers on Axis Mobile Banking</p>	<p><b>~ 12 mn</b> Monthly active users on Axis Mobile Banking</p>
<p><b>~ 7.8 mn</b> Non-Axis Bank customers using Axis Mobile &amp; Axis Pay apps as of Mar-23</p>	<p><b>~₹8.7 tn</b> MB spends in Q4FY23, up <b>59% YOY</b></p>	<p><b>~ 4.3 bn</b> MB volumes in Q4FY23, up <b>89% YOY</b></p>	<p><b>61%</b> MB customers banking only on mobile app</p>

# UPI has scaled up tremendously to become a key channel for customer transactions



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

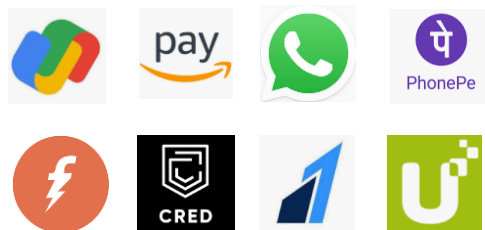
**644 mn**

Cumulative VPA base\*\*

**~ 6 mn**

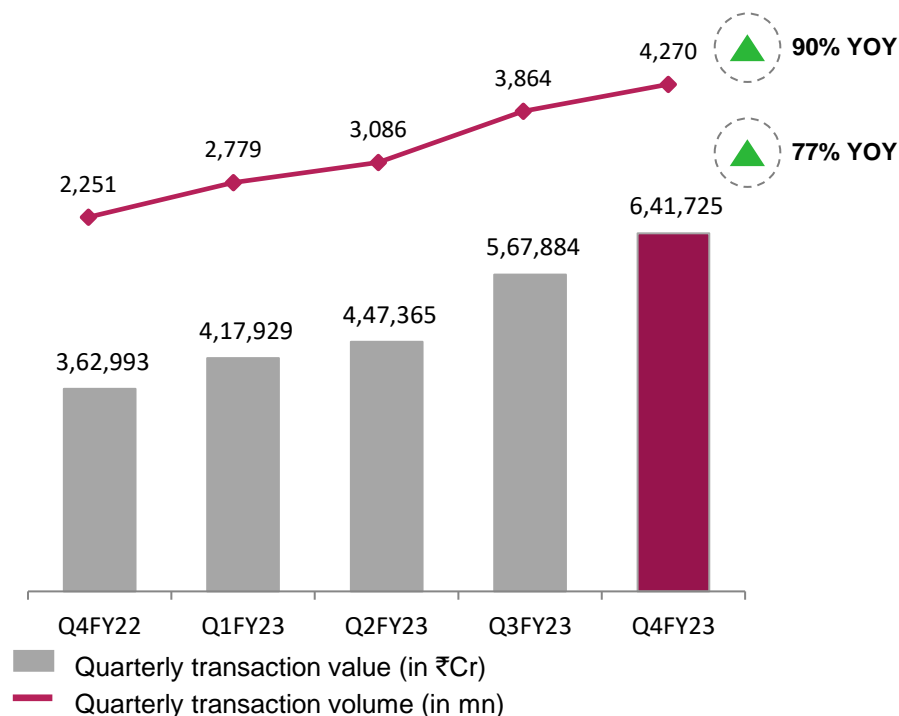
Merchants transacting per day on our stack

Marque partnerships across the PSP and acquiring side

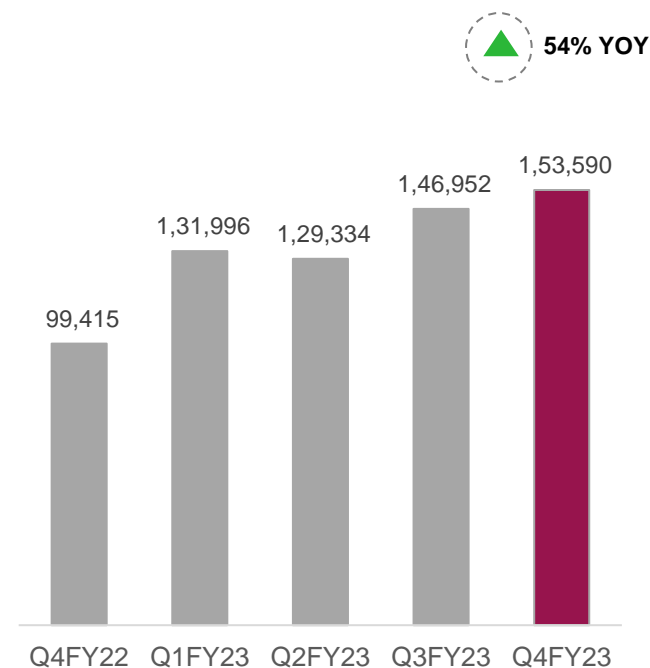


and many others..

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



## UPI P2M Throughput (in ₹ crores)



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

The Bank maintained its strong positioning in the UPI space with a market share of 18% as Payer PSP (by volume) and 17% in UPI P2M Acquiring (by throughput) in Q4FY23

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



## We have 95+ Partnerships across Platforms and Ecosystems

- |   |  |
|---|--|
| <p><b>Product Specific (API banking)</b></p> <ul style="list-style-type: none"> <li>• Channel to acquire &amp; service customers, complete customer ownership with Bank</li> <li>• Co- branded products; revenue sharing (Offering FDs, PL and Credit Cards)</li> </ul> | <p><b>Transaction banking (White-labelled banking)</b></p> <ul style="list-style-type: none"> <li>• Banking as a Service</li> <li>• Deep integration with the partner</li> </ul> |
|---|--|

<p><b>Aggregators</b></p>					
<p><b>Mobili</b></p>			<p><b>Payments</b></p>		<p><b>Telecom</b></p>
<p><b>Enablers</b></p>			<p><b>Neo-Banks</b></p>		<p><b>Remittance</b></p>

APIs hosted on Bank's API Developer Portal

400+ Total APIs

~285+ Retail APIs

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment Performance

**Asset Quality**

Sustainability

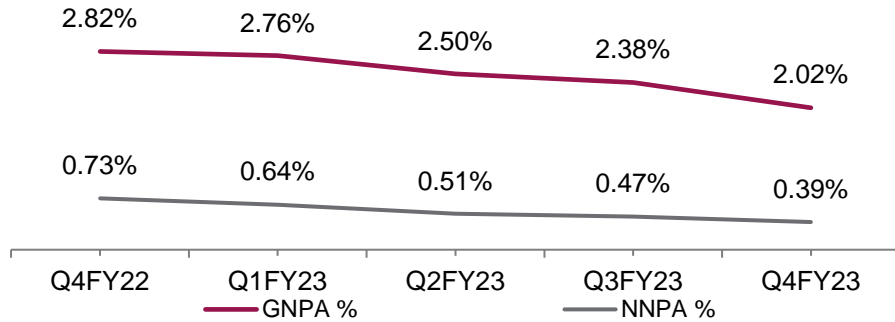
Subsidiaries' Performance

Other Important Information

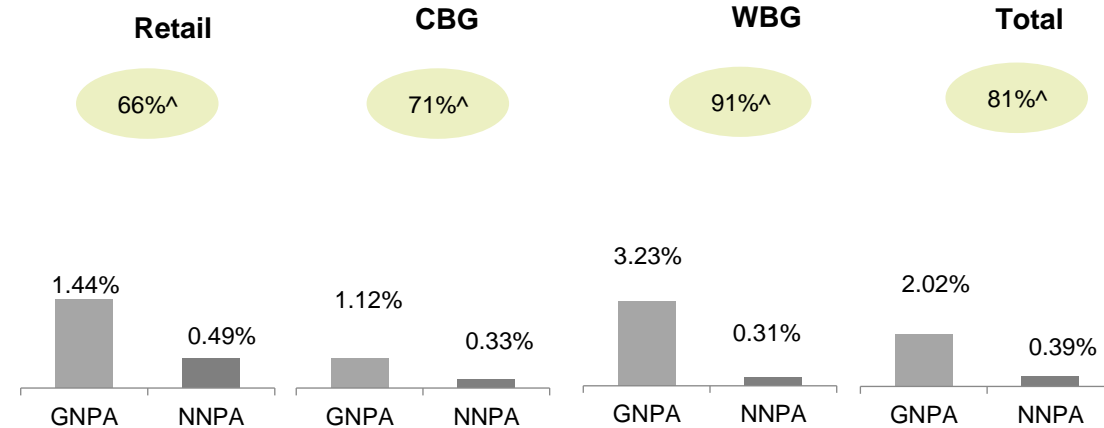
# Stable asset quality visible across all segments



GNPA at 2.02% & NNPA at 0.39%

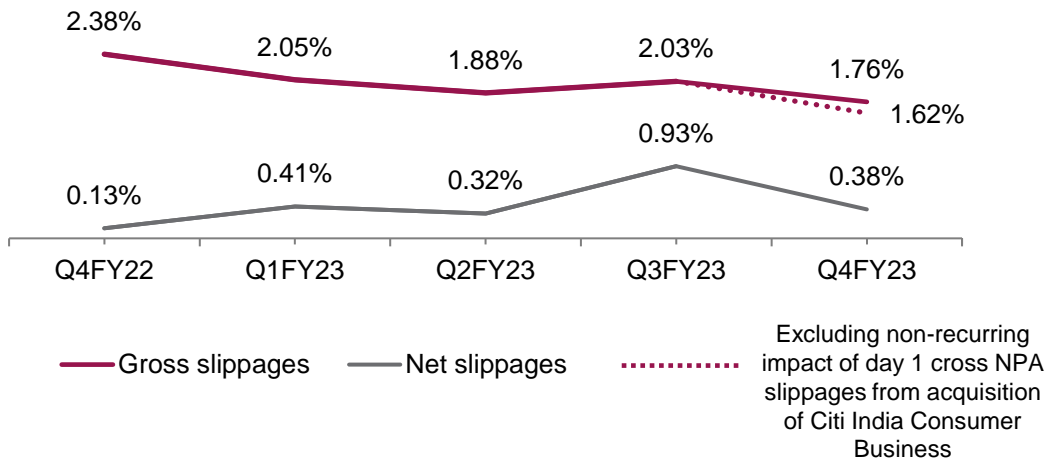


Segmental composition improving sequentially and YOY

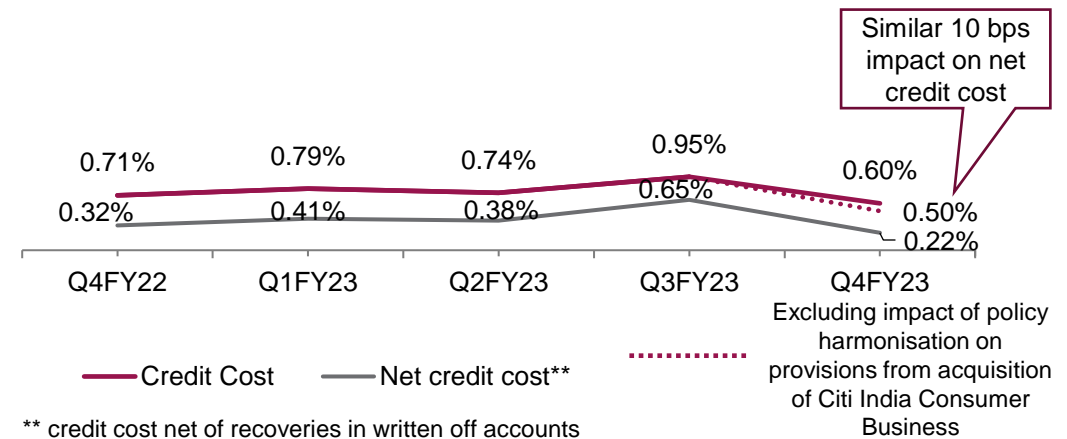


^Provision Coverage Ratio without technical write-offs

Slippages (Annualised)



Credit Cost (Annualised)

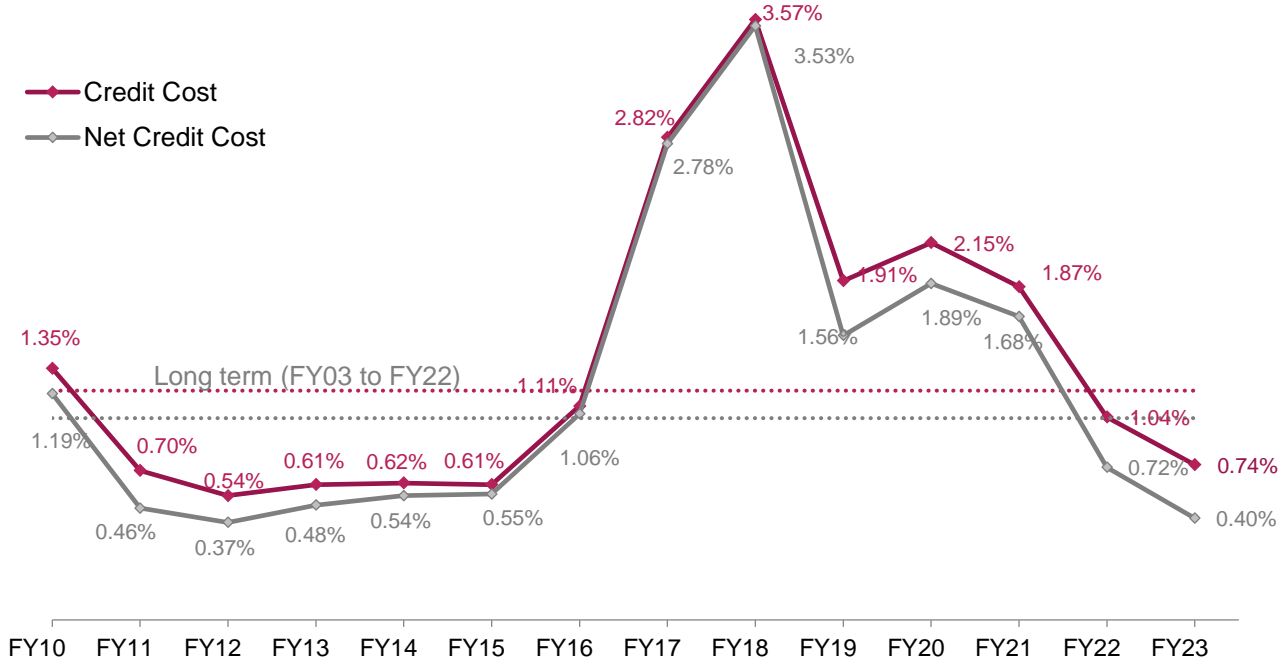


\*\* credit cost net of recoveries in written off accounts

# Legacy asset quality issues adequately addressed



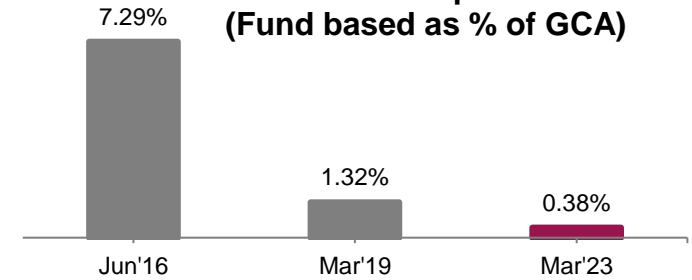
### Overall Credit Costs: FY10 to FY23



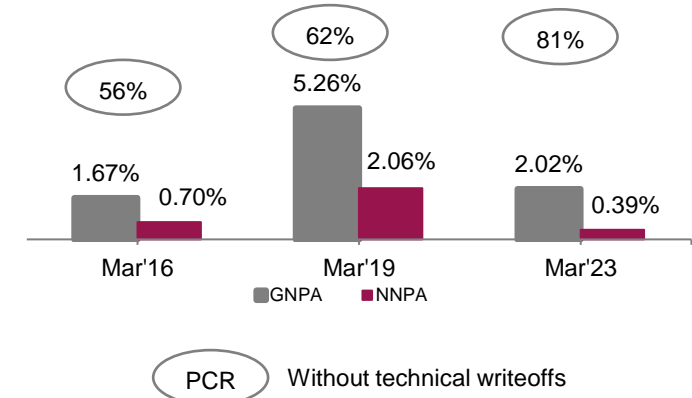
Drivers of Credit Costs

- **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



# Detailed walk of NPAs over recent quarters

		Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23
<b>Gross NPAs - Opening balance</b>	<b>A</b>	23,301	<b>21,822</b>	<b>21,037</b>	<b>19,894</b>	<b>19,961</b>
Gross NPAs acquired from Citi	B	-	-	-	-	396
Fresh slippages	C	3,981	3,684	3,383	3,807	3,375 <sup>\$</sup>
Upgradations & Recoveries	D	3,763	2,957	2,826	2,088	2,699
Write offs	E	1,697	1,512	1,700	1,652	2,429
<b>Gross NPAs - closing balance</b>	<b>F = A+B+C-D-E</b>	<b>21,822</b>	<b>21,037</b>	<b>19,894</b>	<b>19,961</b>	<b>18,604</b>
Provisions incl. interest capitalisation	G	16,310	16,256	15,898	16,131	15,045
<b>Net NPA</b>	<b>H = F-G</b>	<b>5,512</b>	<b>4,781</b>	<b>3,996</b>	<b>3,830</b>	<b>3,559</b>
<b>Provision Coverage Ratio (PCR)</b>		<b>75%</b>	<b>77%</b>	<b>80%</b>	<b>81%</b>	<b>81%</b>
Accumulated Prudential write offs	I	36,256	36,569	36,865	37,366	38,015
<b>PCR (with technical write-off)</b>	<b>(G+I)/(F+I)</b>	<b>91%</b>	<b>92%</b>	<b>93%</b>	<b>93%</b>	<b>94%</b>

## Provisions & Contingencies charged to Profit & Loss Account

	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Loan Loss Provisions	<b>602</b>	<b>777</b>	<b>751</b>	<b>1,341</b>	<b>270</b>
Other Provisions	<b>385</b>	<b>(418)</b>	<b>(201)</b>	<b>97</b>	<b>36</b>
<i>For Standard assets*</i>	121	(20)	161	106	204
<i>Others**</i>	264	(398)	(362)	(9)	(168)
<b>Total Provisions &amp; Contingencies (other than tax)</b>	<b>987</b>	<b>359</b>	<b>550</b>	<b>1,438<sup>#</sup></b>	<b>306</b>

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

<sup>\*</sup> including provision for unhedged foreign currency exposures

<sup>\*\*</sup> includes provision for restructuring pool and other non-NPA provisions

<sup>#</sup> includes Rs. 340 crs on account of non recurring, one-time / prudent items, representing 24% of provisions for the quarter

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**Sustainability**

Subsidiaries' Performance

Other Important Information



# Committed to Positive Climate Action and Achieving the SDGs



- Axis Bank is the first Indian Bank to constitute a standalone ESG Committee of the Board
- In September 2021, the Bank announced commitments aimed at supporting India's low-carbon and equitable economic transition
- The Bank's commitments are aligned to pertinent SDGs and India's commitments under the Paris Agreement

	<i>Our Commitment</i>	<i>Our Progress in FY 2022</i>	<i>Our Progress in FY 2023 (As of Mar 2023)</i>
	Incremental financing of <b>Rs. 30,000 Crores under Wholesale Banking</b> to sectors with positive social and environmental outcomes, <b>by FY 2026</b>	<ul style="list-style-type: none"> <li>• Achieved a disbursement of <b>₹10,414 Cr</b> as of March 2022</li> </ul>	<ul style="list-style-type: none"> <li>• Achieved a cumulative disbursement of <b>~₹16,700 Cr</b> as of December 2022 (Target: <b>₹15,000 Cr</b> by March 2023)</li> </ul>
	Making <b>5% of its retail Two-Wheeler loan</b> portfolio as electric by <b>FY 2024</b>	<ul style="list-style-type: none"> <li>• EV penetration of <b>0.82%</b> of the overall two-wheeler business achieved, as of March 2022</li> </ul>	<ul style="list-style-type: none"> <li>• EV penetration of <b>2.74%</b> of the overall two-wheeler business achieved (Target: 2.5% penetration by March 2023)</li> </ul>
	Incremental disbursement of <b>Rs. 10,000 crores by FY 2024 under Asha Home Loans</b> for affordable housing; increasing share of women borrowers from <b>13.9% to 16.9%</b>	<ul style="list-style-type: none"> <li>• Achieved disbursement of <b>₹4,710 Cr</b> as of March 2022</li> <li>• Share of women borrowers increased to <b>15.86%</b> as of March 2022</li> </ul>	<ul style="list-style-type: none"> <li>• Achieved cumulative disbursement of <b>~₹7,970 Cr</b> (Target: <b>~₹7,900 Cr</b> by March 2023)</li> <li>• Share of women borrowers at over <b>18%</b></li> </ul>
	<b>Scaling down exposure to carbon-intensive sectors</b>	<ul style="list-style-type: none"> <li>• Committed to phasing down wholesale book exposure (in %) in four sectors – Coal (mining, logistics and trade), thermal power, shipping, and aviation</li> </ul>	<ul style="list-style-type: none"> <li>• Glide path till 2030 approved by the ESG Committee and being tracked</li> </ul>
	Reaching <b>30% female representation</b> in its workforce by <b>FY 2027</b>	<ul style="list-style-type: none"> <li>• Overall diversity at <b>24.6%</b> as of March 2022; hiring diversity at <b>27.6%</b></li> </ul>	<ul style="list-style-type: none"> <li>• Overall diversity at <b>25.7%</b>; hiring diversity at <b>27.6%</b> (Target of <b>24.8%</b> overall diversity by March 2023)</li> </ul>
	<b>Planting 2 million trees by FY 2027</b> across India towards contributing to creating a carbon sink	<ul style="list-style-type: none"> <li>• Site preparation completed at 5 locations in FY 2022</li> </ul>	<ul style="list-style-type: none"> <li>• <b>~0.83 million saplings</b> planted</li> </ul>

# 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 **~3,066 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

**~ 9,745 Metric tons** of GHG emissions avoided from diverse energy saving initiatives

'Branch of the Future' initiative by Digital Banking helping each branch save estimated **~1.1 million** sheets of paper monthly



\* All data for FY 2022

Executive Summary

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Asset Quality

Sustainability

**Subsidiaries' Performance**

Other Important Information

# Significant value creation happening in our key group entities

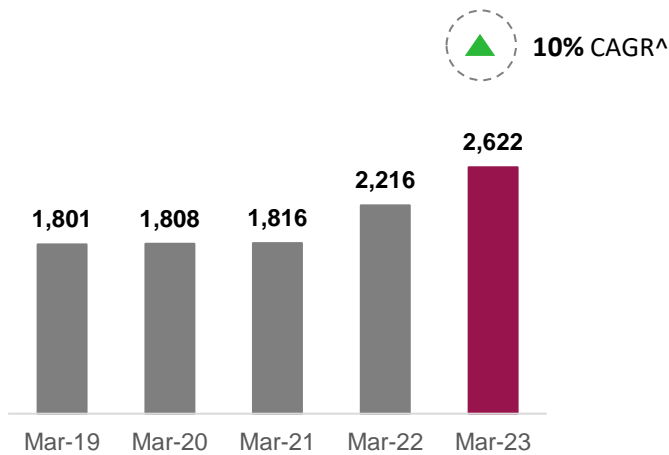


Detailed One Axis presentation [Link](#)

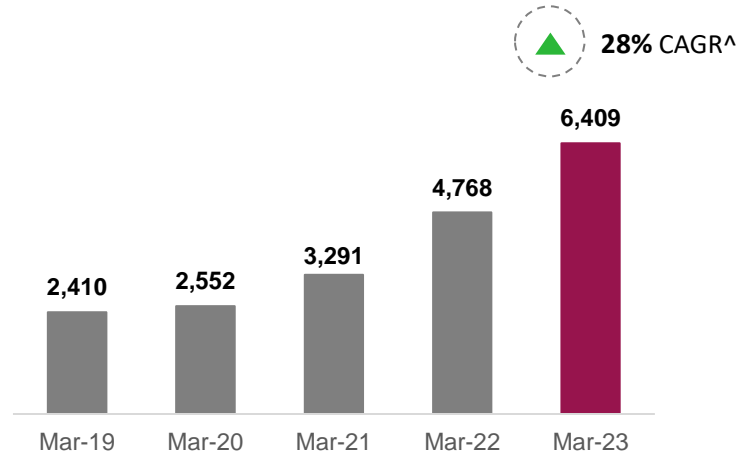
Asset Management	Invst Banking & Inst Equities	Consumer focused NBFC	Retail Brokerage	Trustee	Fintech platform	TReDS platform	Insurance
<p>One of the fastest growing MF player</p> <p>75%<sup>1</sup> (JV Schoders Plc)</p> <p>↓</p> <p>60%<sup>3</sup></p>	<p>Leadership position in ECM deals segment</p> <p>100%</p>	<p>AAA rated NBFC with diversified product offerings</p> <p>100%</p>	<p>3<sup>rd</sup> largest bank led brokerage firm</p> <p>100%</p>	<p>Amongst the leading trustees in India</p> <p>100%</p>	<p>One of the major fintech players in India</p> <p>100%</p>	<p>Leading player on TReDS platform</p> <p>67%</p>	<p>4<sup>th</sup> largest private insurance company<sup>@</sup></p> <p>12.99%<sup>2</sup> (Co-promoter), Accounting Associate</p>

All figures in ₹ Crores

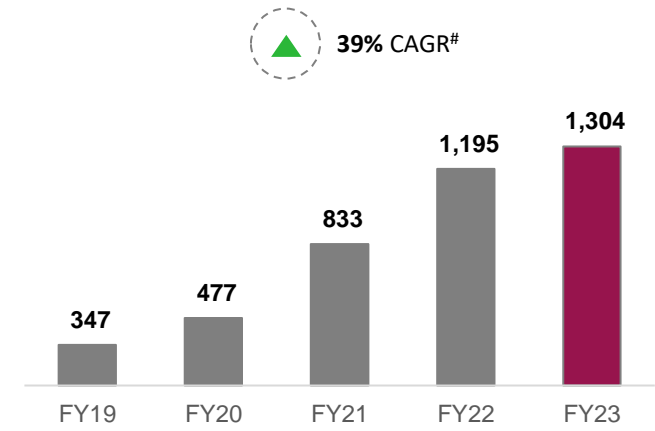
Total investments\* made



Combined network\* of operating subs



Combined PAT \* of operating subs



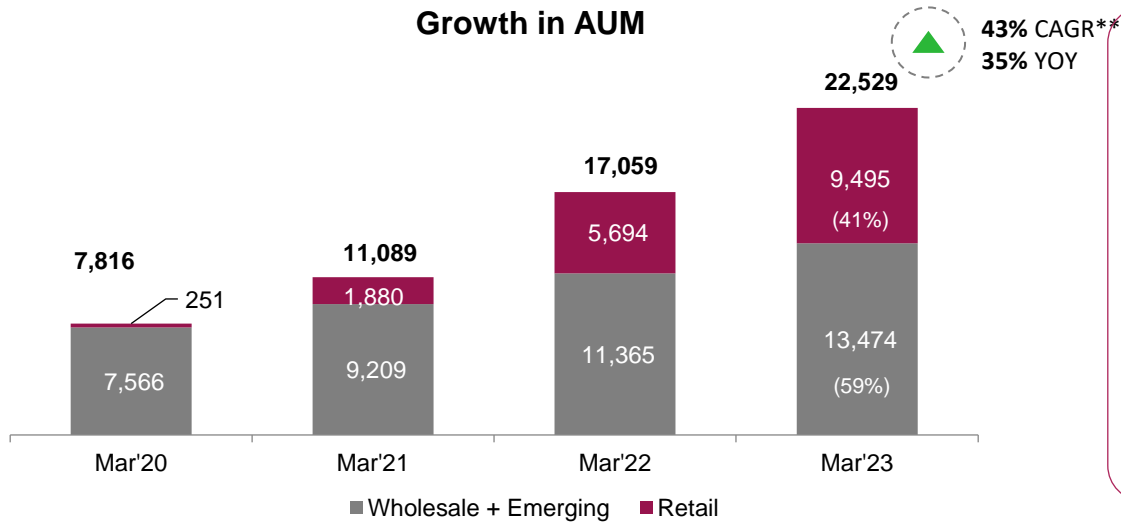
# CAGR for period FY19 to FY23

1) 25% is held by Schoders Plc 2) Including stakes owned by Axis Capital and Axis Securities; Also, there is further Option to take overall stake to 19.99%  
 3) 60% 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 Mar-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

# Axis Finance : PAT up 30% YOY, Retail book up 67% YOY

## Growth in AUM

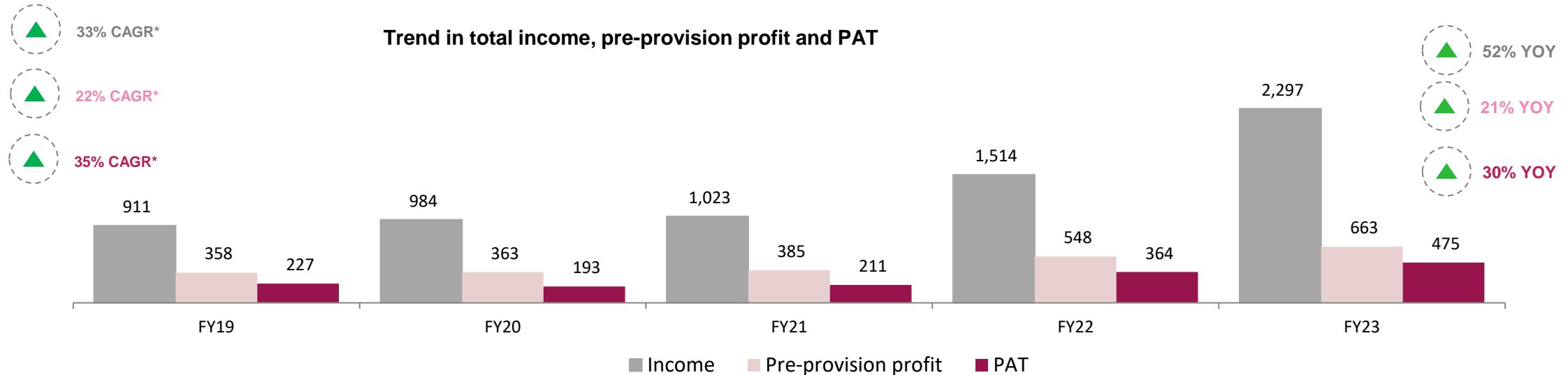


## Major Highlights

- **67%** YOY growth in Retail book, retail mix up **~796 bps** YOY to **41%** as of Mar'23
- **18.6%** YOY growth in Wholesale loan book
- **17.9%** ROE for Q4FY23
- **20.5%** Capital adequacy ratio
- **0.36%** Net NPA with near zero restructuring

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

## Trend in total income, pre-provision profit and PAT



Started investment in retail franchise FY 19 onwards

\* 3 yr CAGR (FY20 to FY23)

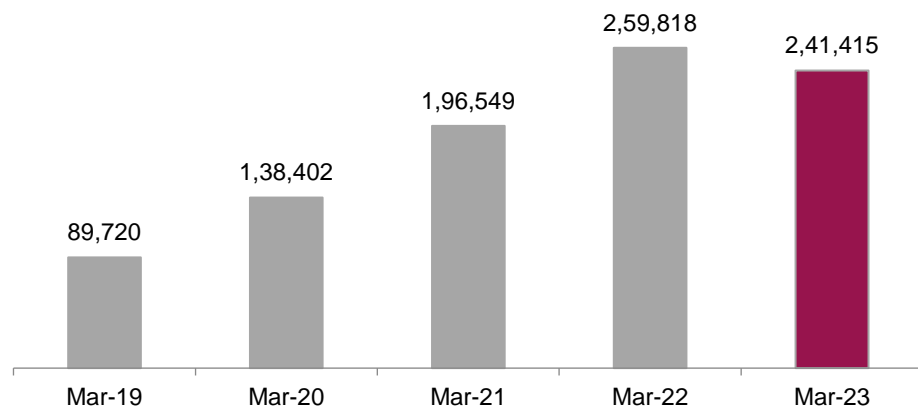
# Axis AMC : PAT up 16% YOY



All figures in ₹ Crores

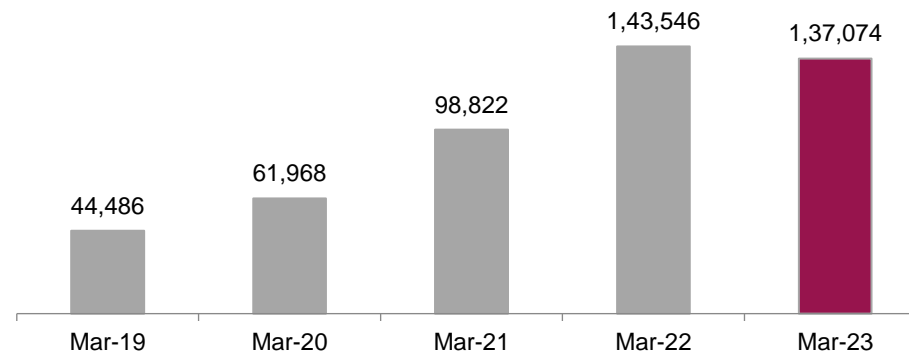
## Overall QAAUM

▲ 28% CAGR\*



## Equity QAAUM

▲ 32% CAGR\*

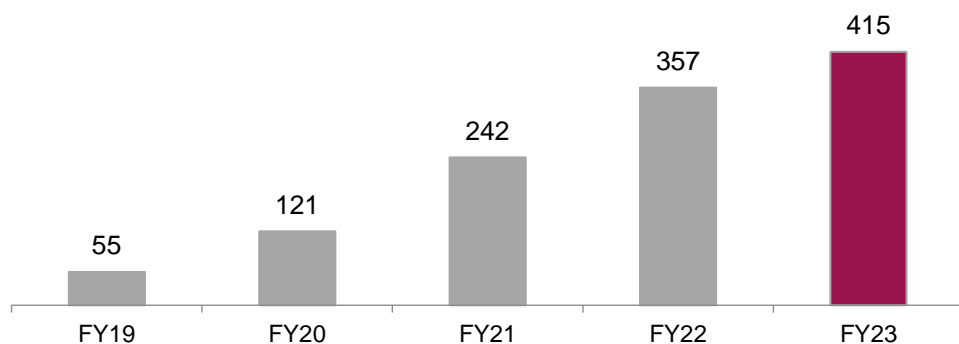


\* CAGR for period Mar-19 to Mar-23

## Trend in PAT

▲ 66% CAGR\*

▲ 16% YOY



\* CAGR for period FY19 to FY23

## Major Highlights

- **6%** AAUM market share as of Mar'23
- **63%** of overall AUM consists of Equity & Hybrid funds
- **12%** YOY growth in total gross revenue in FY23
- **12.9 mn** client folios as at of Mar'23

Scheme AUM/AAUM (Amt in cr) Rs.227524.56 / Rs.241414.57 Asset Classwise AUM / AAUM: Liquid/Money Market: 33671.39/45660.66, Gilt: 204.18/134.57, Income/Debt: 39317.66/37734.33 Equity including ELSS: 135424.40/137860.69, Hybrid: 8152.61/9948.49, Solution: 1649.71/1682.99, Index: 4070.93/3578.76, ETF: 2704.43/2491.64, FOF: 2329.24/2322.45 . AUM by geography (%) [Cities]: Top 5: 56.67% Next 10: 14.85% Next 20: 6.71% Next 75: 7.84% Others: 13.94%

# Axis Capital : Volatile markets weighed on deal activity



FY23 Ranking\* (includes IPO, FPO, QIP, REIT, OFS & Rights)

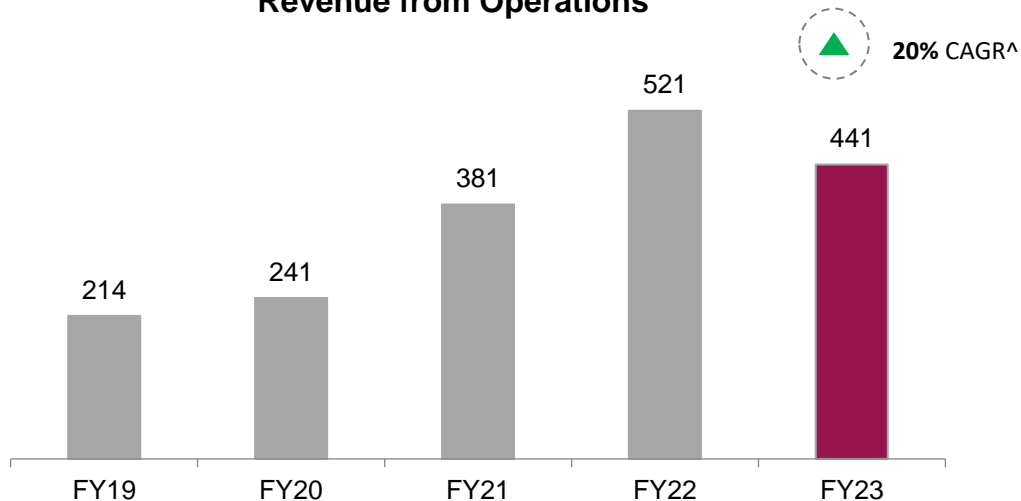
Rank	Banker	No of Deals*
1	Axis Capital	18
2	Peer 1	16
3	Peer 2	14
4	Peer 3	14
5	Peer 4	12

## Major Highlights

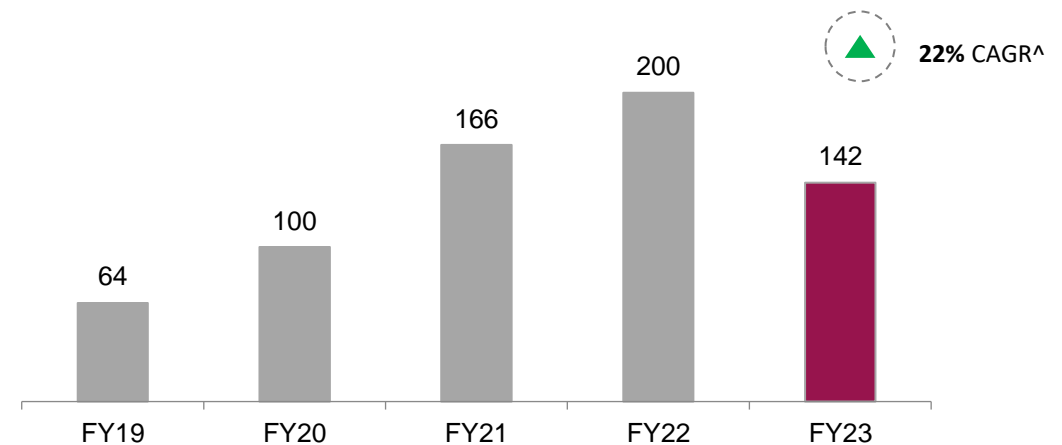
- **42** IB deals closed in FY23 that include **11** IPOs, **2** QIPs, **4** SF Syndication, **6** M&A and **3** Private Equity
- **~12.2%** investment banking market share in FY23
- **20%** YOY growth in Axis Capital's revenue from Institutional Equity business
- **₹142 crores** – PAT in FY23

All figures in ₹ Crores

## Revenue from Operations



## Profit After Tax



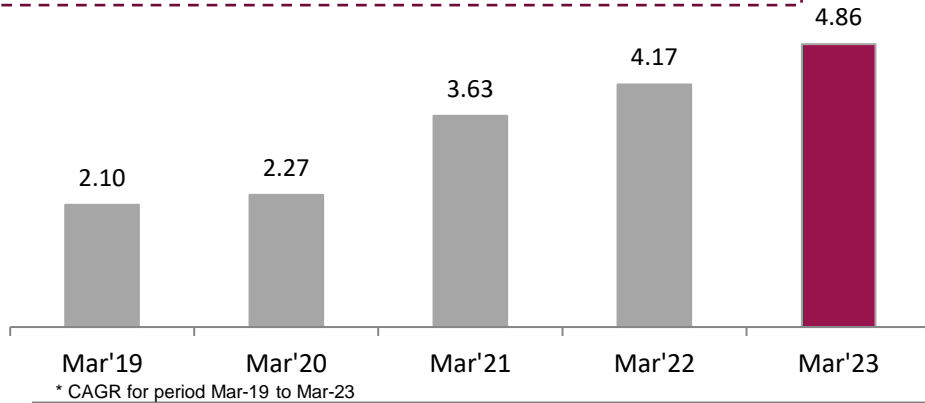
# Axis Securities : Strong growth in new customer additions



**Total customer base (in mn)**

3<sup>rd</sup> largest bank led retail brokerage in terms of customer base

17% YOY  
23% CAGR\*



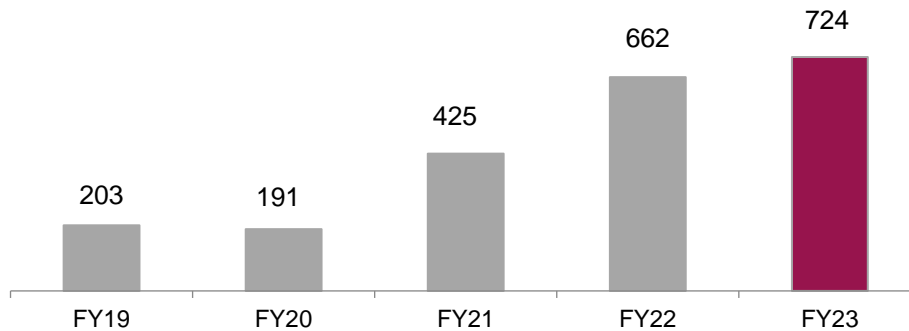
## Major Highlights

- **28%** YOY growth in new clients added during FY23
- **59%** of the volumes in FY23 was from Mobile trading
- **51%** of clients traded through Axis Direct Mobile App in FY23
- **₹ 724 crores** - broking revenues in FY23, up 9% YOY

All figures in ₹ Crores

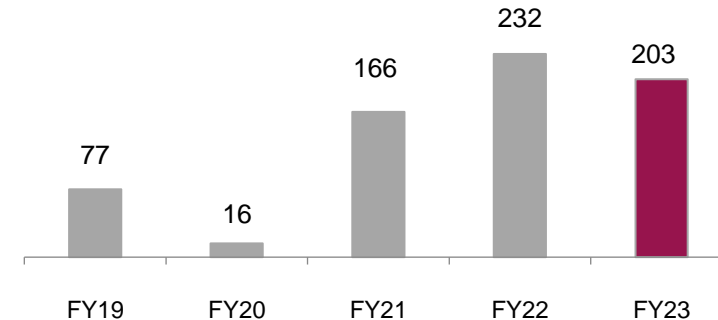
## Broking Revenue

9% YOY  
37% CAGR\*



## Profit After Tax

27% CAGR\*



\* CAGR for period FY19 to FY23



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



- » A.TREDS is one of the three entities 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 **₹ 55,600 crs+**. Crossed a monthly figure of **₹ 3,395+ crs** in March 2023.
- » Invoicemart has helped in price discovery for MSMEs across **870+** locations in India who are now able to get their bills discounted from **56** financiers (banks and NBFC factors)

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



**Throughput**  
~ ₹ 55,600 Cr



**Invoices Discounted (in No's)**  
~ 16.3 Lakh



**Participants on-board**  
~ 20,671

# Freecharge: Merchant Business and Payments continue to *deliver strong growth*; lending products ready to *scale up*



DTH, UTILITIES

MOBILE RECHARGES

**Freecharge continues to evolve from a payments company to a lending and payments fintech with a host of lending products for both consumers and merchants**



LOANS

CARDS

CA/SA/FD

## Consumer Lending

### PL

- End to end digital journey with instant disbursal
- E-Nach enabled loan
- Account Aggregator integration for income estimation

### Credit Cards

- **Live with new onboarding journey**
- **~4X** growth in the number of cards issued YoY

### Buy Now Pay Later

- D0 repayment stable at **78%** in Q4'FY23
- **64%** M1 retention in Q4'FY23

## Merchant Business

- **80%** growth in Merchants acquisition YoY
- **5X** growth in number of merchant loans YoY
- **4X** growth in number of Current Accounts YoY
- **2.7X** growth in number of merchant transactions YoY
- **2.5X** transactions of lending merchants compared to non-lending merchants



## Payments

- **2.5X** growth in overall GMV YoY; Rentals contribution highest in this growth
- **2X** growth in average monthly UPI transactions YoY



Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment Performance

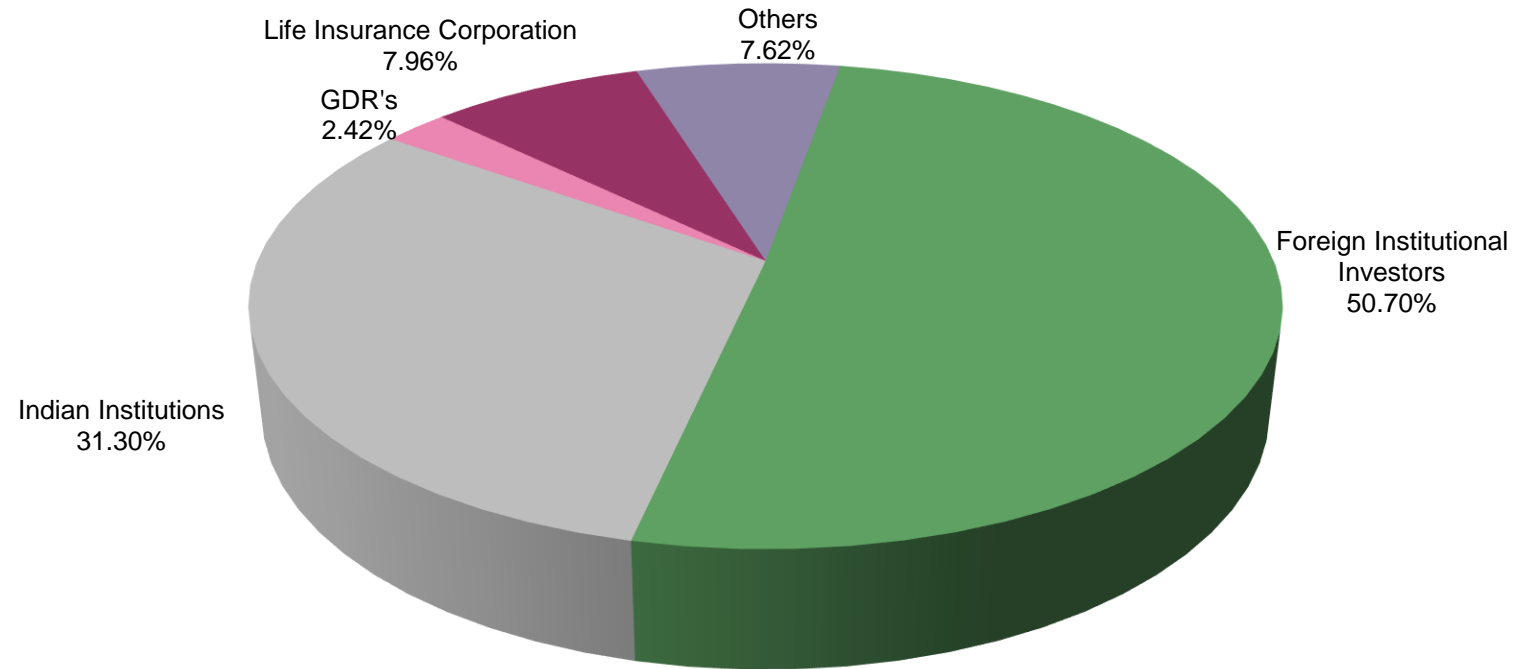
Asset Quality

Sustainability

Subsidiaries' Performance

Other Important Information

# Shareholding Pattern (as on March 31, 2023)



▪ Share Capital	₹615 crores
▪ Shareholders' Funds	₹124,993 crores
▪ Book Value Per Share	₹406
▪ Diluted EPS (Q4 FY23) #*	₹86.31
▪ Market Capitalization	₹273,201 crores (as on April 26 <sup>th</sup> , 2023)

# annualized

\* excluding exceptional items

# Financial Performance



Financial Performance (₹ crores)		Q4FY23	Q4FY22	% Growth	FY23	FY22	% Growth
Interest Income	A	23,970	17,776	35%	85,164	67,377	26%
Other Income	B = C+D+E	4,895	4,224	16%	16,501	15,221	8%
- Fee Income	C	4,676	3,759	24%	16,216	13,001	25%
- Trading Income	D	83	231	(64%)	(242)	1,627	-
- Miscellaneous Income	E	136	234	(42%)	527	593	(11%)
<b>Total Income</b>	<b>F = A+B</b>	<b>28,865</b>	<b>22,000</b>	<b>31%</b>	<b>1,01,665</b>	<b>82,598</b>	<b>23%</b>
Interest Expended	G	12,228	8,957	37%	42,218	34,245	23%
<b>Net Interest Income</b>	<b>H = A-G</b>	<b>11,742</b>	<b>8,819</b>	<b>33%</b>	<b>42,946</b>	<b>33,132</b>	<b>30%</b>
<b>Operating Revenue</b>	<b>I = B+H</b>	<b>16,637</b>	<b>13,042</b>	<b>28%</b>	<b>59,447</b>	<b>48,353</b>	<b>23%</b>
Core Operating Revenue*	J = I-D	16,554	12,812	29%	59,689	46,705	28%
Operating Expenses	K	7,470	6,576	14%	27,398	23,611	16%
-Staff Expense	L	2,164	1,887	15%	8,797	7,613	16%
-Non Staff Expense	M	5,306	4,689	13%	18,601	15,998	16%
<b>Operating Profit</b>	<b>N = I-K</b>	<b>9,168</b>	<b>6,466</b>	<b>42%</b>	<b>32,048</b>	<b>24,742</b>	<b>30%</b>
<b>Core Operating Profit*</b>	<b>O = N-D</b>	<b>9,084</b>	<b>6,235</b>	<b>46%</b>	<b>32,291</b>	<b>23,094</b>	<b>40%</b>
Provisions other than taxes	P	306	987	(69%)	2,653	7,360	(64%)
- Recoveries in written-off a/c's		(823)	(719)	14%	(2,885)	(2,367)	22%
Profit Before Exceptional items and tax	Q = N-P	8,862	5,479	62%	29,396	17,382	69%
Exceptional items	R	12,490	-	-	12,490	-	-
Profit before tax	S = Q-R	(3,628)	5,479	-	16,906	17,382	(3%)
Tax Expenses	T	2,100	1,361	54%	7,326	4,357	68%
<b>Net Profit</b>	<b>U = S-T</b>	<b>(5,728)</b>	<b>4,118</b>	<b>-</b>	<b>9,580</b>	<b>13,025</b>	<b>(26%)</b>
EPS Diluted (in ₹) (annualized)#		86.31	54.27		71.03	42.35	
Return on Average Assets (annualized) #		2.10%	1.46%		1.82%	1.21%	
Return on Equity (annualized) #		21.12%	15.87%		18.38%	12.91%	
Capital Adequacy Ratio (Basel III) (incl. profit)		17.64%	18.54%		17.64%	18.54%	

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

# before exceptional items

# Financial Performance



Financial Performance (\$ mn)		Q4FY23	Q4FY22	% Growth	FY23	FY22	% Growth
Interest Income	A	2,917	2,163	35%	10,364	8,200	26%
Other Income	B = C+D+E	596	514	16%	2,008	1,852	8%
- Fee Income	C	569	457	24%	1,973	1,582	25%
- Trading Income	D	10	28	(64%)	(29)	198	-
- Miscellaneous Income	E	17	28	(42%)	64	72	(11%)
<b>Total Income</b>	<b>F = A+B</b>	<b>3,513</b>	<b>2,677</b>	<b>31%</b>	<b>12,373</b>	<b>10,052</b>	<b>23%</b>
Interest Expended	G	1,488	1,090	37%	5,138	4,168	23%
<b>Net Interest Income</b>	<b>H = A-G</b>	<b>1,429</b>	<b>1,073</b>	<b>33%</b>	<b>5,226</b>	<b>4,032</b>	<b>30%</b>
<b>Operating Revenue</b>	<b>I = B+H</b>	<b>2,025</b>	<b>1,587</b>	<b>28%</b>	<b>7,235</b>	<b>5,885</b>	<b>23%</b>
Core Operating Revenue*	J = I-D	2,015	1,559	29%	7,264	5,684	28%
Operating Expenses	K	909	800	14%	3,334	2,873	16%
-Staff Expense	L	263	230	15%	1,071	926	16%
-Non Staff Expense	M	646	571	13%	2,264	1,947	16%
<b>Operating Profit</b>	<b>N = I-K</b>	<b>1,116</b>	<b>787</b>	<b>42%</b>	<b>3,900</b>	<b>3,011</b>	<b>30%</b>
<b>Core Operating Profit*</b>	<b>O = N-D</b>	<b>1,106</b>	<b>759</b>	<b>46%</b>	<b>3,930</b>	<b>2,811</b>	<b>40%</b>
Provisions other than taxes	P	37	120	(69%)	323	896	(64%)
- Recoveries in written-off a/c's		(100)	(88)	14%	(351)	(288)	22%
Profit Before Exceptional items and tax	Q = N-P	1,078	667	62%	3,577	2,115	69%
Exceptional items	R	1,520	-	-	1,520	-	-
Profit before tax	S = Q-R	(442)	667	-	2,057	2,115	(3%)
Tax Expenses	T	256	166	54%	892	530	68%
<b>Net Profit</b>	<b>U = S-T</b>	<b>(697)</b>	<b>501</b>	<b>-</b>	<b>1,166</b>	<b>1,585</b>	<b>(26%)</b>
EPS Diluted (in ₹) (annualized)#		86.31	54.27		71.03	42.35	
Return on Average Assets (annualized)#		2.10%	1.46%		1.82%	1.21%	
Return on Equity (annualized) #		21.12%	15.87%		18.38%	12.91%	
Capital Adequacy Ratio (Basel III) (incl. profit)		17.64%	18.54%		17.64%	18.54%	

\$ figures converted using exchange rate of 1\$ = ₹82.17

# before exceptional items

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

# Balance Sheet



Balance Sheet	As on 31 <sup>st</sup> Mar'23	As on 31 <sup>st</sup> Mar'22		As on 31 <sup>st</sup> Mar'23	As on 31 <sup>st</sup> Mar'22	% Growth
	In ₹ Crores	In ₹ Crores		in \$ Mn	in \$ Mn	
<b>CAPITAL AND LIABILITIES</b>						
Capital	615	614		75	75	0.2%
Reserves & Surplus	1,24,378	1,14,411		15,137	13,924	9%
ESOP Outstanding	424	149		51	18	185%
Deposits	9,46,945	8,21,972		1,15,242	1,00,033	15%
Borrowings	1,86,300	1,85,134		22,673	22,531	1%
Other Liabilities and Provisions	58,664	53,149		7,139	6,468	10%
<b>Total</b>	<b>13,17,326</b>	<b>11,75,429</b>		<b>1,60,317</b>	<b>1,43,048</b>	<b>12%</b>
<b>ASSETS</b>						
Cash and Balances with RBI / Banks and Call money	106,411	1,10,987		12,950	13,507	(4%)
Investments	2,88,815	2,75,597		35,148	33,540	5%
Advances	8,45,303	7,07,947		1,02,872	86,156	19%
Fixed Assets	4,734	4,572		576	556	4%
Other Assets	72,063	76,326		8,770	9,289	(6%)
<b>Total</b>	<b>13,17,326</b>	<b>11,75,429</b>		<b>1,60,317</b>	<b>1,43,048</b>	<b>12%</b>

Prior period numbers have been regrouped as applicable for comparison

\$ figures converted using exchange rate of 1\$ = ₹82.17

\*\*Figures of 31<sup>st</sup> March 2023 are not strictly comparable as it includes acquired Citibank India Consumer Business ('CICB'). For details of growth without CICB, see slide 89 of this presentation

# Bridge to operating expenses and provision numbers as reported in annual financial statements format



Rs. in crores except %

Financial Performance (₹ crores)		Q4FY23			FY23		
		Reported (A)	One time / Non recurring (B)	Annual FS (A+B)	Reported (A)	One time / Non recurring (B)	Annual FS (A+B)
Interest Income	A	23,970	-	23,970	85,164	-	85,164
Other Income	B = C+D+E	4,895	-	4,895	16,501	-	16,501
- Fee Income	C	4,676	-	4,676	16,216	-	16,216
- Trading Income	D	83	-	83	(242)	-	(242)
- Miscellaneous Income	E	136	-	136	527	-	527
<b>Total Income</b>	<b>F = A+B</b>	<b>28,865</b>	<b>-</b>	<b>28,865</b>	<b>1,01,665</b>	<b>-</b>	<b>1,01,665</b>
Interest Expended	G	12,228	-	12,228	42,218	-	42,218
<b>Net Interest Income</b>	<b>H = A-G</b>	<b>11,742</b>	<b>-</b>	<b>11,742</b>	<b>42,946</b>	<b>-</b>	<b>42,946</b>
<b>Operating Revenue</b>	<b>I = B+H</b>	<b>16,637</b>	<b>-</b>	<b>16,637</b>	<b>59,447</b>	<b>-</b>	<b>59,447</b>
Core Operating Revenue*	J = I-D	16,554	-	16,554	59,689	-	59,689
Operating Expenses	K	7,470	12,258	19,728	27,398	12,258	39,656
-Staff Expense	L	2,164	(37)	2,126	8,797	(37)	8,760
-Non Staff Expense	M	5,306	12,295	17,601	18,601	12,295	30,896
<b>Operating Profit</b>	<b>N = I-K</b>	<b>9,168</b>	<b>-</b>	<b>(3,091)</b>	<b>32,048</b>	<b>-</b>	<b>19,791</b>
<b>Core Operating Profit*</b>	<b>O = N-D</b>	<b>9,084</b>	<b>-</b>	<b>(3,174)</b>	<b>32,291</b>	<b>-</b>	<b>20,033</b>
Provisions other than taxes	P	306	232	538	2,653	232	2,885
<b>Profit Before Exceptional Items and Tax</b>	<b>Q = N-P</b>	<b>8,862</b>	<b>-</b>	<b>(3,628)</b>	<b>29,395</b>	<b>-</b>	<b>16,906</b>
Exceptional Item	R	12,490	(12,490)	-	12,490	(12,490)	-
<b>Profit Before Tax</b>	<b>S = Q-R</b>	<b>(3,628)</b>	<b>-</b>	<b>(3,628)</b>	<b>16,906</b>	<b>-</b>	<b>16,906</b>
Tax Expenses	T	2,100	-	2,100	7,326	-	7,326
<b>Net Profit</b>	<b>U = S-T</b>	<b>(5,728)</b>	<b>-</b>	<b>(5,728)</b>	<b>9,580</b>	<b>-</b>	<b>9,580</b>



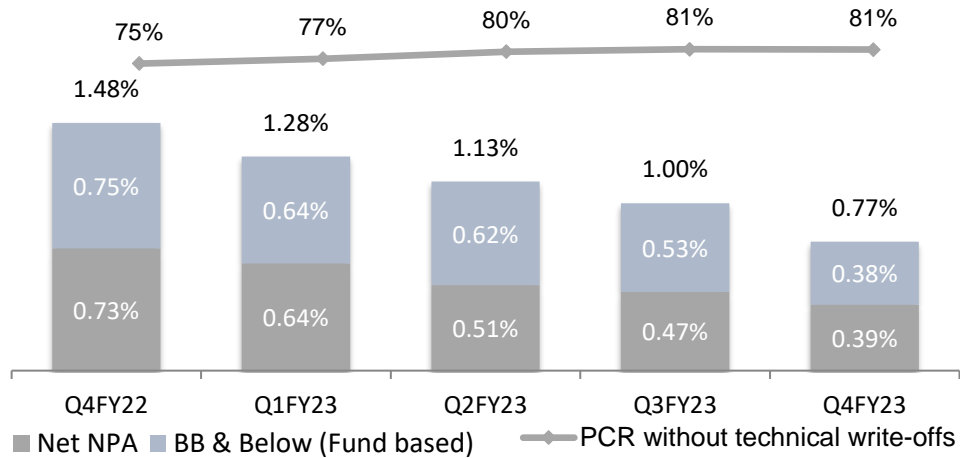
## Details of key Business metrics

Balance sheet (in Rs Crore)	Axis Bank (Reported)			Axis Bank (excl. Citi portfolio)		
	Q4FY23	YOY Growth (%)	QoQ Growth (%)	Q4FY23	YOY Growth (%)	QoQ Growth (%)
<b>Total deposits</b>	<b>9,46,945</b>	<b>15%</b>	<b>12%</b>	<b>9,05,623</b>	<b>10%</b>	<b>7%</b>
- Current Account	1,49,120	17%	18%	1,47,300	15%	16%
- Savings Account	2,97,416	23%	18%	2,68,430	11%	7%
- Term Deposits	5,00,409	11%	6%	4,89,893	8%	4%
<b>Total Advances</b>	<b>8,45,303</b>	<b>19%</b>	<b>11%</b>	<b>8,19,288</b>	<b>16%</b>	<b>7%</b>
- Retail	4,87,571	22%	14%	4,61,666	15%	7%
• Home loans	1,57,392	10%	7%	1,50,560	5%	2%
• Loan against property	50,756	20%	14%	47,963	13%	8%
• Personal loans	54,561	21%	8%	53,604	18%	6%
• Credit cards	31,684	97%	53%	22,878	42%	10%
• Other retail loans	1,93,178	26%	16%	1,86,660	22%	12%
- Corporate	2,65,009	14%	6%	2,65,009	14%	6%
- SME	92,723	23%	13%	92,723	23%	13%

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

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

PCR (excluding technical write offs) up 6 bps QoQ at 81%;  
net NPA improved 34 bps YoY and 8 bps QoQ



### BB & below book

BB & Below Outstanding	Q3 FY23	Q4 FY23
Fund based (FB)	4,451	3,478
Non fund based	1,894	1,371
Investments	731	673

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 31.03.2023	Implemented
<b>Bank</b>	<b>2,047</b>
Retail	1,835
Wholesale	212
CBG	-
<b>Bank as a % of GCA</b>	<b>0.22%</b>
Retail as a % of segment GCA	0.39%
Wholesale as a % of segment GCA	0.08%
CBG as a % of segment GCA	-

- Provision on restructured book Rs. 593 crs, coverage ~ 22%
- ~96% of Retail Covid (1+2) is secured, unsecured 100% provided
- Linked but not restructured NFB Rs. 925 crores
- MSME (1+2) restructured book Rs. 454 crs, 0.05% of GCA, provision held Rs. 137 crs
- Linked non-restructured book Rs. 186 crores, provision held Rs. 82 crs

### Key comments on BB and Below book

- Rs. 1,702 crs of reduction is due to recoveries/upgrades
- Rs. 108 crs downgraded to BB & below during the quarter, down 71% YOY
- Rs. 10 crs slippages (FB + Investments) to NPA with linked NFB of Rs. 25 crs; and Rs. 74 crs upgrade from past NPA
- Average ticket size ~ Rs. 35 crs
- ~ 17% 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 66% 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**