



## Investor Presentation

*Quarterly Results Q2FY22*



NSE: **AXISBANK**

BSE: **532215**

LSE (GDR): **AXB**

# Axis Bank at a glance



## Axis Bank



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

**4,679**  
Branches\*

**86,500+**  
Employees

**5<sup>th</sup>** straight year  
Constituent of FTSE 4Good EI ^

## Market Share



### Traditional Banking Segment

**5.1%**  
Assets #

**4.6%**  
Deposits ##

**5.7%**  
Advances ##

### Digital Banking Segment

**15%**  
UPI\*\*

**14%**  
Mobile\*\*

**11%**  
CIF^^

## Profitability



**3.39%**  
Net Interest Margin<sup>1</sup>

**2.12%**  
Cost to Assets<sup>1</sup>

**2.25%**  
Operating Profit Margin<sup>1</sup>

## Balance Sheet



**20.04% | 15.81%**  
CAR\*\*\* CET 1

**₹ 129.5 Bn | 2.11%**  
Cumulative provisions  
(standard + additional non-NPA)

**70% | 1.08%**  
PCR Net NPA

## Key Subsidiaries



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

**59%**  
Growth in Axis Securities  
PAT<sup>2</sup>

**60%**  
Growth in Axis AMC's  
PAT<sup>2</sup>

**18.5%**  
Axis Finance's ROE  
with near zero  
Restructuring<sup>1</sup>

\*domestic network including extension counters ^ EI – Emerging Index Series \*\* by volumes \*\*\*CAR – Capital Adequacy ratio, including profit for H1FY22  
#Based on Mar-20 data ##Based on Mar-21 data § As per Prime Database rankings for Equity Capital Market deals in H1FY22  
^^CIF – Credit Cards in force as of Aug'21 <sup>1</sup> For Q2FY22 <sup>2</sup> For H1FY22

## Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment performance

Asset Quality

Future of Work and Sustainability

Subsidiaries' Performance

Other important information

# Major highlights of Q2FY22

**Strong CASA and fee performance, accelerating loan growth in focus segments, limited restructuring, improving asset quality, resilient balance sheet**



## Strong growth in granular CASA deposits continues to aid loan growth

- Deposits on QAB basis grew by **18% YOY** and **4% QOQ**, Loan book grew **10% YOY** and **1%** sequentially
- On QAB basis, SA grew **23% YOY** and **5% QOQ**, CA deposits grew **18% YOY** and **3% QOQ**
- On QAB basis, CASA grew **21% YOY** and **5% QOQ**, CASA ratio stood at **42%**, up **201 bps YOY** and **27 bps QOQ**
- On QAB basis, Term deposits grew **15% YOY** and **4% QOQ**, of which Retail term deposits grew **11% YOY** and **3% QOQ**

## Loan growth driven by focused business segments

- Retail loans grew **16% YOY** and **4% QOQ**, ~**80%** of the book is secured. Home loans and SBB<sup>1</sup> portfolio grew **19% YOY** & **43% YOY**
- Q2FY22 Retail disbursements were up **54% YOY** and **QOQ** basis Home loan disbursements were up **86% YOY** and **54% QOQ**
- SME loans grew **18% YOY** and **7% QOQ** led by tech driven transformation, SME disbursements were up **76% QOQ**
- Overall corporate disbursements grew **24% QOQ**; Mid-corporate book grew by **32% YOY** and **10% QOQ**

## Fee up 17% YOY, PAT up 86%YOY

- NII grew **8% YOY**, NIM stood at **3.39%**
- Fee income grew **17% YOY** and **21% QOQ**, granular fee constituted **90%** of overall fees
- Retail fee grew **19% YOY** and **23% QOQ**; and constituted **63%** of the overall fees
- PAT at ₹ **3,133** crores, up **86% YOY**

## Well capitalized with adequate liquidity buffers

- Overall capital adequacy ratio (CAR)<sup>2</sup> stood at **20.04%** with CET 1 ratio of **15.81%** as at the end of Sep'21
- ₹ 5,012 crores of COVID provisions, not considered for CAR calculation provide cushion of **67 bps** over the reported CAR
- Average Liquidity Coverage Ratio (LCR) during Q2FY22 was over **120%**
- Excess SLR of ₹**85,580** crores

## Continue to maintain strong position in Digital

- Maintained strong position in Digital banking with **15%** market share in UPI transactions & **19%** in P2M Acquiring (by throughput) in Q2
- Among the highest rated mobile apps with Apple App store rating of **4.6**; mobile banking market share stood at **14%**
- The Bank through its subsidiary Freecharge scaled up 'Buy Now Pay Later' offering with **14x QOQ** growth in customers acquired

## Limited restructuring, dominantly secured, high provision buffers

- GNPA at **3.53%**, declined by **75 bps YoY** (per IRAC), PCR healthy at **70%**
- SACR at **2.11%** improving 6 bps QoQ; Coverage ratio stood at **124%** improving 617 bps QoQ
- Covid-19 restructuring implemented loans at **0.64%** of GCA, retail at **0.80%**, **93%** of retail restructuring is secured with low LTV in the range of ~ 40% - 70%, Overall provision coverage of **24%** on restructured book

## Key subsidiaries delivered strong performance

- Domestic subsidiaries reported a total PAT of ₹ **267** crores in Q2FY22, up **38% YOY**; Return on investments in subsidiaries at **58%**
- Axis AMC's H1FY22 PAT grew **60% YOY**, Axis Securities H1FY22 PAT grew **59% YOY**
- Axis Finance ROE stood at **18.5%**, asset quality metrics remain stable with net NPA of **1.3%**, near zero restructuring
- Axis Capital completed **31** Investment banking deals in H1FY22, with PAT up **72% YOY**

<sup>1</sup> SBB : Small Business Banking

<sup>2</sup> including profit for H1FY22

QAB: Quarterly Average Balance

Coverage Ratio = Aggregate provisions (specific + standard + additional + Covid) / IRAC GNPA

Standard Assets Coverage Ratio (SACR) = Standard asset provisions plus additional provisions plus Covid provision / Standard loans

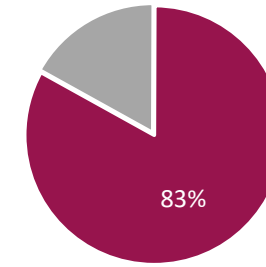
# Key metrics for Q2FY22

Snapshot (As on 30<sup>th</sup> September 2021)



All figures in ₹ Crores

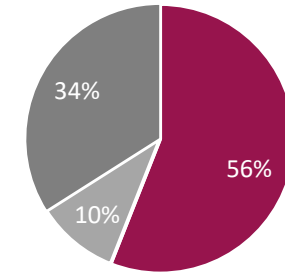
Deposits # ↑ 18% YOY



■ CASA + RTD #

↑ 16% YOY (QAB#)  
↑ 15% YOY (End Balance)

Advances ↑ 10% YOY

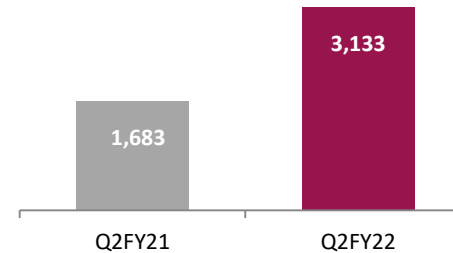


■ Retail ■ SME ■ Corporate

↑ 16% YOY ↑ 18% YOY ↑ 1% YOY

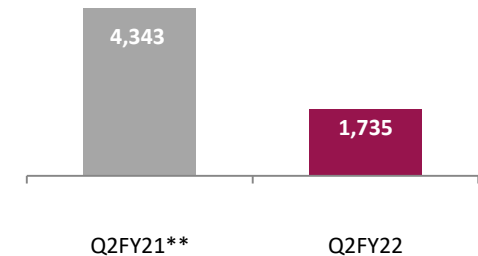
Profit After Tax

↑ 86% YOY



Provisions

↓ 60% YOY



	Absolute (Rs. Cr)			QOQ   YOY Growth		
	Q2FY22	Q1FY22	H1FY22	Q2FY22	Q2FY22	H1FY22
Net Interest Income	7,900	7,760	15,660	2%	8%	9%
Fee Income	3,231	2,668	5,899	21%	17%	34%
Operating Expenses	5,771	4,932	10,703	17%	36%	34%
Operating Profit <sup>2</sup>	5,928	6,186	12,114	(4%)	(11%)	-
Net Profit	3,133	2,160	5,293	45%	86%	89%

	Q2FY22	YOY Growth
Total Assets	10,50,738	17%
Net Advances	6,21,719	10%
Total Deposits <sup>^</sup>	7,36,286	18%
Shareholders' Funds	1,07,083	10%

	Q2FY22 / H1FY22	Q2FY21 / H1FY21
Diluted EPS (Annualised in ₹) (Q2/H1)	40.42 / 34.34	22.59 / 19.29
Book Value per share (in ₹)	349	319
ROA (Annualised) (Q2/H1)	1.19 / 1.03	0.73 / 0.60
ROE (Annualised) (Q2/H1)	12.72 / 10.92	7.95 / 6.86
Gross NPA Ratio	3.53%	4.28%**
Net NPA Ratio	1.08%	1.03%**
Basel III Tier I CAR <sup>1</sup>	17.54%	16.52%
Basel III Total CAR <sup>1</sup>	20.04%	19.38%

<sup>^</sup> period end balances

<sup>1</sup> including profit for H1FY22

\*\* as per IRAC norms; for like to like comparison

#QAB – Quarterly Average Balance

<sup>2</sup> Prior year numbers are restated to reflect the change in presentation of income from recoveries and provision for depreciation on investments as per guidelines issued by RBI in Aug 21

Executive Summary

**Financial Highlights**

Capital and Liquidity Position

Business Segment performance

Asset Quality

Future of Work and Sustainability

Subsidiaries' Performance

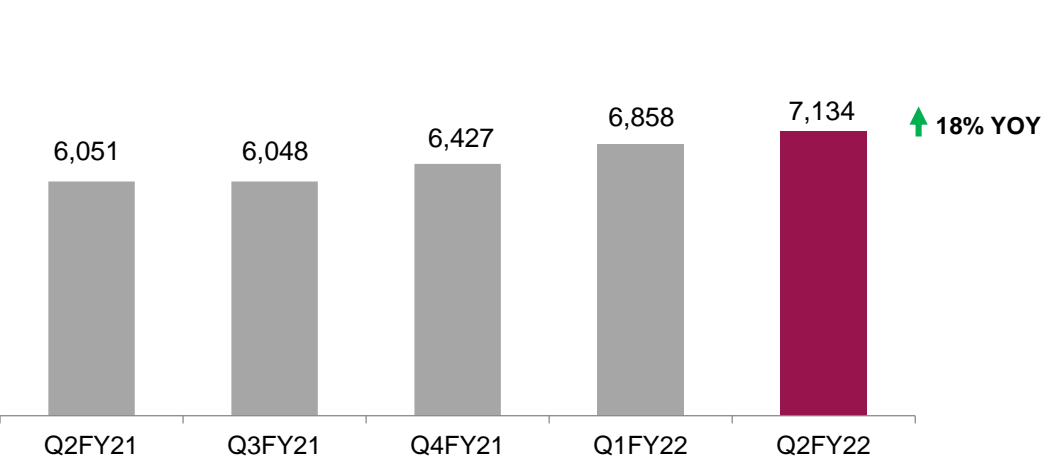
Other important information

# Strong growth in granular CASA deposits continue to drive loan growth

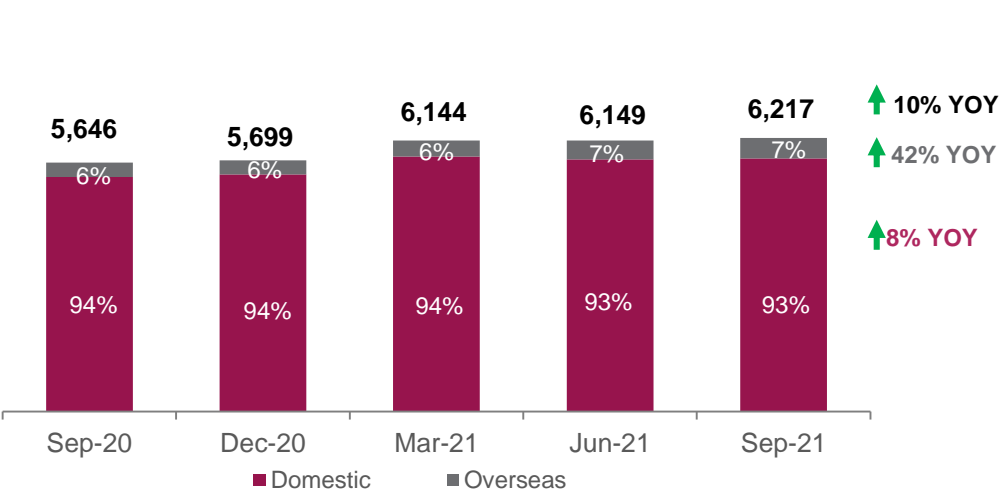


All figures in ₹ Billion

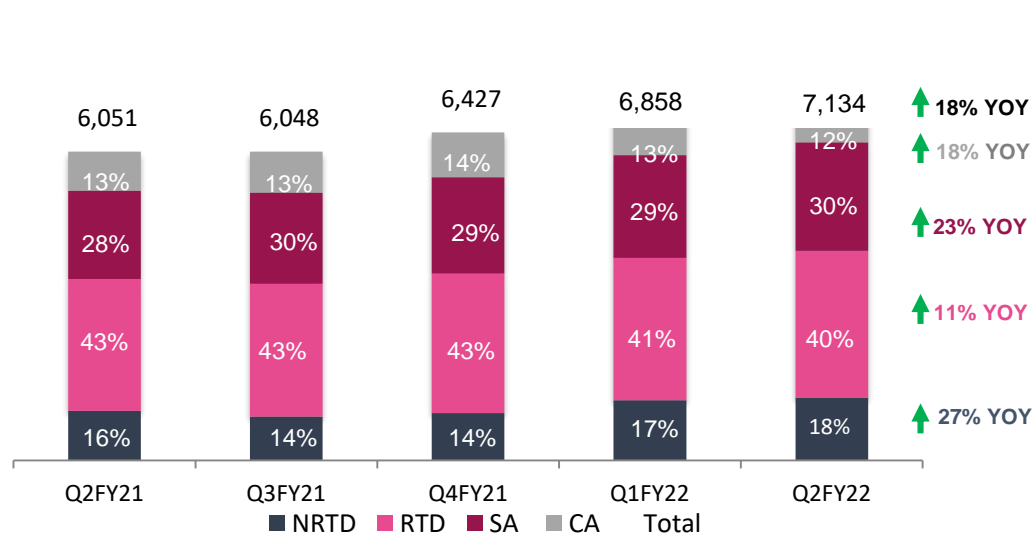
Deposits (QAB)<sup>^</sup>



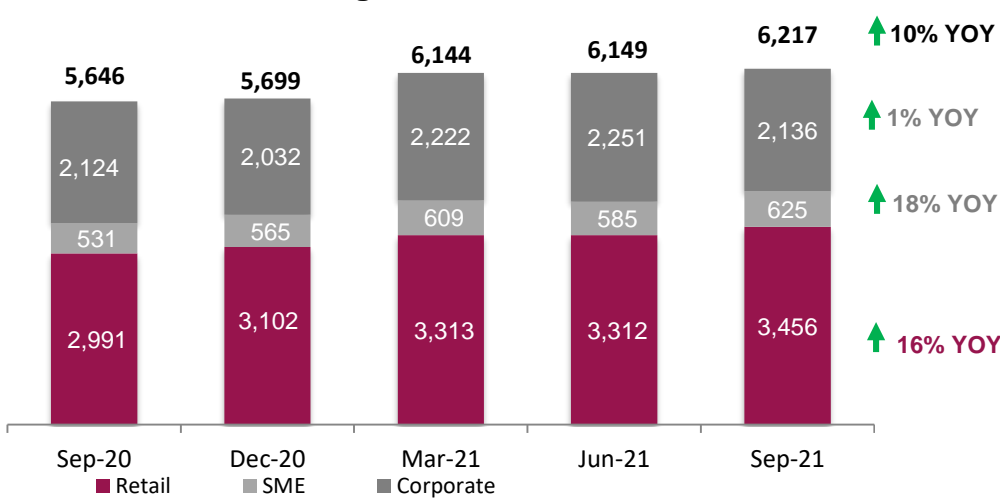
Loans



Deposit mix (QAB)<sup>^</sup>

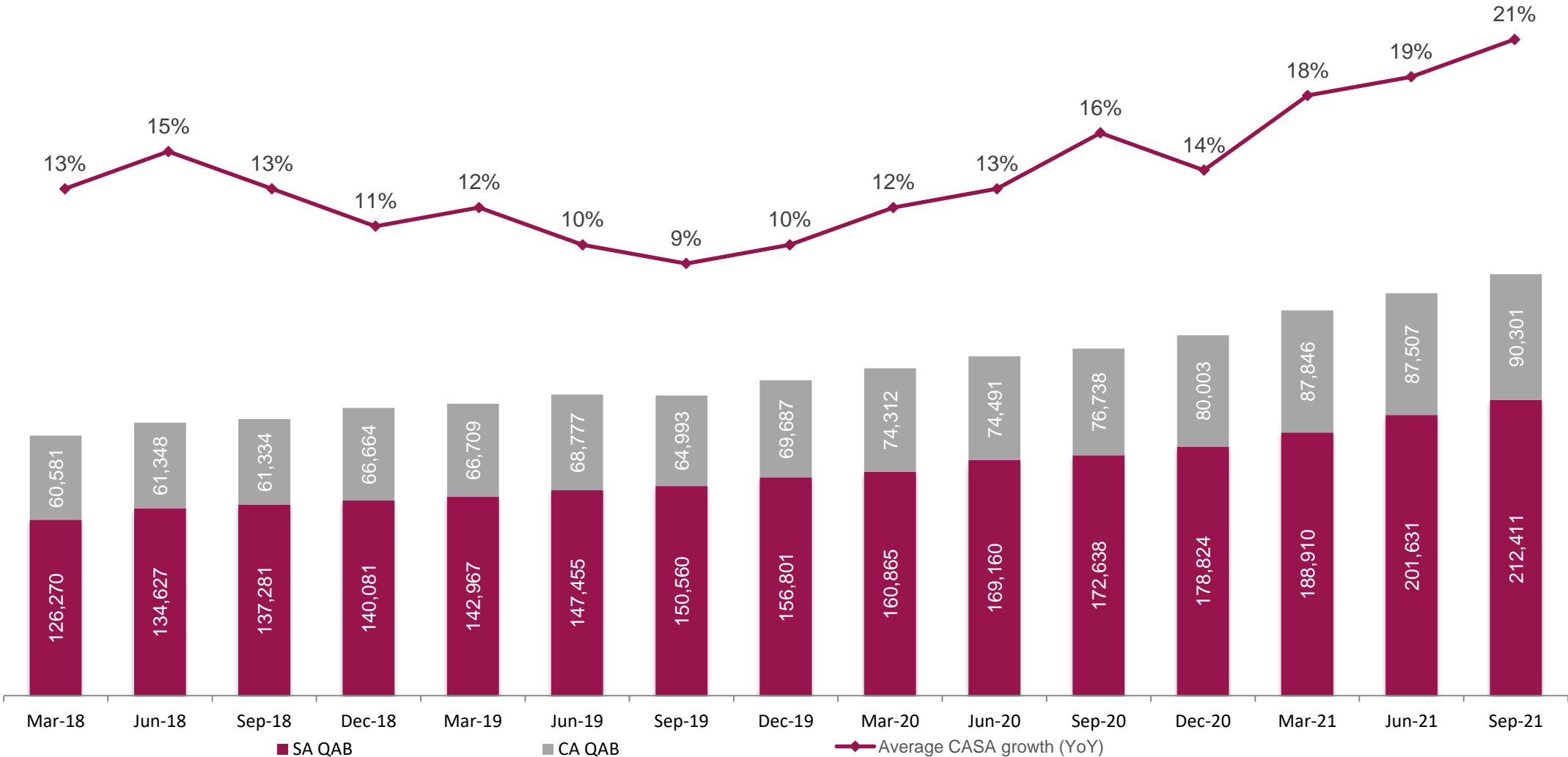


Segment loan mix



<sup>^</sup> Quarterly Average Balance

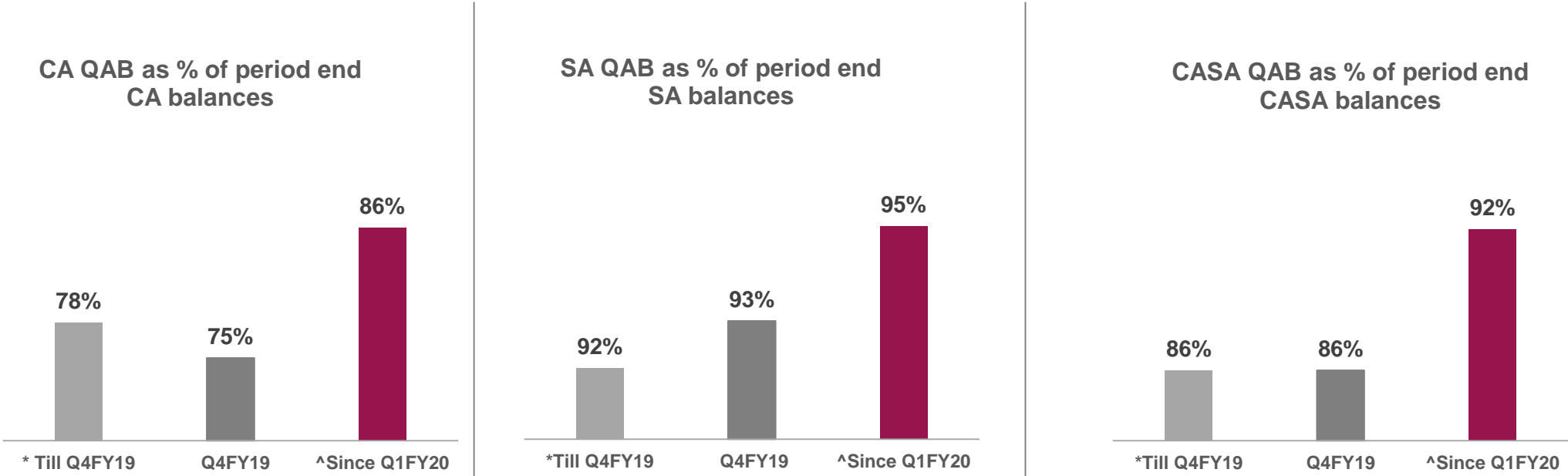
# We have lifted our CASA growth considerably led by...



# ...improvement in the persistence of our average CASA balances...



Our focus on QAB deposits rather than period end balances has ensured stability and persistence of deposits

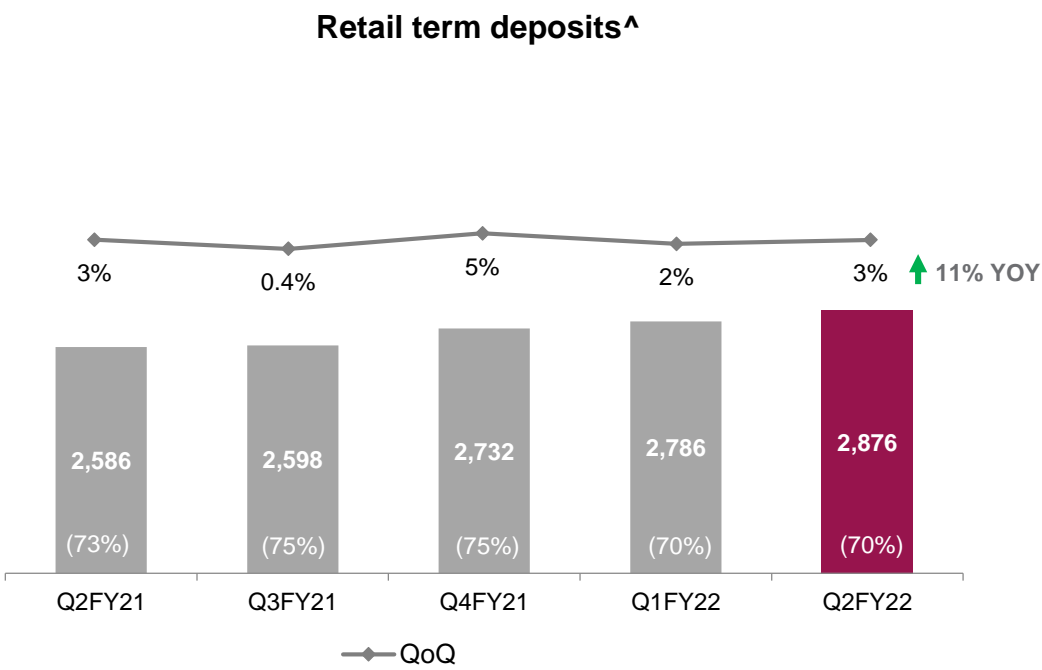
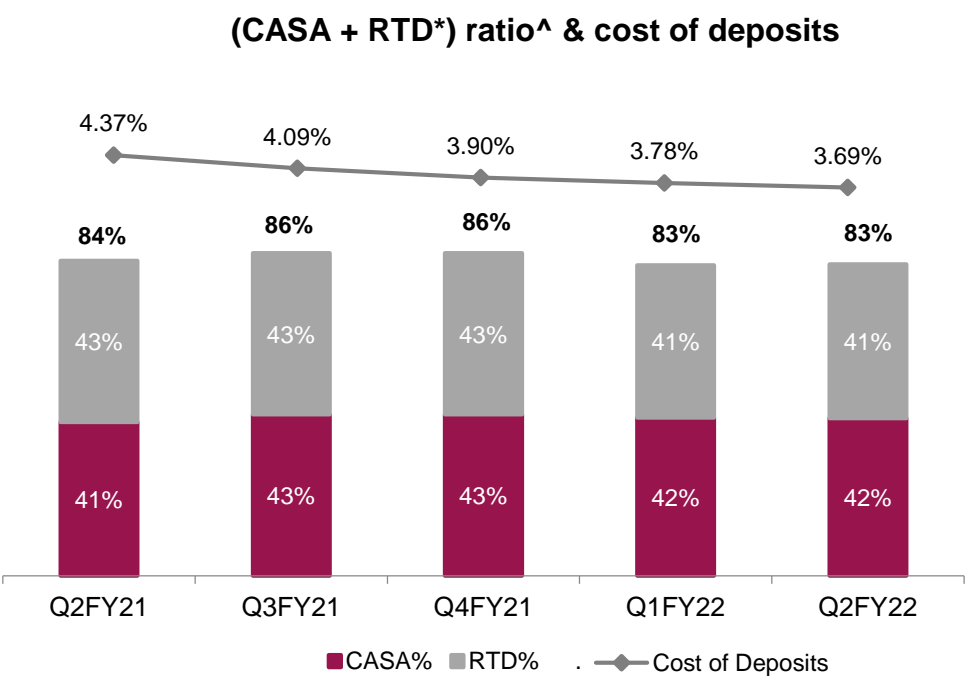


\* Q1FY17 to Q4FY19  
^ Q1FY20 to Q2FY22

...resulting in declining cost of deposits, supported by granular deposits comprising of CASA and retail term deposits



All figures in ₹ Billion

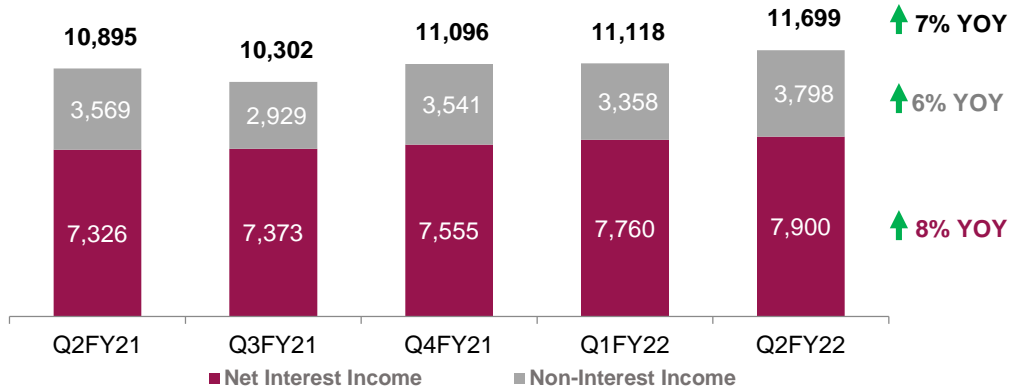


Figures in brackets refer to proportion of overall Term Deposits

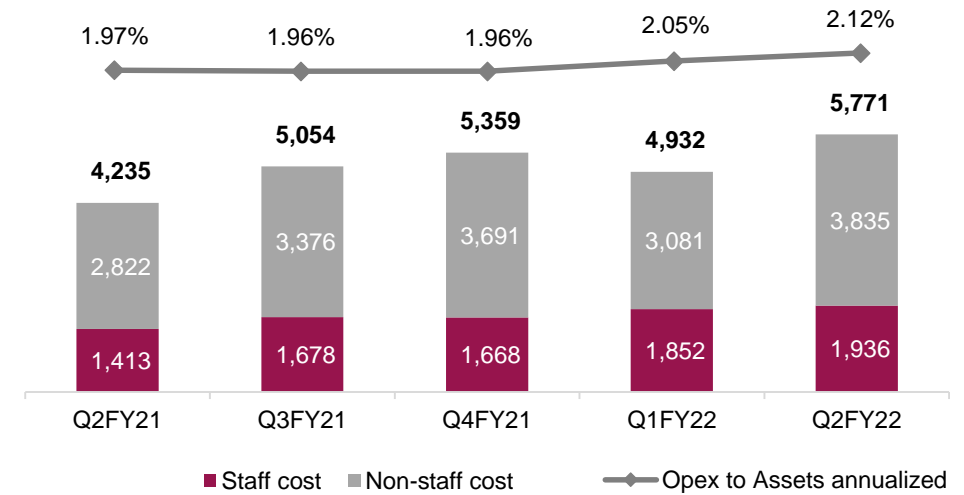
\* Retail Term Deposits    ^ Based on Quarterly Average Balance

# Net Profit up 86% YOY and 45% QOQ

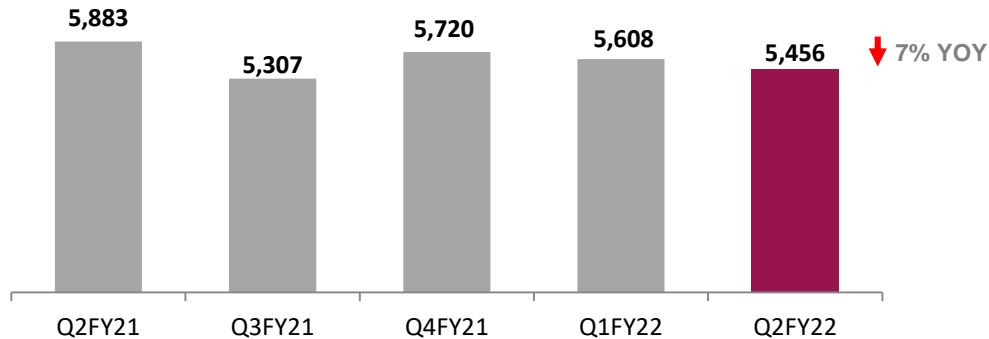
## Operating revenue \*



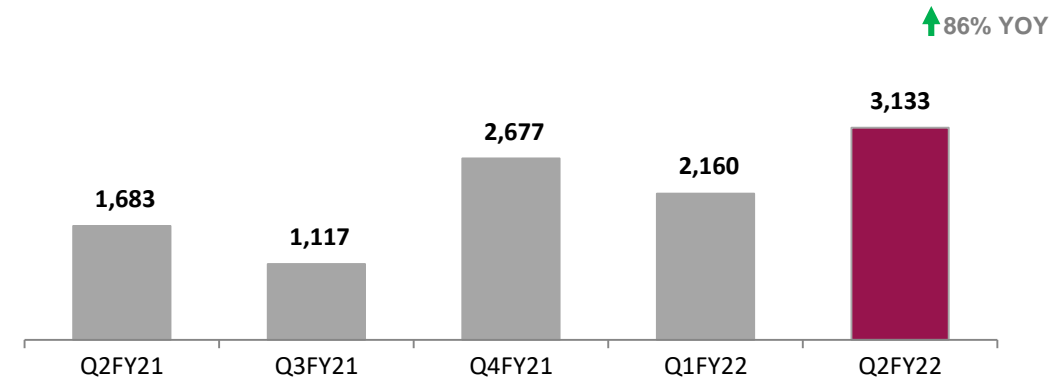
## Operating expense



## Core operating profit \*



## Profit after tax



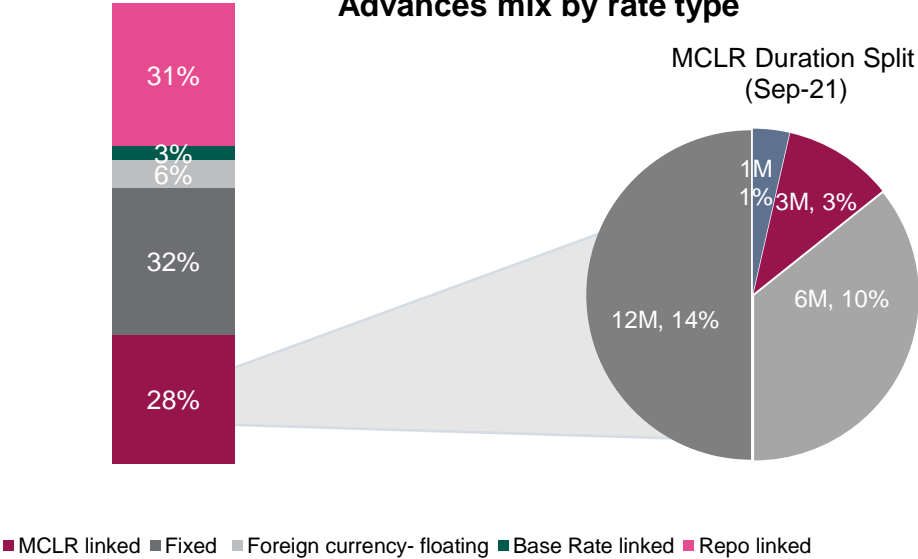
\* Prior year numbers are restated to reflect the change in presentation of income from recoveries and provision for depreciation on investments as per guidelines issued by RBI in Aug 21; for impact on reported numbers and growth, see slide 69

# Net interest margin

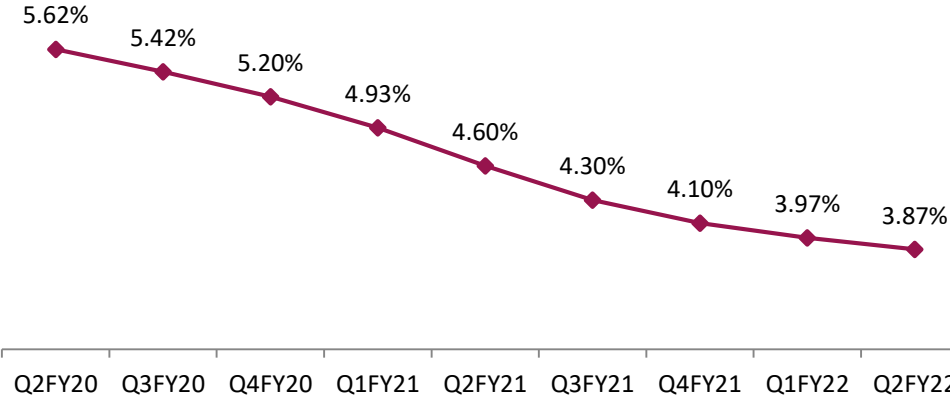


Advances mix by rate type

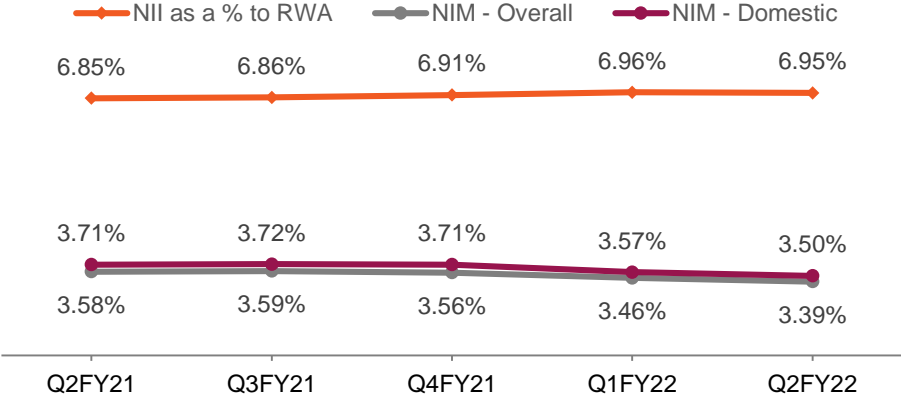
MCLR Duration Split (Sep-21)



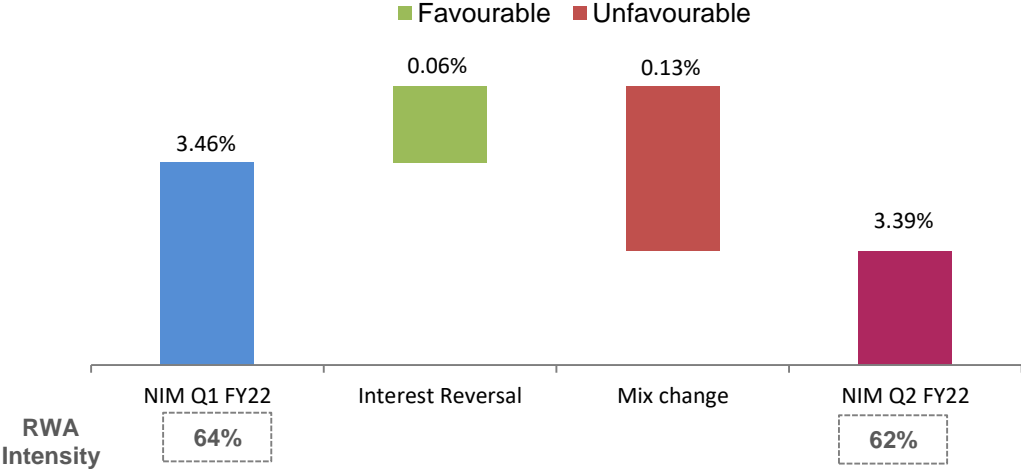
Cost of Funds



Net Interest Margin (NIM)

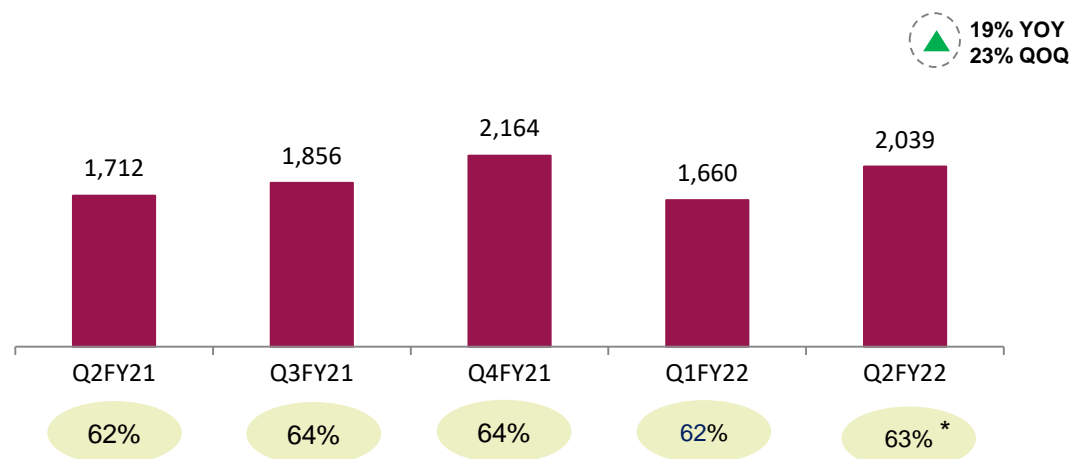


NIM Movement - Q1 FY22 to Q2 FY22

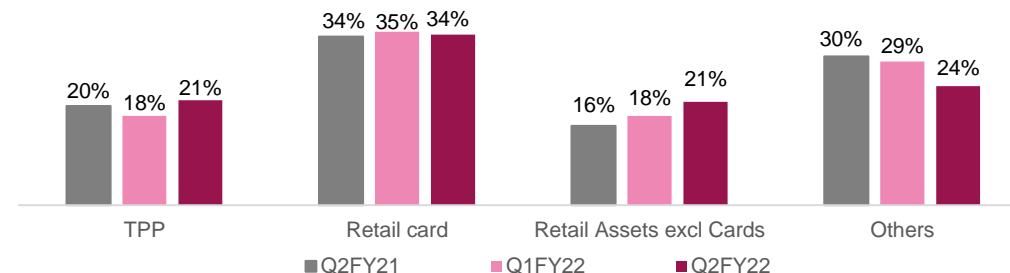


# We have built granularity in fees across our business segments

## Retail Banking fees

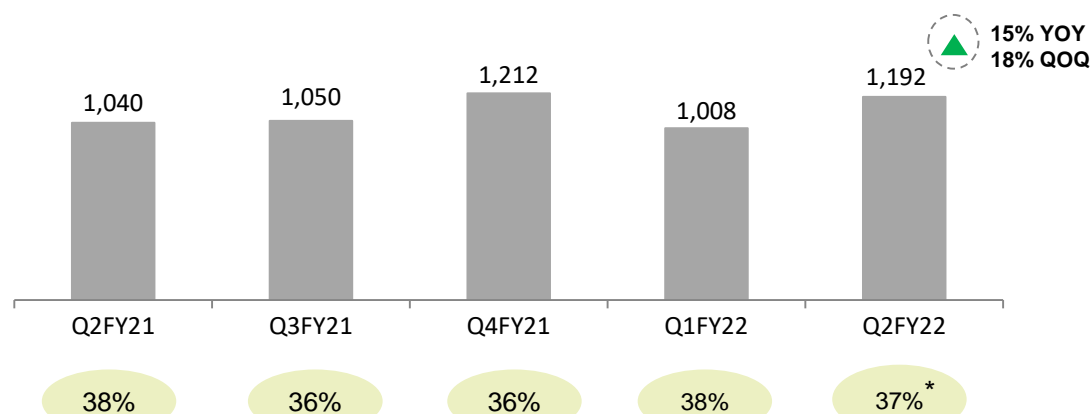


## Retail fee mix



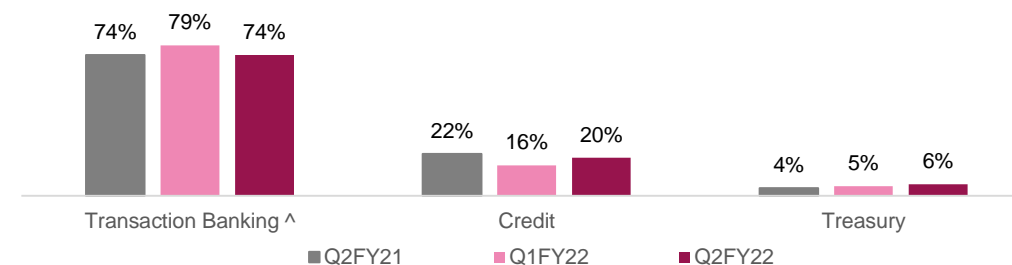
- **25%YOY** and **44% QOQ** growth in Third Party products (TPP) distribution fees; of which insurance distribution fees grew **19% YOY** and **56% QOQ**
- **57% YOY** and **41% QOQ** growth in Retail Assets (excl cards) fees reflecting pick up in disbursements

## Corporate & Commercial Banking fee



## Corporate & commercial banking fee mix

Trade and Financial Institutional payments related fee form part of Transaction Banking



- **31% YOY** and **6% QOQ** growth in Trade related and Financial Institutions payments fees

^ including Forex, Trade and FI payments

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

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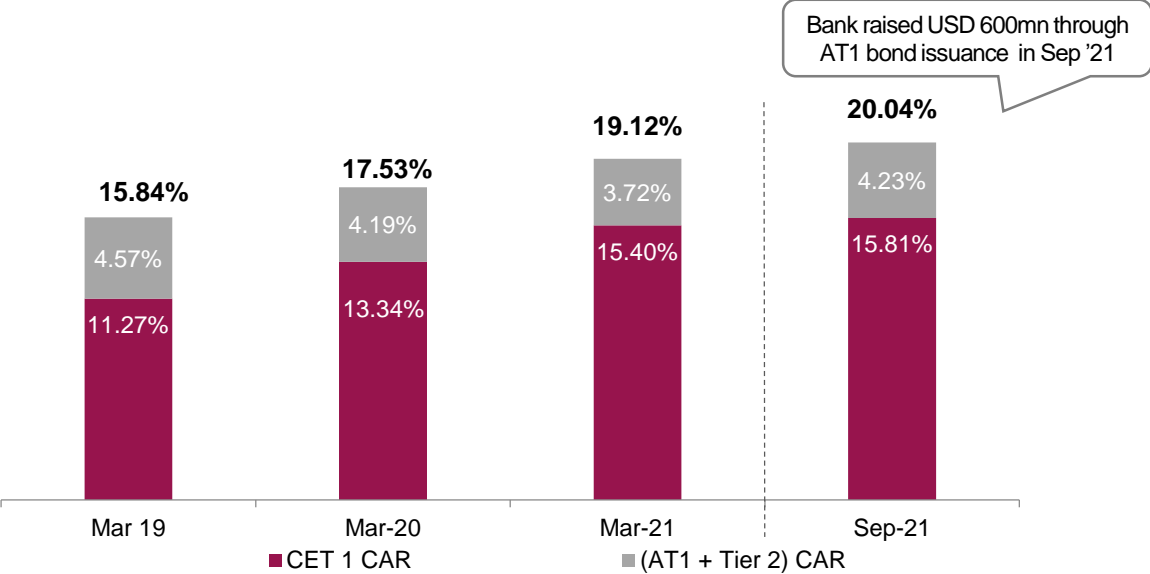
Subsidiaries' Performance

Other important information

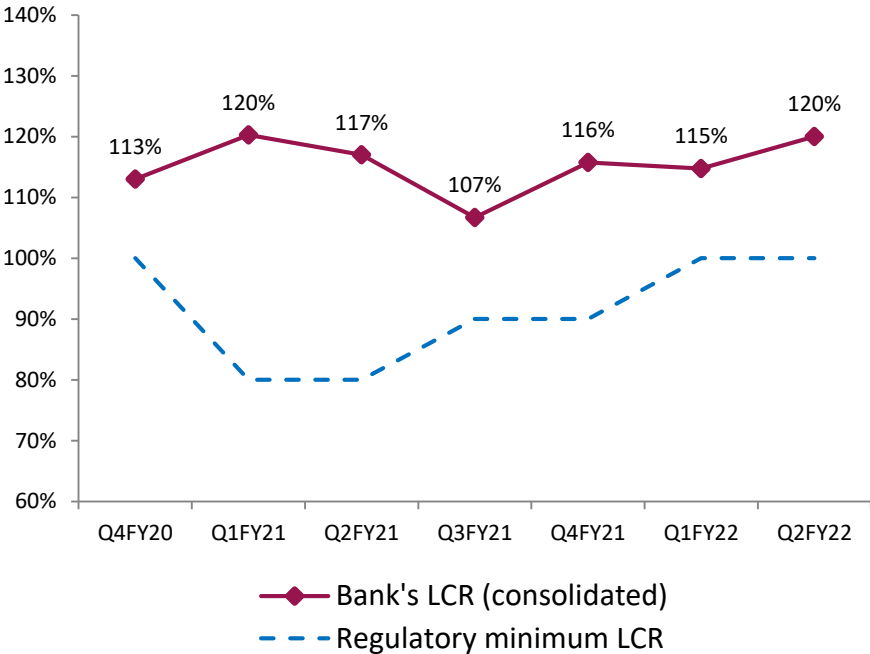
# Strong capital position with adequate liquidity



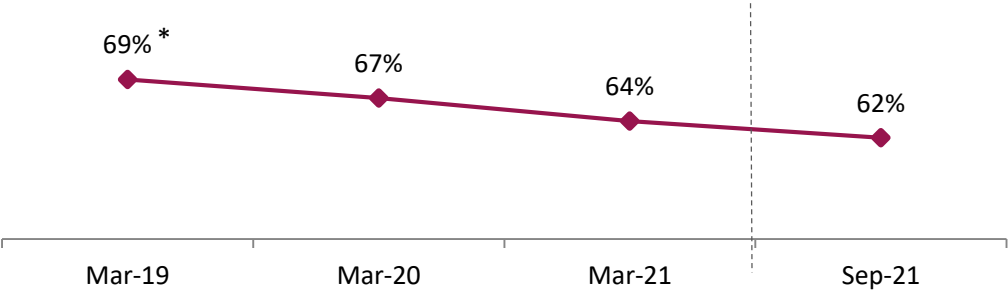
Bank's Capital Adequacy Ratio



Liquidity Coverage Ratio (consolidated)



RWA to Total Assets



\* Includes effect of one-off item impacting around 1%

The Bank holds excess SLR of ₹85,580 crores

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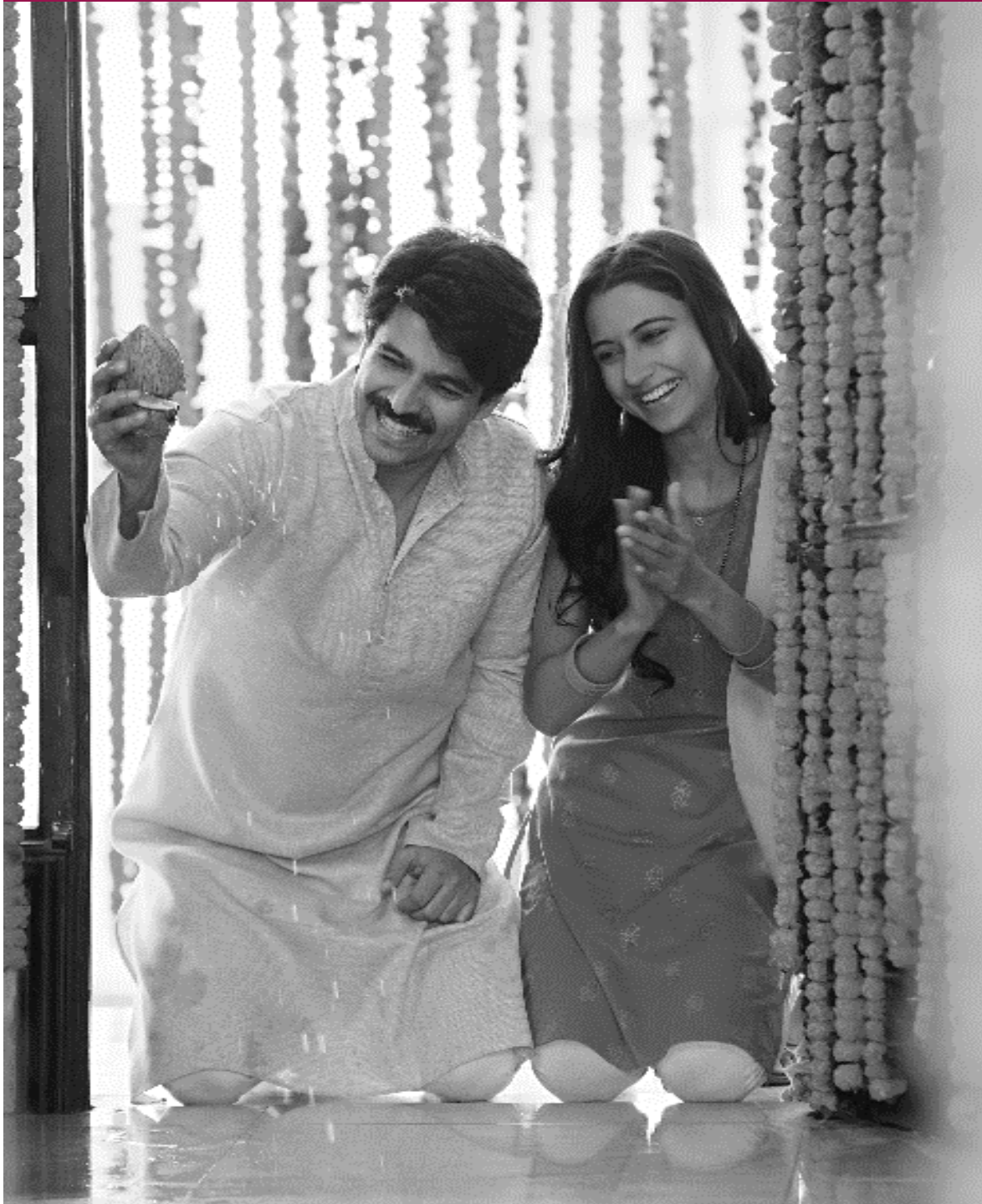
Subsidiaries' Performance

Other important information

# Retail Banking



<b>~26.5 Mn</b> <i>SA customers</i>	<b>4<sup>th</sup></b> <i>Largest issuer of Credit Cards **</i>	<b>₹2.6 Tn</b> <i>AUM in wealth management</i>
<b>83%</b> <i>CASA + RTD ratio (QAB)</i>	<b>69%</b> <i>Sourcing* from ETB customers</i>	<b>56%</b> <i>Share of Advances#</i>
<b>23%</b> <i>Growth in SA QAB deposits</i>	<b>16%</b> <i>Growth in advances</i>	<b>63%</b> <i>Share in total fee^</i>

\*for Retail Assets in Q2FY22 from Existing to Bank (ETB) customers  
#share in Bank's total advances, ^ share in Bank's total fee for Q2FY22  
\*\* Based on Aug-21 data

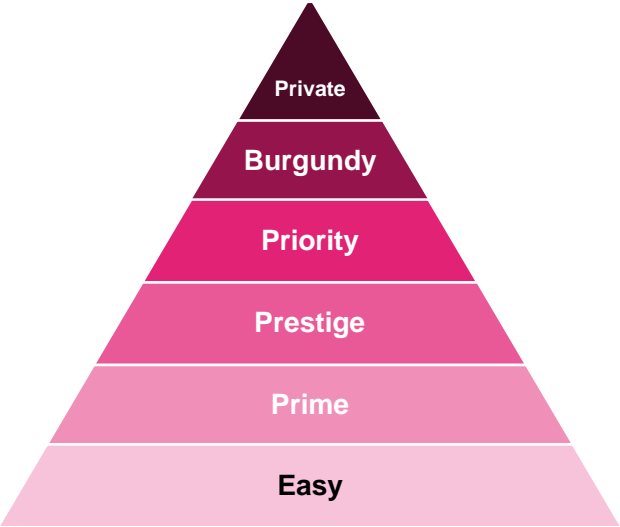


# Healthy growth in SA deposits led by deepening and premiumisation strategy



-  Created liability sales vertical in FY20 to have greater outreach and sharper focus on quality of NTB\* acquisitions; Branch channel continued its focus on deepening ETB\* relationships
-  Premiumisation strategy focuses on improving account quality of overall balances while increasing contribution from premium# segments

## Customer segmentation^

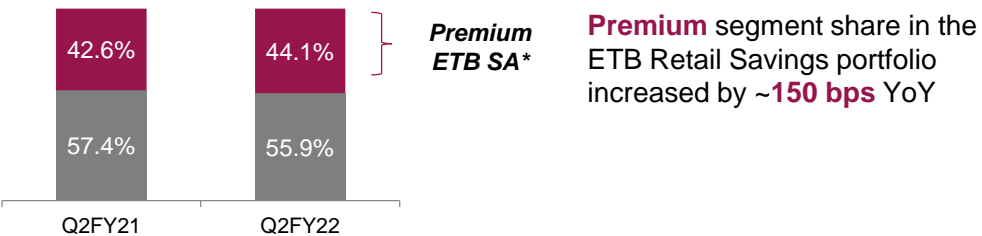


## Strong traction in SA deposits continues ...

	YOY	QOQ
Retail SA	18%	5%
Govt SA	48%	9%
Overall SA	23%	5%

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

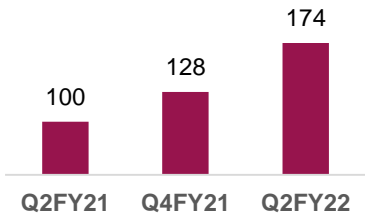
### Share of ETB Retail SA Balances



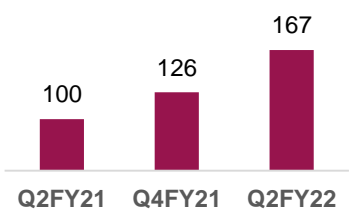
\* as percentage of Retail SA (excluding government)

## We continue to see improvement in number of NTB acquisitions

### Premium segment (in nos) (Indexed)



### Retail Savings ^^ (in nos) (Indexed)



^^Retail non institutional savings

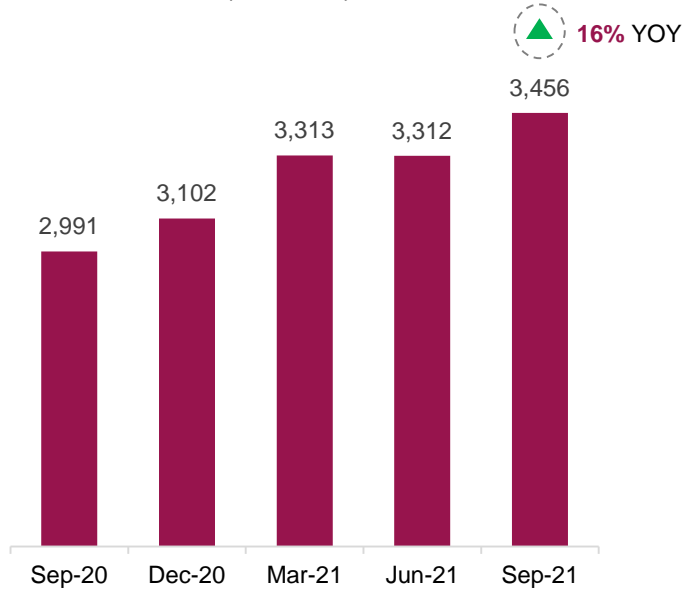
\* ETB – Existing to Bank; NTB – New to Bank

# Premium includes Burgundy Private, Burgundy, Priority and Prestige and NRI segments

^ Not to scale, Area doesn't represent the actual proportion of deposits

# Rs 3.5 trillion Retail loan book is well diversified and ~80% secured with significantly high proportion of ETB and salaried customers

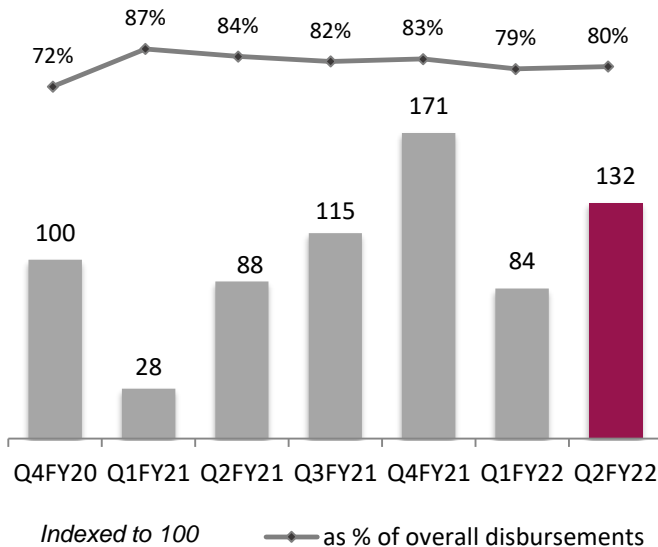
**Retail book**  
(in ₹ Billion)



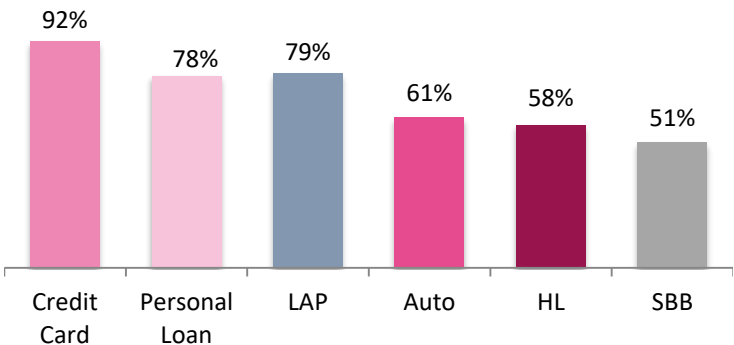
~ 80% of our retail book is secured

in Rs Crores	Sep-21	QOQ	YOY
Home Loans	1,29,405	5%	19%
LAP	36,410	6%	24%
Auto loans	40,747	3%	5%
SBB	20,900	15%	43%
Supply Chain Finance	5,690	(5%)	15%
Comm Equipment	6,361	7%	47%
Personal loans	40,174	2%	3%
Credit Cards	14,026	11%	(2%)
Rural loans	41,150	(0.4%)	13%
Others	10,740	(3%)	26%
<b>Total Retail</b>	<b>3,45,603</b>	<b>4%</b>	<b>16%</b>

Disbursement trends in secured loans



ETB mix in retail portfolio



**100%** of PL and **69%** of Credit Cards portfolio is to salaried segment



**Average LTVs:**  
**52%** in overall home loan portfolio  
**36%** in LAP portfolio

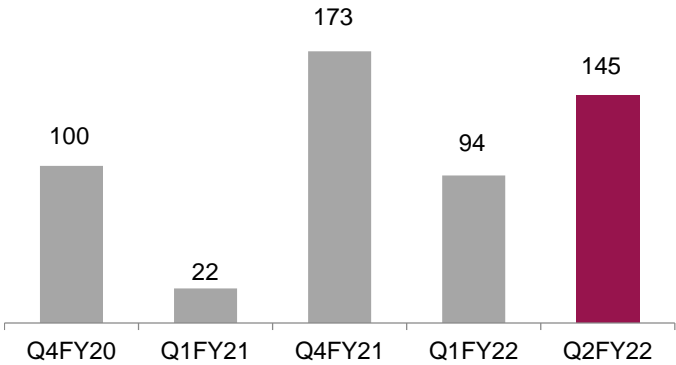


**Sourcing:**  
**51%** contribution from Branches to overall Retail book sourcing

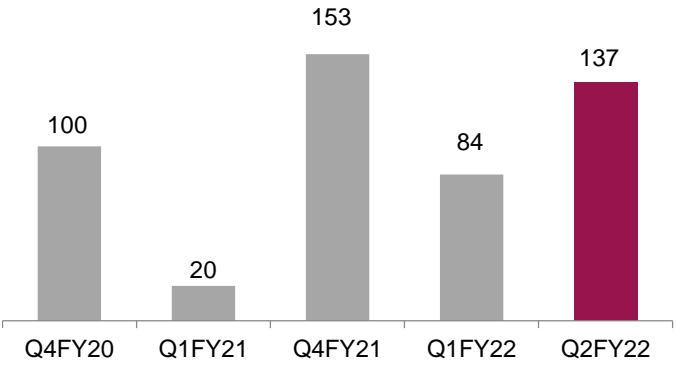
# Strong traction in disbursements across most of the retail product segments



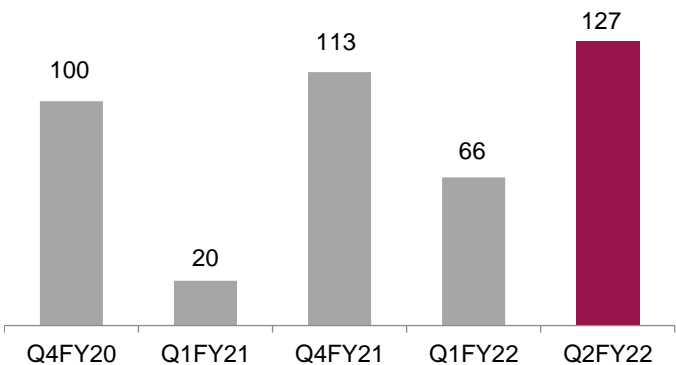
Home loans



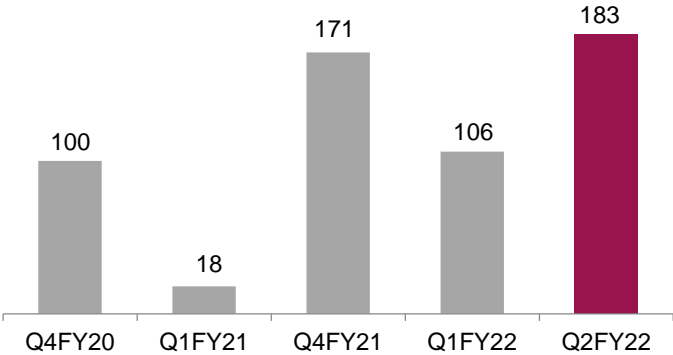
Loan against Property



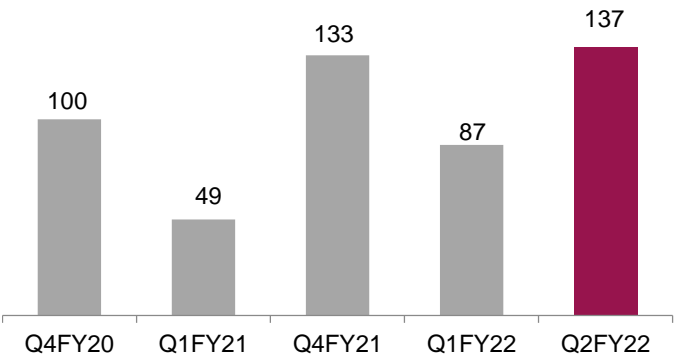
Car loans



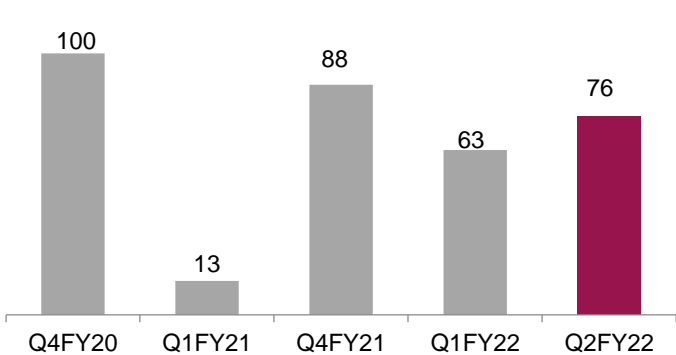
Small Busines Banking



Gold loans

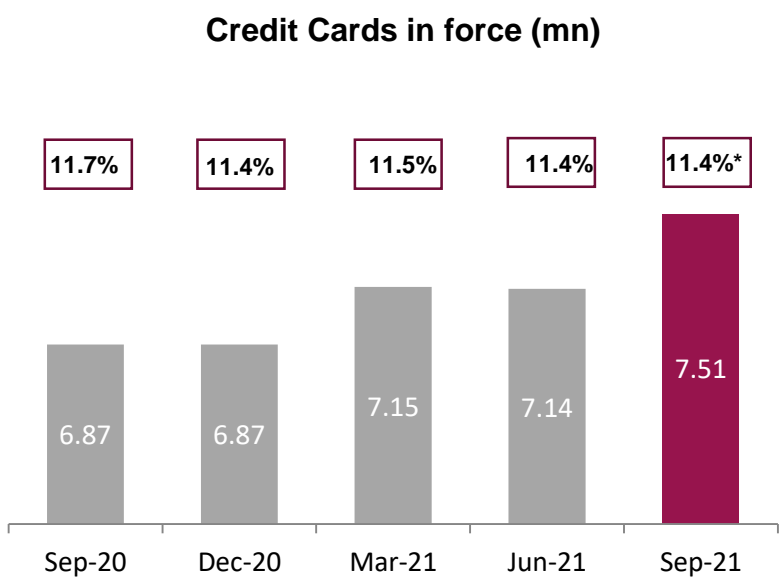
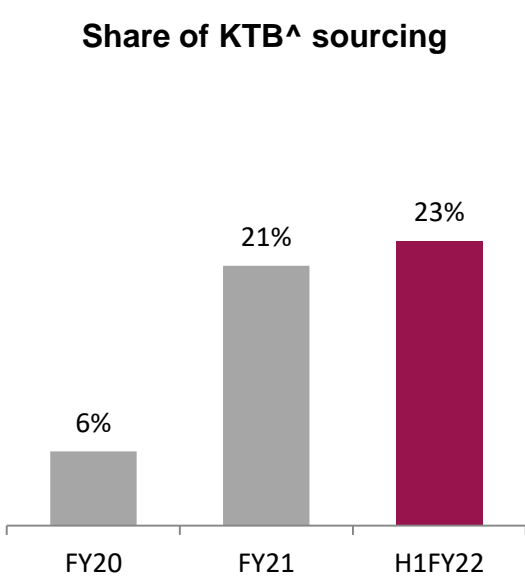
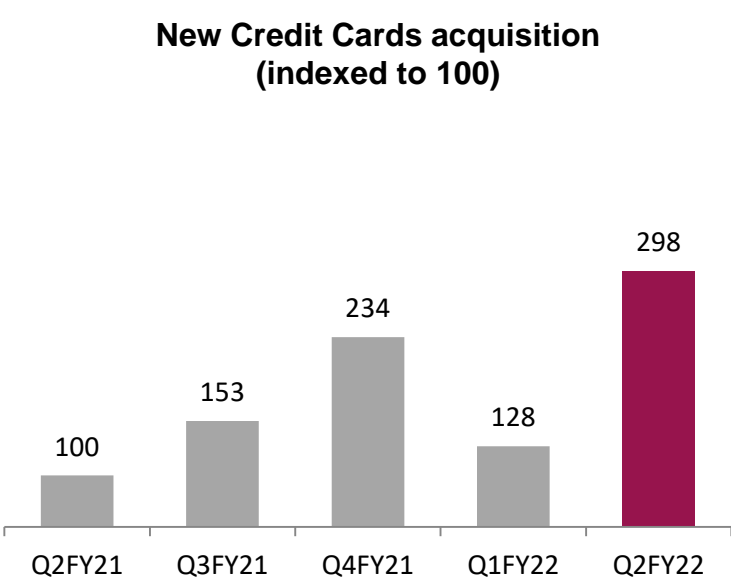


Personal loans



All charts represented with disbursement of Q4FY20 referenced to 100

# We are seeing improved traction in cards acquisition aided by KTB partnerships



• Note: Figures in boxes represent market share for the period Q2FY22, market share is as of month of Aug'21  
^ Known to Bank

Premium Cards



Co-branded Cards



Flipkart Axis Bank Credit Card

One of the fastest growing co-brand portfolio with 1.36 million CIF in 26 months since its launch

Featured Cards



Axis Bank ACE Credit Card

# Strong QOQ growth of 34% in credit card spends



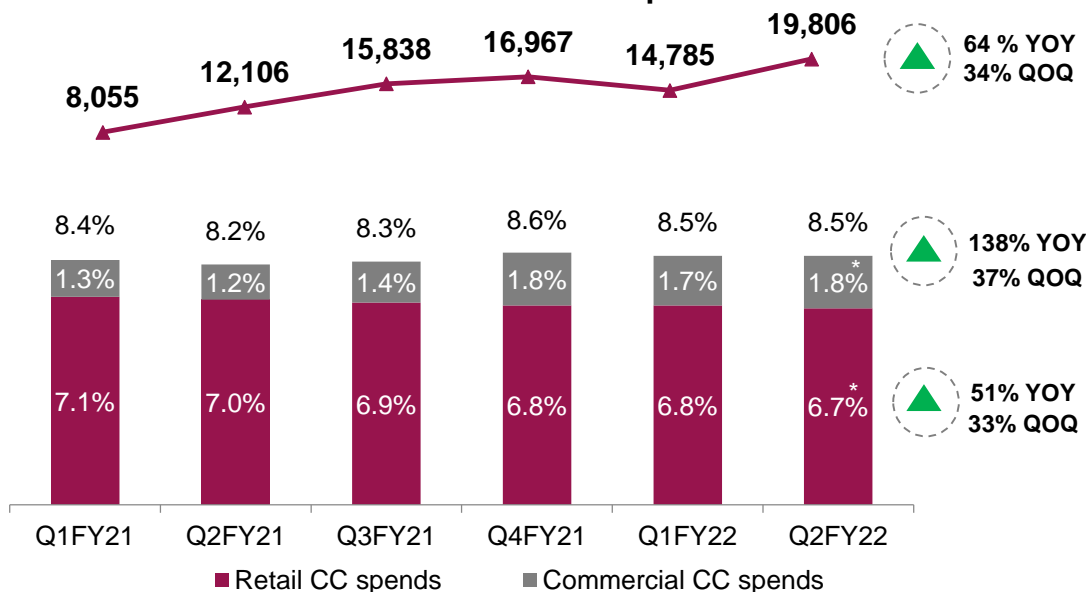
- ‘GRAB DEALS’, Axis Bank's exclusive shopping platform has scaled up significantly during the first half of Financial year & has conducted multiple exciting campaigns extending cashback offers upto 45% cashback
- GRAB DEALS has seen a steep spike in customer adoption with the start of Festive in October'21

**46%** QOQ growth in visits

**~130%** QOQ increase in GMV

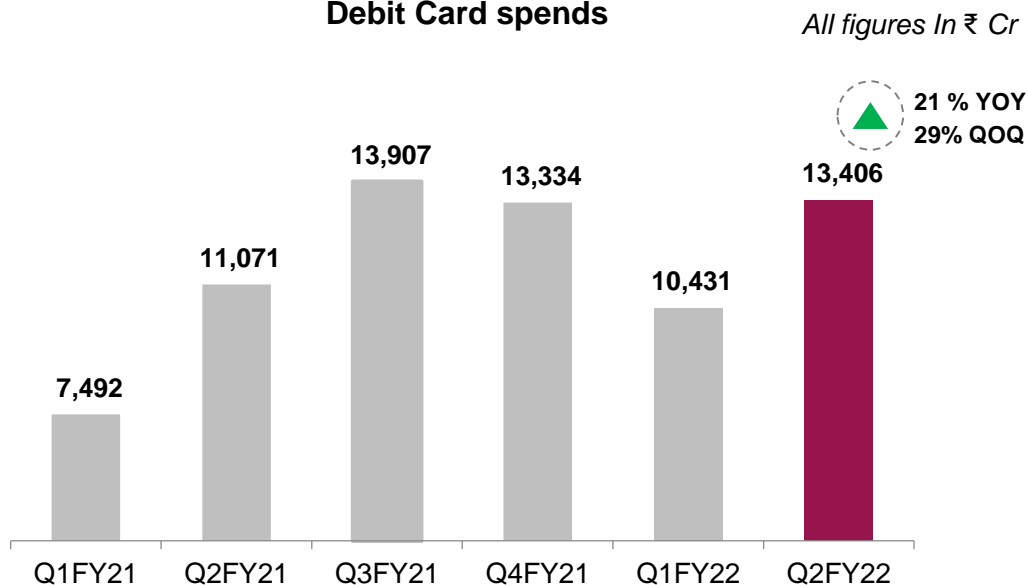
**15X** growth in GMV in first 2 weeks of Oct'21

Credit Card market share and spends



- Share of discretionary spends has increased from **48%** in Jul'21 to **52%** in Sep'21 indicating recovery in spend behavior post wave 2
- Further recovery in Oct - 60% increase in spends over LMTD^ (Oct 18<sup>th</sup>)
- Hotels & Travel category is picking up to the pre-covid level – 7% of total spends as of Sep compared to 4% in May'21

Debit Card spends



- Discretionary spends have increased to **51%** in Q2FY22 from **45%** in previous quarter;
- Online spends share has moved down to **41%** in Q2FY22 compared to **45%** in Q1FY22, early Oct trends shows higher online transactions due to festive offers (49%)
- ~50% growth seen in Oct compared to LMTD^ (Oct 18<sup>th</sup>)

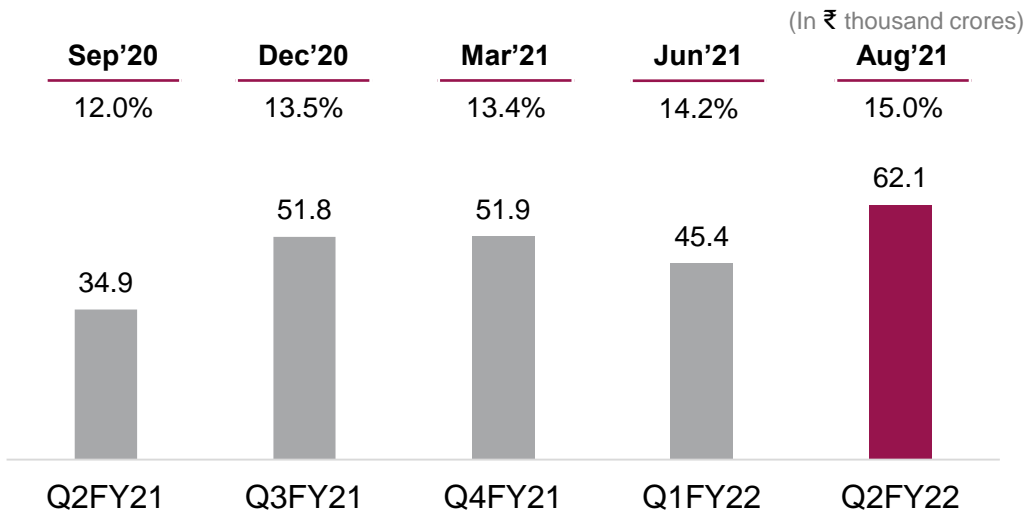
\*Market share based on RBI reported data for the months of July'21 and Aug'21

^LMTD – Last Month Till Date

# We continue to grow Acquiring through innovations and integrated approach



## Throughput trend & market share



Market share source for the month in %: RBI data  
Available till Aug'21

### Key insights

- Throughput and installations grew by **78% YOY** and **45% YOY** respectively
- Focused approach on providing newer services to the merchants, understanding their experiences & improving on them, rebuilding on merchant relationships
- Acquiring strategy is aligned to CA growth with very good success observed in our CA balance growth

## Innovations in Acquiring



- Android PoS:** State-of-the-Art terminal loaded with VAS such as Khaata & BQR
- 37%** contribution to sourcing in Q2FY22.
  - 10%** higher activity and **33%** higher ticket size of transactions witnessed than other POS terminals
  - Buy Now Pay Later:** Valued added service that offers cardless EMI facility allowing faster processing of high value transactions
  - CX Index:** Captures merchants' experience around On-boarding, Usage & Service. Helps provide direction for future course of actions to bring further stability to the business

## Expansion strategy

- Accelerated Sourcing:**  
Sourced **0.68 Lakh+** terminals in Q2FY22 to reach **7.34 lakh** terminals as of Sep'21
- Leveraging **"Partnership Ecosystems"** to get more merchants into the Digital Payments foray
- Investment in Digital Infrastructure to **"take the Bank to the Merchant"**. Offering a bouquet of Banking products along with a payment solution

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



Overall AUM

₹ 2,58,382 Crores

Burgundy Private AUM

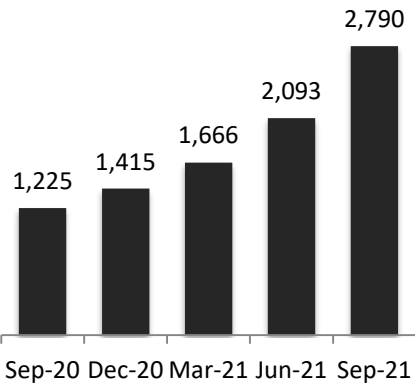
₹ 75,954 Crores

## Overall Burgundy Performance\* (Mar'17 -Sep'21)

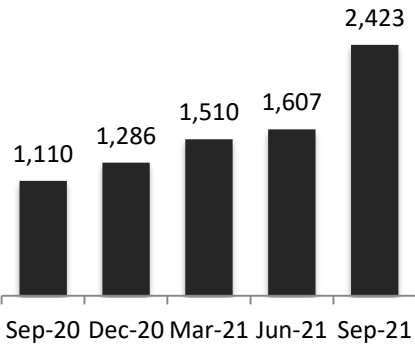
AUM	▲	30%
Customer Base	▲	21%
Touchpoints~	▲	10%

\* CAGR growth for Mar-17 to Sep-21 period  
~ includes RMs, Wealth Specialist team, Managing partners and Investment Advisors

### Burgundy Private Client Base

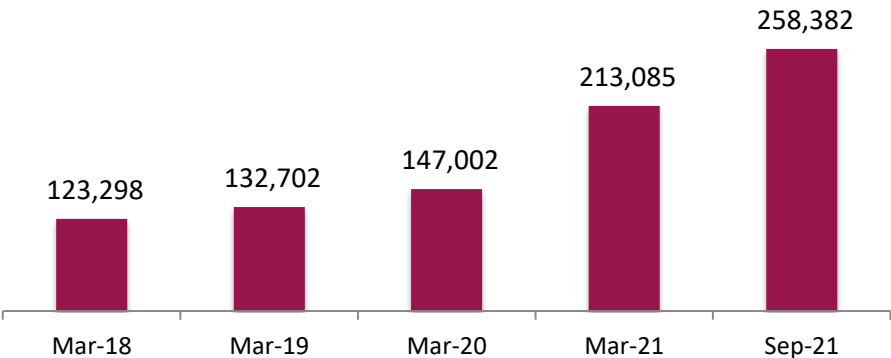


### Burgundy Private 3-in-1 Cards



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

### Burgundy AUM has grown steadily

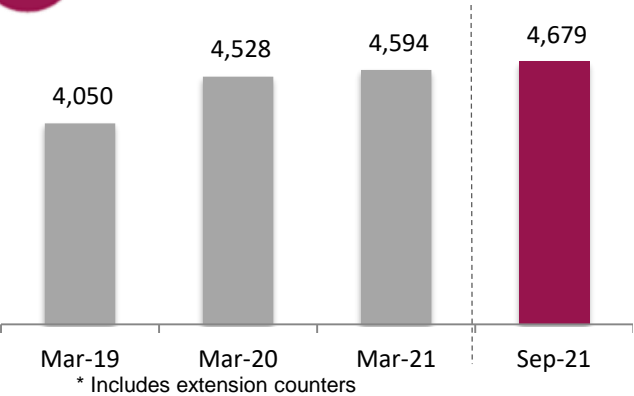


All figures In ₹ Cr

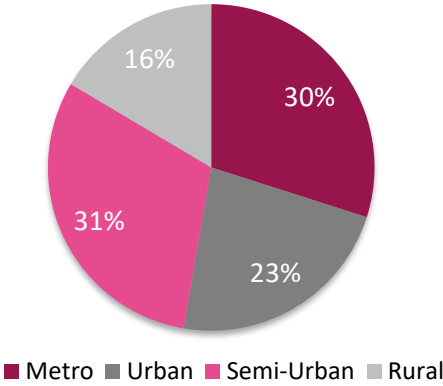
# We have a strong and well diversified distribution network



Domestic branch network\*



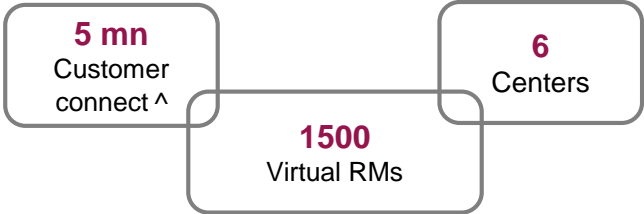
Branch presence across categories



- **Calibrated approach towards new branch additions** across focused regions, added **79** branches in Q2FY22
- Aligned to our **Deep Geo 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 **53 lakh** customers in Q2FY22 through this channel.
- AVC manages relationship with our existing customers under **affluent and other programs**
- **AVC expanded to three new centres** across Mumbai, Ahmedabad and Kolkata during FY21 and is now present across West, South, North and East with **six centres**

^ Customers contacted in Q2FY22

# Corporate & Commercial Banking

<b>1%</b> <i>YOY growth in corporate advances</i>	<b>18%</b> <i>YoY growth in CBG* advances</i>	<b>32%</b> <i>YoY growth in Mid Corporate book</i>
<b>35%</b> <i>Share of short term loans to overall corporate loans</i>	<b>86%</b> <i>Share of corporate advances to clients rated A-and above</i>	<b>93%</b> <i>Incremental sanctions to A-and above**</i>
<b>18%</b> <i>YOY growth in CA (QAB) deposits</i>	<b>1<sup>st</sup></b> <i>Rank in DCM- for rupee bonds</i>	<b>8.7%</b> <i>Market share in GST payments (H1FY22)</i>

\* Commercial Banking Group - Debt Capital markets  
\*\* in corporate segment for Q2FY22

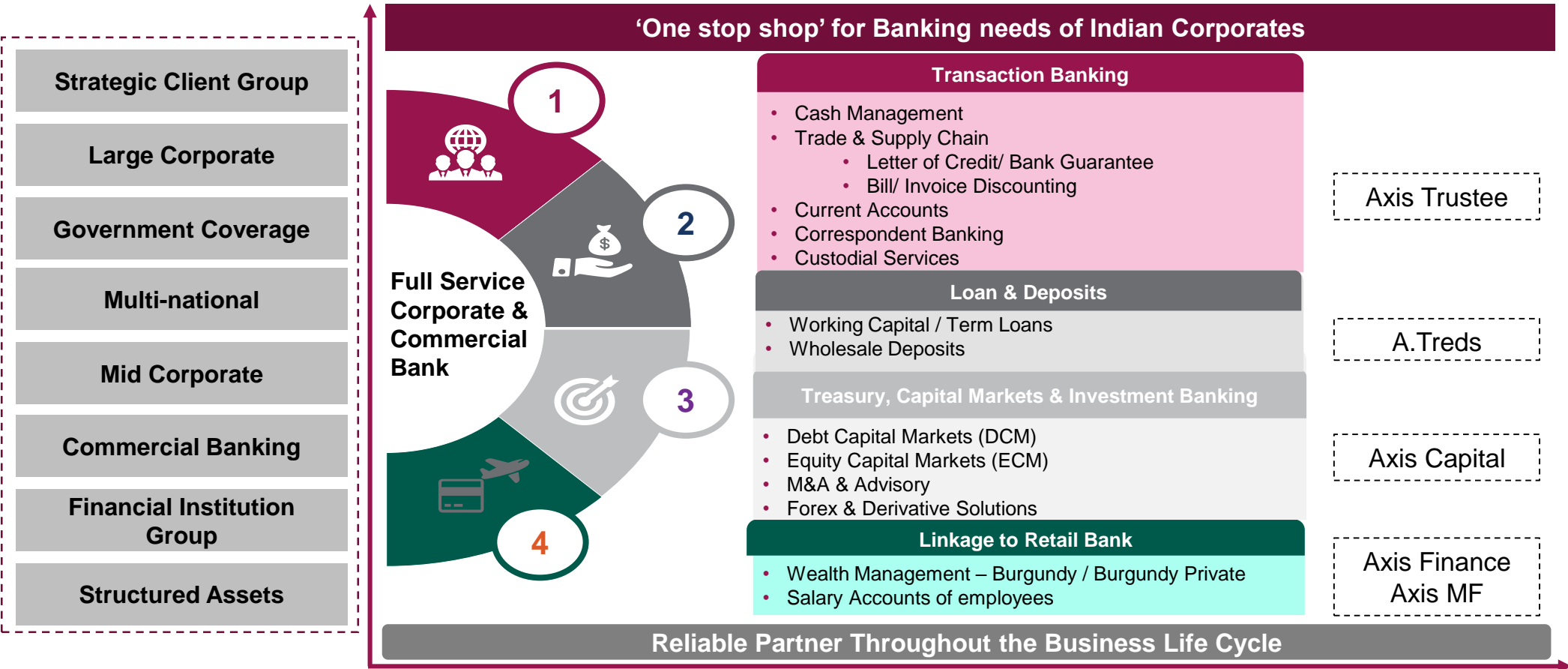


# Strong relationship led franchise driving synergies across One Axis entities



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

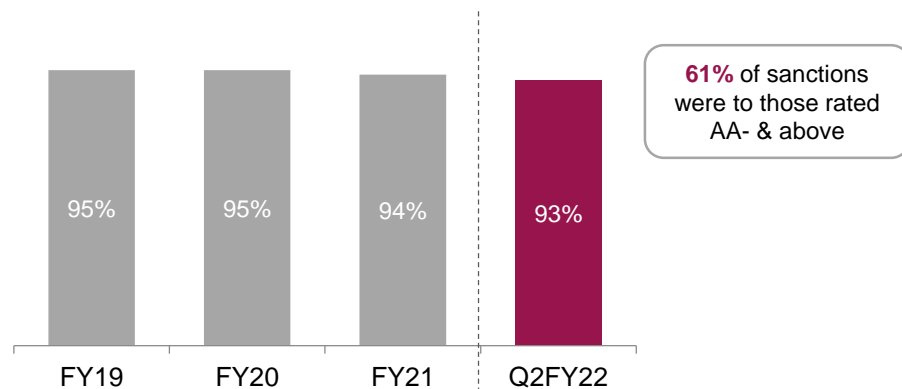
- Segregated the responsibilities of coverage and product groups to ensure sharper focus
- Corporate & Commercial Bank coverage reorganized into 8 coverage groups, each with a stated objective
- Strengthened the leadership team across Mid Corporate, MNC, Government Coverage, Transaction Banking and Forex Sales



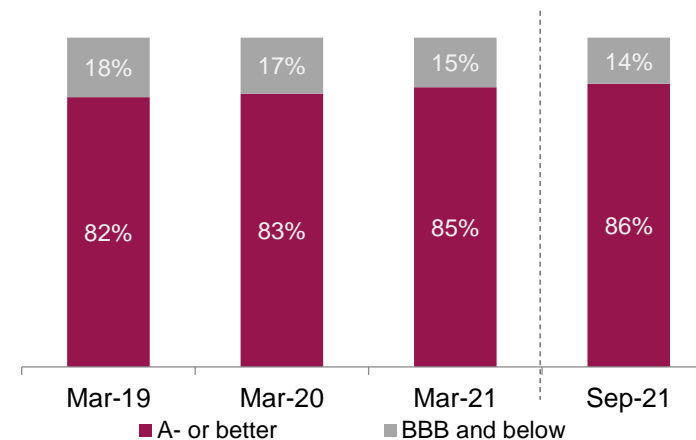
We continue to have penetration of 9 or more products and services across our top corporate relationships including at least two services offered by our subsidiaries

## ...with better rated originations and focussed on short term loans

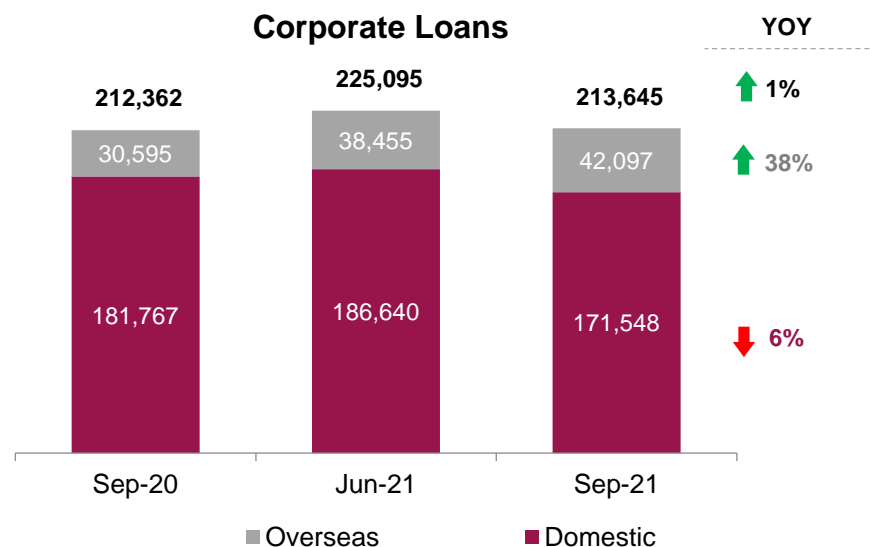
### Incremental sanctions to corporates rated A- & above



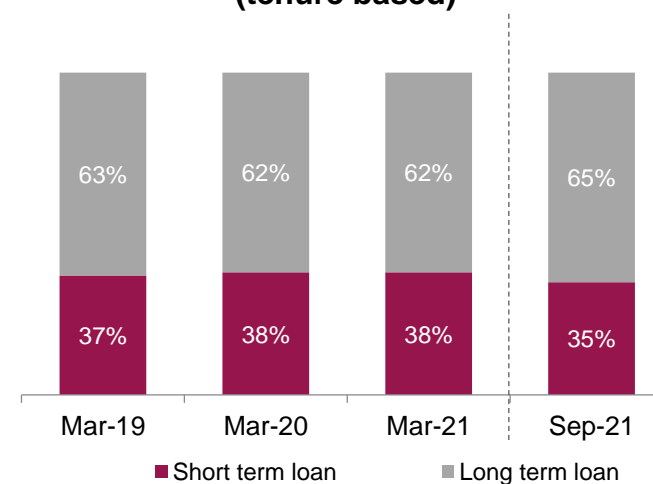
### 86% of the book is rated A- or better



### Corporate Loans



### Corporate loan book mix (tenure based)

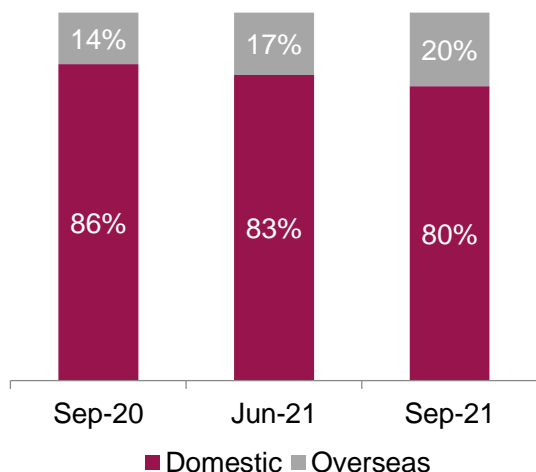


# Overseas corporate loan book is 97% India linked



- 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
- GIFT City IBU<sup>1</sup> has grown strongly as we continue to expand our trade finance business and leverage our leadership in treasury

## Overseas loan contribution driven by GIFT City IBU



## ... the funding is primarily for Indian conglomerates and PSU entities

**97%\*** India linked

**86%\*** rated A and above

**52%** constituted by top 10 conglomerates

Well balanced in term and working capital loan mix

## We have the largest IBU in GIFT City

**\$3.4 bn** asset book size

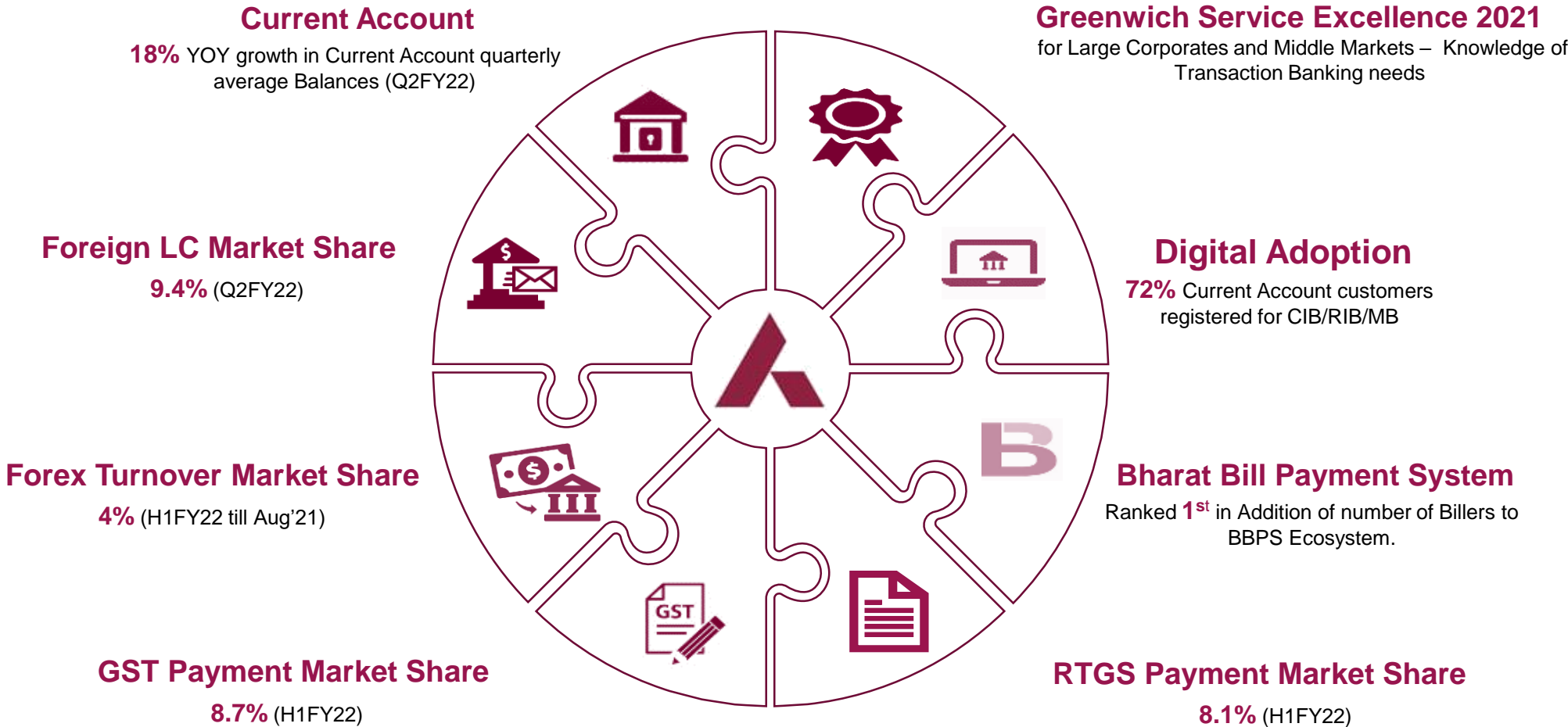
**~83%** YOY growth in Trade Finance book in Q2FY22

**Leadership** position in treasury segment – with highest share of Non Deliverable Forwards (NDFs) trading volumes among all IBUs

<sup>1</sup> International Business Unit

\* Based on standard book only

# We have strengthened our proposition as a Transaction Bank



Source:  
Foreign LC – SWIFT Watch  
GST Payment – Ministry of Finance

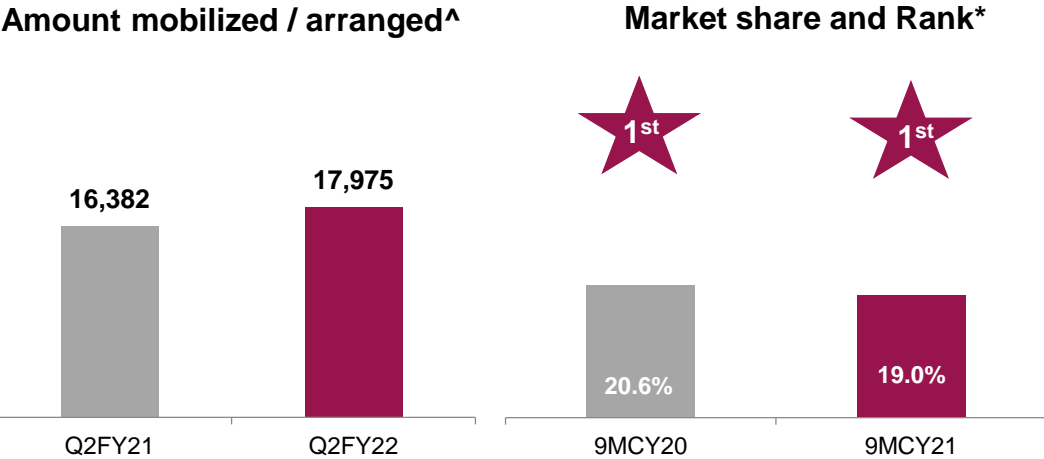
RTGS Payment – RBI Report  
Forex Turnover – RBI Report

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



All figures in ₹ Crores

## Placement & Syndication of Debt Issues



**Ranked No. 1 arranger** for rupee denominated bonds as per Bloomberg league table for CY20

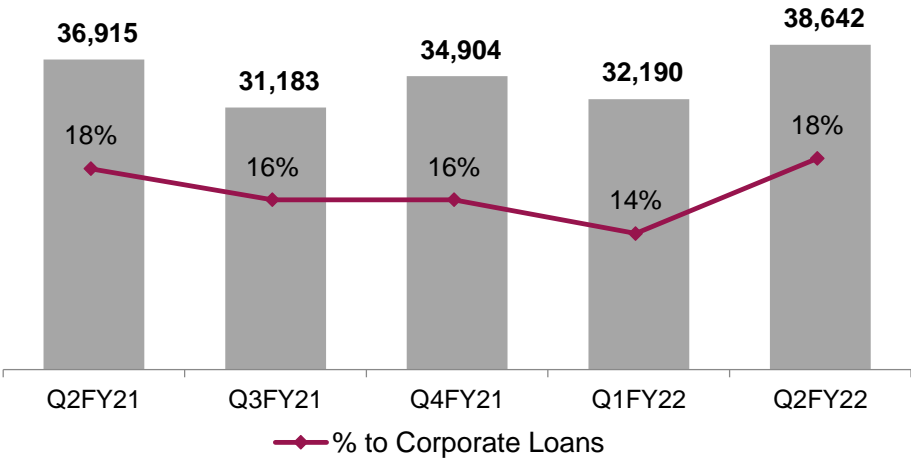


**Ranked No. 1 arranger** for rupee denominated bonds as per Bloomberg for 14 consecutive calendar years since 2007



Bank has been awarded as the **Best DCM House** at the **Finance Asia Country Awards, 2021**

## Movement in corporate bonds



- Leveraging our leadership position in Debt capital markets, we had mobilized ~ ₹18,059 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

^ Only includes the proportion of amount arranged by Axis Bank

\*As per Bloomberg League Table for India Bonds

# Industry-wise Distribution (Top 10)



All figures in ₹ Crores

Rank	Outstanding <sup>1</sup> as on 30 <sup>th</sup> Sep'21 Sectors	Advances	Investments	Non-fund based	Total	
					Value	(in % terms)
1.	Financial Companies <sup>2</sup>	54,490	23,402	16,683	94,575	12.21%
2.	Engineering & Electronics	12,025	2,601	26,299	40,925	5.28%
3.	Infrastructure Construction <sup>3</sup>	22,988	1,704	11,335	36,027	4.65%
4.	Trade	19,696	700	5,205	25,601	3.30%
5.	Petroleum & Petroleum Products	9,130	3,504	12,176	24,810	3.20%
6.	Power Generation & Distribution	16,815	1,610	4,876	23,301	3.01%
7.	Iron & Steel	12,341	1,028	5,266	18,635	2.41%
8.	Real Estate <sup>4</sup>	16,948	53	750	17,751	2.29%
9.	Food Processing	14,439	162	2,295	16,896	2.18%
10.	Automobiles & Ancillaries	13,630	1,691	1,188	16,509	2.13%

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

<sup>2</sup> Includes Banks (27%), Non Banking Financial Companies (33%), Housing Finance Companies (24%), MFIs (3%) and others (13%)

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

<sup>4</sup> Lease Rental Discounting (LRD) outstanding stood at ₹10,934 crores

**Business Performance**

**Commercial Banking**



# Commercial Banking business benefitting from technology led transformation



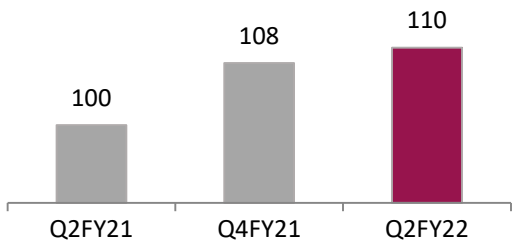
One of the most profitable segments of the Bank with high PSL coverage



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

## CBG Current Account Balances (QAB)

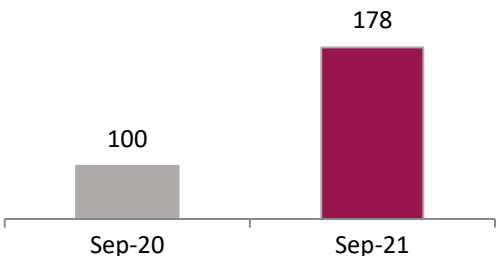
Indexed to 100



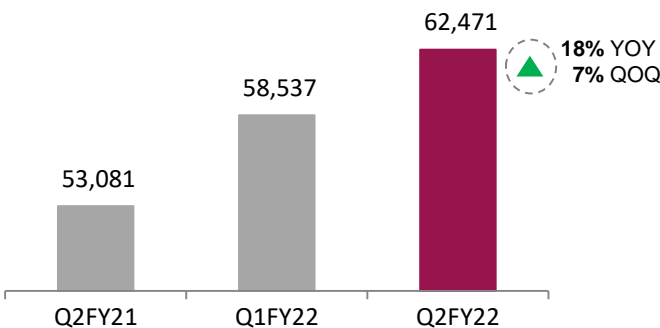
19% of Burgundy & Burgundy Private accounts were sourced through CBG

## New to Bank (NTB) book YTD

Indexed to 100



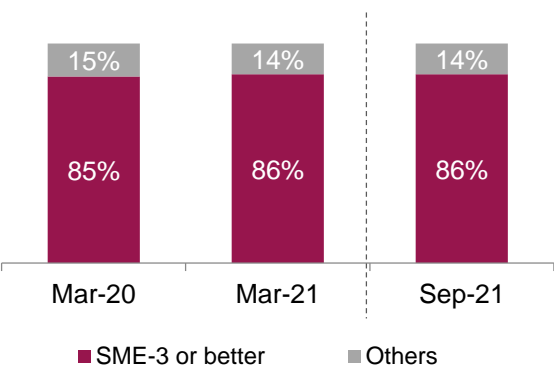
## CBG Advances



18% YOY  
7% QOQ

85% of loans were PSL compliant

86% of book is rated SME3 or better



## Project Sankalp - Delivering Customer First & One Axis



Customer 360 view coupled with customer tiers and effective meeting rhythm based on analytics to fulfil needs vs. selling products



Enhanced synergy with Branch Banking equipped with automated dashboards for better lead management



60%+

Reduction in docs required

30 mins

for pre-screening vs 1 day

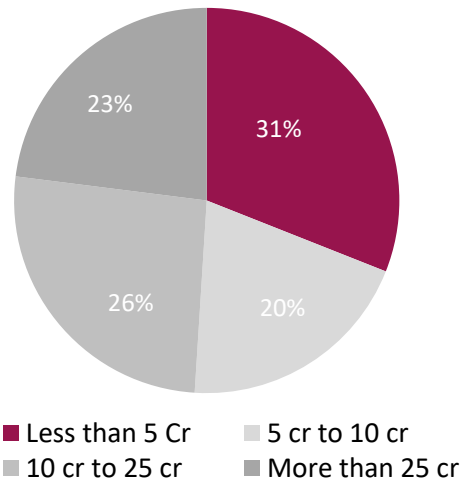
4x

Increase in Client Meetings per RM (YOY in Q2FY22)

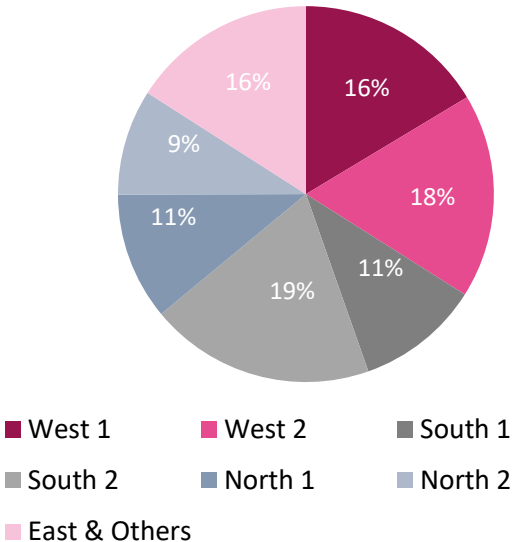
# SME lending book is well diversified, 96% of SME book is secured and predominantly working capital financing



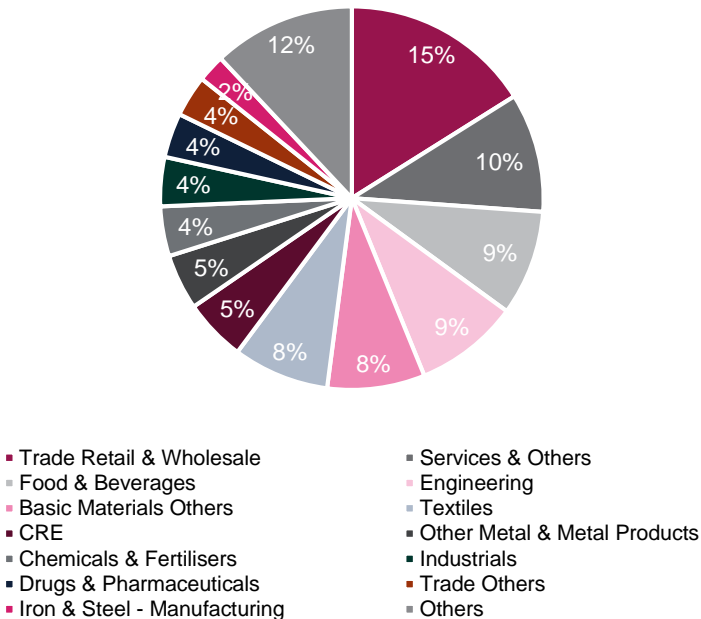
Book by Loan size



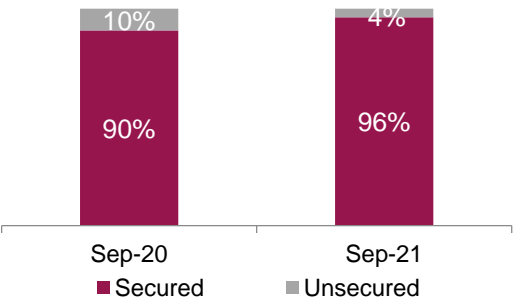
Well diversified Geographical mix



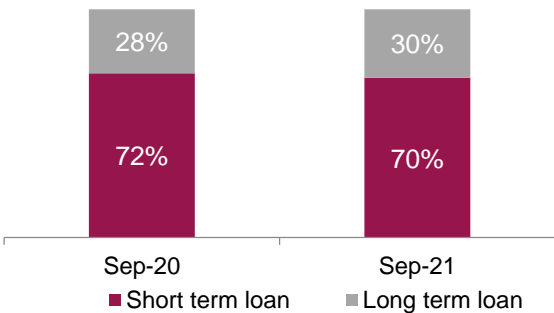
Well diversified Sectoral mix



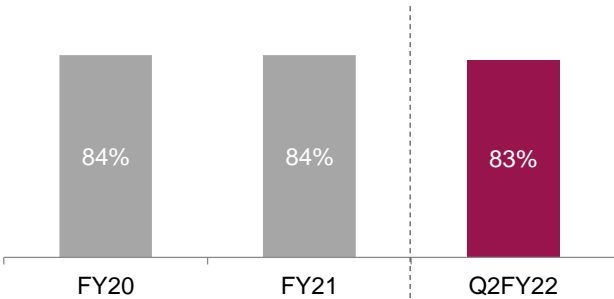
SME book mix (by type)




SME book mix (by tenure)



Incremental sanctions to SME rated SME3 & above



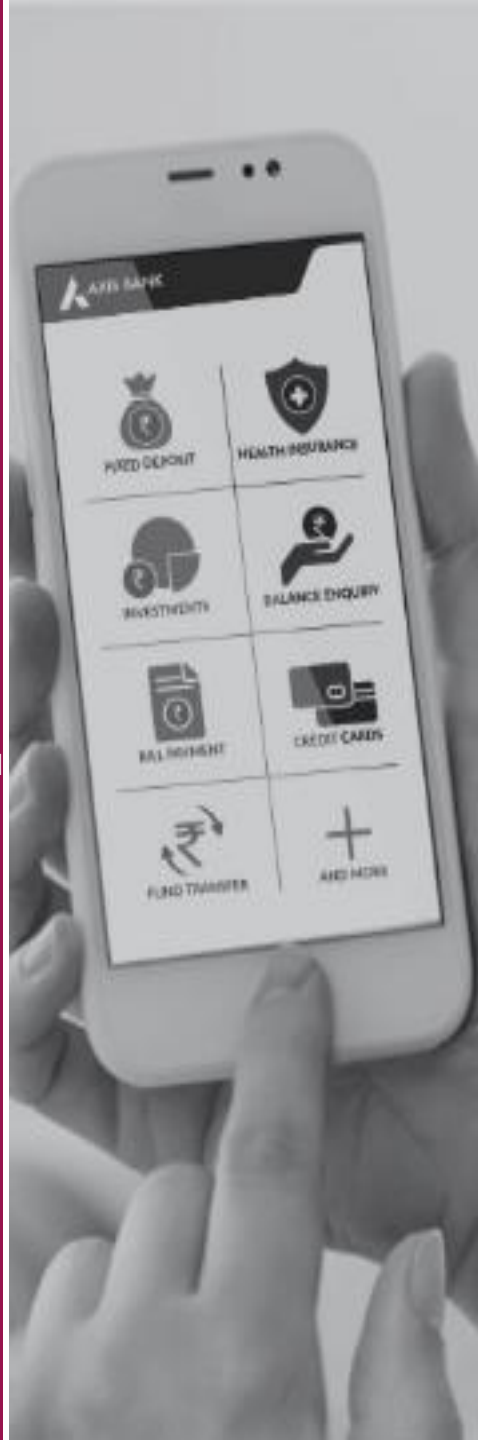
# Digital Banking – Axis Bank’s “silent revolution”

<div>  </div> <div>D2C products</div>	<div>~77%</div> <div>Credit cards issued**</div>	<div>76%</div> <div>Digitally active customers (Q2FY22)</div>	<div>71%</div> <div>New SA acquisition* (Q2FY22)</div>	<div>67%</div> <div>Fixed deposits opened (H1FY22)</div>	<div>55%</div> <div>PL disbursed**</div>	<div>48%</div> <div>New MF SIP sales (H1FY22)</div>	<div>4.6</div> <div>Mobile App ratings</div>
	<div>250+</div> <div>Services on digital channels</div>	<div>15%</div> <div>Market share in UPI (Q2FY22)#</div>	<div>14%</div> <div>Market share in mobile^</div>	<div>91%</div> <div>Digital transactions^^</div>	<div>95,000+</div> <div>Staff on BYOD~</div>	<div>~980</div> <div>Automated processes (IA)</div>	<div>300+</div> <div>Employee tool Journeys</div>
	<div>~1000</div> <div>People dedicated to digital agenda</div>	<div>~250</div> <div>In-house development team</div>	<div>~77%</div> <div>New hires from non-banking backgrounds</div>	<div>PB</div> <div>Scale big data Hadoop clusters</div>	<div>120%</div> <div>Lift of bank credit model GINI scores over bureau</div>	<div>~50</div> <div>Apps on Cloud</div>	<div>Agile</div> <div>Enabled teams with CI/CD, micro-services architecture</div>

<div>140 Mn</div> <div>KTb<sup>1</sup> Customer base</div>	<div>4 Mn</div> <div>Non Axis Bank customers using Axis Mobile &amp; Axis Pay apps</div>	<div>23%</div> <div>Contribution of KTb channels to overall sourcing of Cards (in H1FY22)</div>
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



Top 3



\* Tablet based account opening process for Q2FY22    ^RBI data for 2M Q2FY22 by volume  
 ^^Based on all financial transactions by individual customers in Q2FY22    \*\* through phygital and digital mode in H1FY22    # by volume    <sup>1</sup>Known to Bank

# Our digital strategy is aligned with our GPS strategy

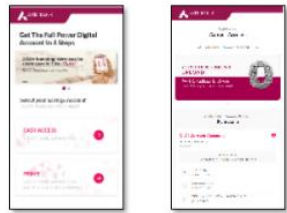
Reimagine Customer Proposition 	Transform the Core 	Build Future-ready Capabilities 
 <b>Digital-first products</b> embedding design thinking	 <b>Ops excellence</b> & institutionalization of data & tech enabled operating rhythm	 <b>Data architecture 3.0</b> ; moving beyond analytical models to <b>data engineering</b>
 <b>End-to-end simplification</b> of customer journeys	 <b>Twin-engine approach</b> to build digital stack and <b>modernize</b> the <b>core</b>	 Integrating <b>alternate, unconventional data</b> for <b>risk-moderated growth</b>
 Banking services <b>integrated across partner ecosystems</b>	 <b>Modular, resilient technology</b> with <b>Cloud first</b> architecture	 <b>Digital workforce</b> for digital consumers
 <b>Omnichannel experience to differentiate</b> customer experience and <b>hyper personalization</b>	 <b>Proprietary in-house capabilities</b> for accelerated design and go-to-market	 Creating a <b>cutting edge, future ready workspace 2.0</b>
	 Next gen <b>cyber security capabilities</b>	

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

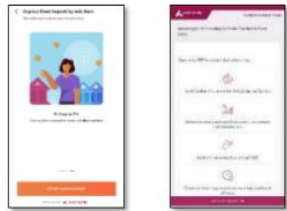


## Our product portfolio

### Deposits

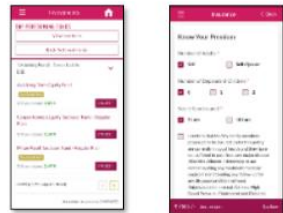


Saving Accounts Current Accounts

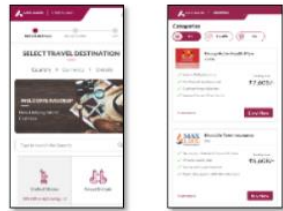


Fixed Deposit PPF

### Investments & Insurance



Mutual Funds General Insurance



Forex card Life Insurance

### Loans & Cards



Personal loan Credit cards



GST based business loans Auto loans

## New launches



Buy Now Paylater



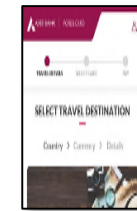
GrabDeals



Cards lifecycle



Auto loan



O/W Remittance



Digital Gold



Insurance 2.0



ODFD



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



**P**roprietary in-house  
capabilities



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



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

We are adopting a combination of approaches for the digital ecosystem



Build our own capabilities, partner with FinTechs where there is complementarity and invest in areas that have adjacencies



# A twin-engine approach to upgrade legacy IT stack to make it digital ready and build a best-in-class end-to-end digital stack



## Build Digital

- New age digital platforms
- Cloud first
- Decoupled Engagement layer & Logic layer
- Micro services enabled

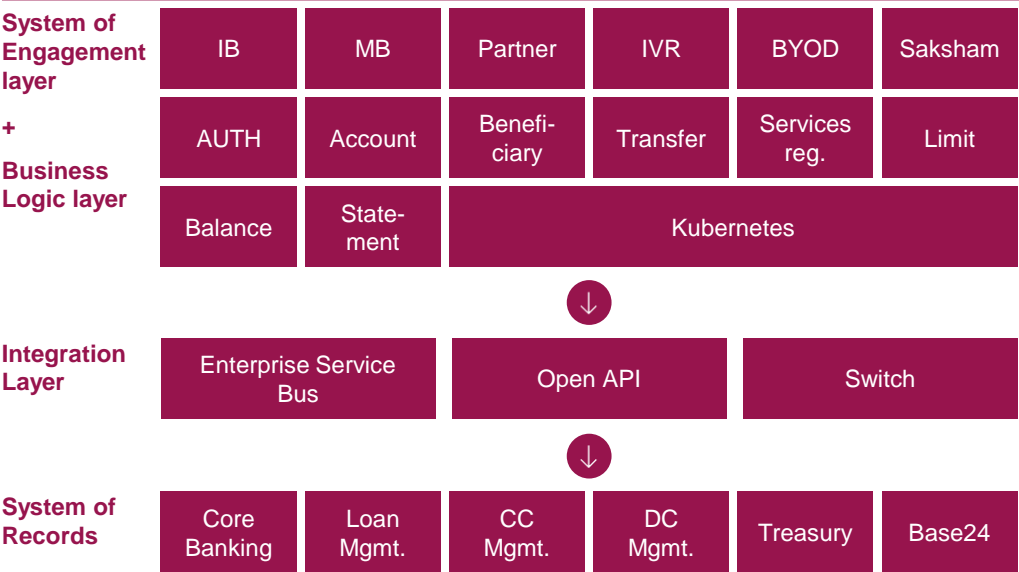
## Twin Engine Approach



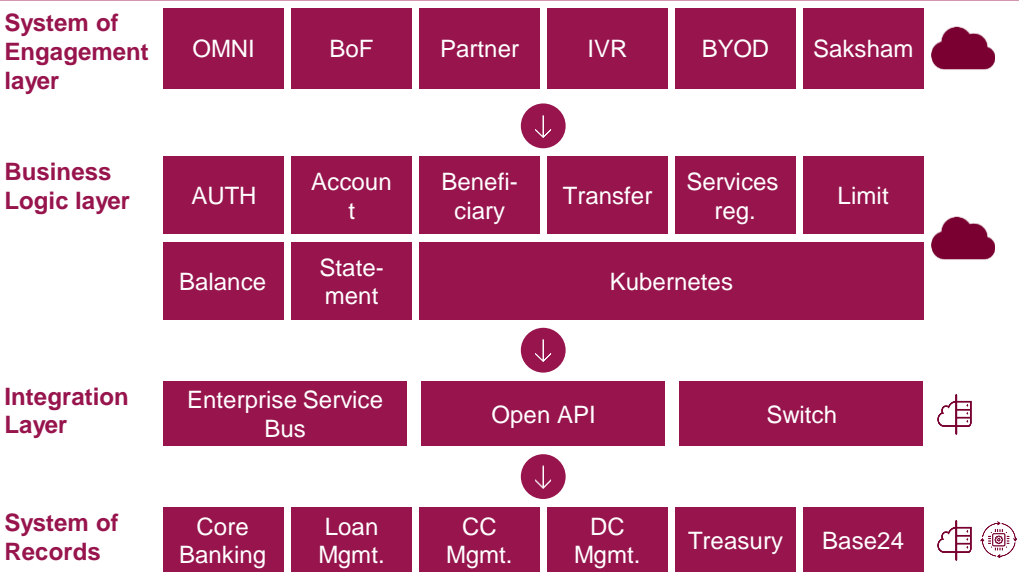
## Modernize the Core

- Upgrade of Tech-stack
- Focus on modernizing the core, resiliency, sustainability, risk and governance
- Transform architecture, core systems, infrastructure and integration

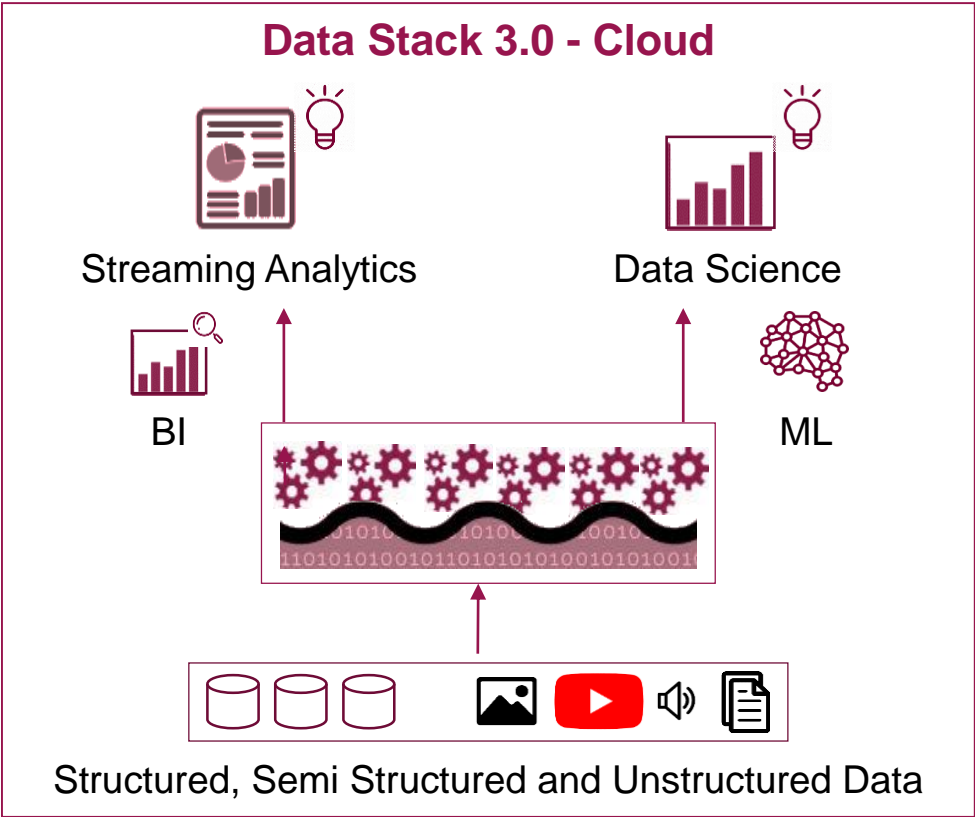
## From



## To



# We are moving to Data Architecture 3.0



**On the fly elasticity**

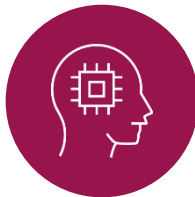
**Separation of compute from storage**



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 **120%** lift on GINI over generic bureau models

# We are investing heavily in building capabilities



## 1 Building the right talent

- **~ 1000** people dedicated to digital agenda
- **~77%** new hires from non-banking background
- **~250** member full service inhouse team:
  - Design
  - Product managers
  - Developers: Front-end, back-end, full stack
  - Dev-ops
  - QA
  - Scrum masters
  - Digital marketers

## 2 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

## 3 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

## 4 Setting the right data infrastructure

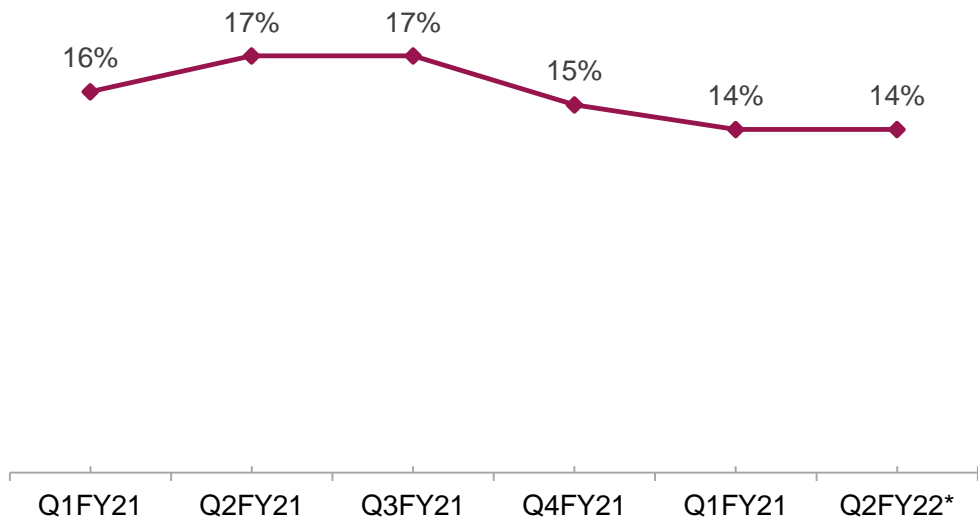
- Big data clusters developed on Hadoop with PetaByte scale data
- **150+** use cases deployed across credit, fraud, marketing analytics on cloud decisioning platform
- Multiple machine learning based credit models developed; **2000** attributes considered; up to **120%** lift on GINI over generic bureau models

# We continue to have strong market share in Mobile Banking

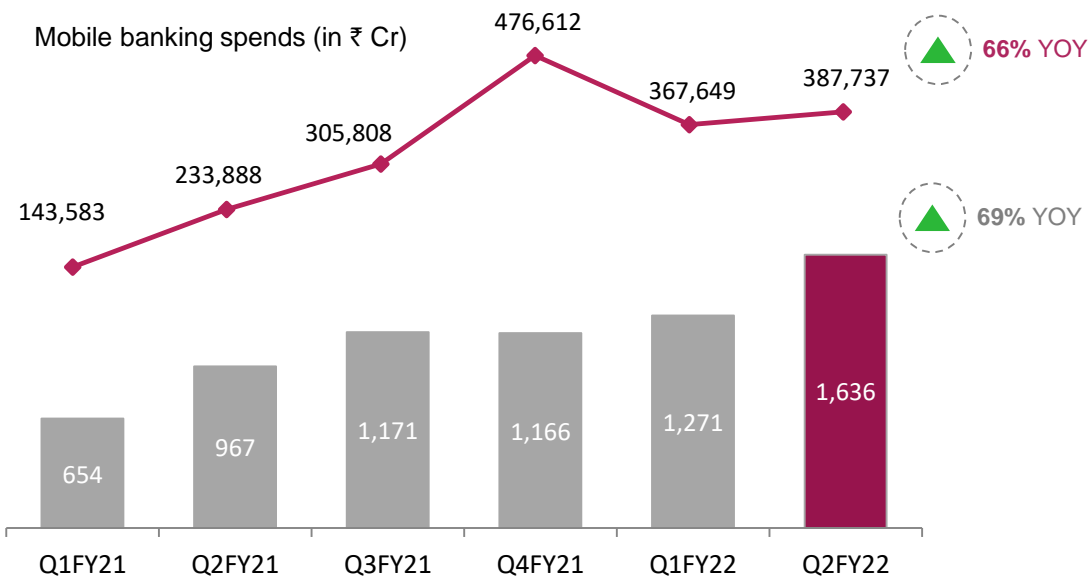


Axis Mobile is amongst the highest ranked Banking app on Apple Store (rating of **4.6**) & Google Play Store (**4.5**) and offers **250+** DIY services

Mobile Transactions Market Share by Volumes



Axis Bank Mobile Banking Spends (in Cr) and Volumes (in Mn)



**55%** of Mobile Banking customers bank only on Mobile App with Mobile Banking logins at **14.92%** of Internet banking logins



Axis Aha! answered **5.84 million** messages in Q2FY22

## Axis Bank – Pioneer in the UPI Ecosystem



Powering **all major UPI TPAPs** – Google Pay, PhonePe, Amazon, Whatsapp



Processing nearly **560 million+ monthly** transactions as Payer PSP



Acquiring more than **7 million daily** transactions for our merchants



More than **10 lakh merchants** transacting per day on our stack



Among the lowest Technical Declines among peer banks



Easy to plug SDK, Intent, Collect & Pay API's offered to partners



Pioneer in launching new initiatives like AutoPay & ODR



**Robust** bandwidth & connectivity with NPCI



**Dedicated 24 x 7** tech support team



### *A world of features offered on Axis UPI*

**Money Transfers** to Friends & Family



**Shopping & Merchant Payments** Online



**Instant Cashbacks & Refunds** Online



**Recurring/AutoPay** Payments



**QR Based** Payments



**IPO Investments/PAN Validation** (via UPI)

# 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



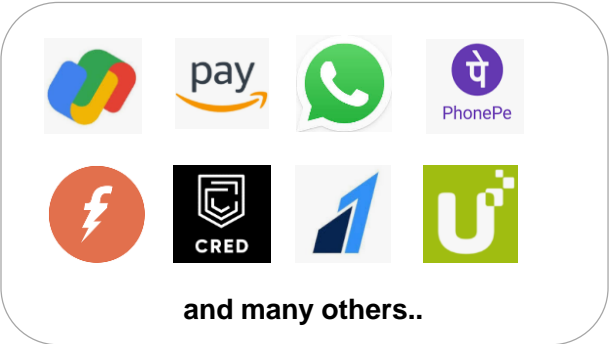
Dedicated IT cloud infrastructure to exclusively handle high volume UPI transactions has resulted in Axis Bank achieving one of the lowest decline rates as a remitter when compared to peer banks

## Strong customer base and partnerships

259 mn

Cumulative VPA base\*\*

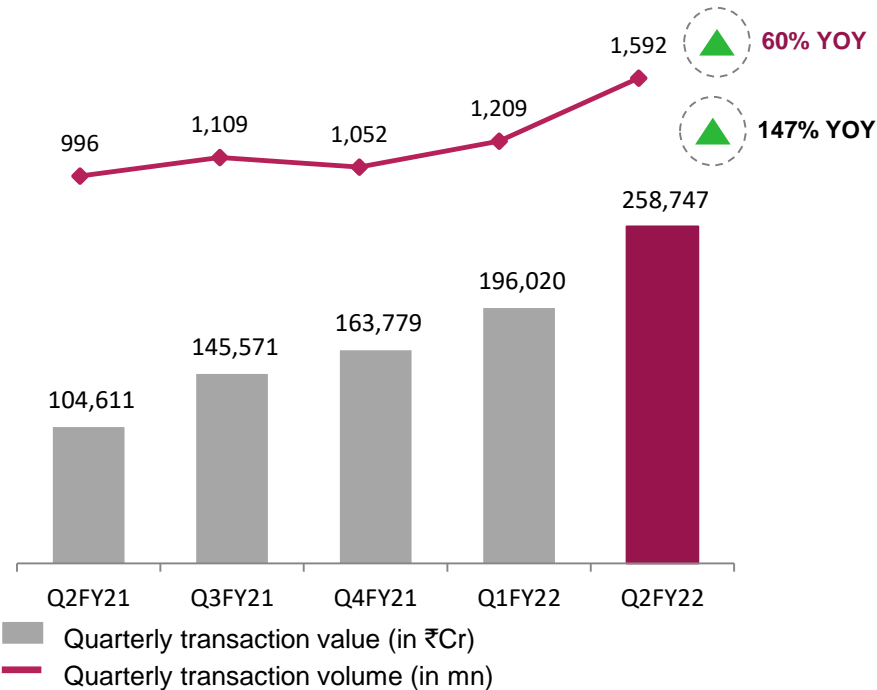
Marque partnerships across the PSP and acquiring side



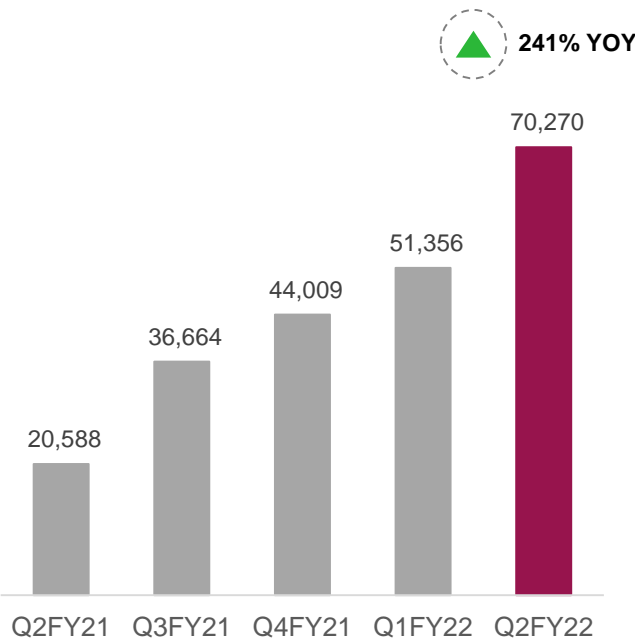
and many others..

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

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



## UPI P2M Throughput (INR cr)



The Bank maintained its strong positioning in the UPI space with a market share of 15% as Payer PSP (by volume) and 19% in UPI P2M Acquiring (by throughput) in Q2FY22

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment performance

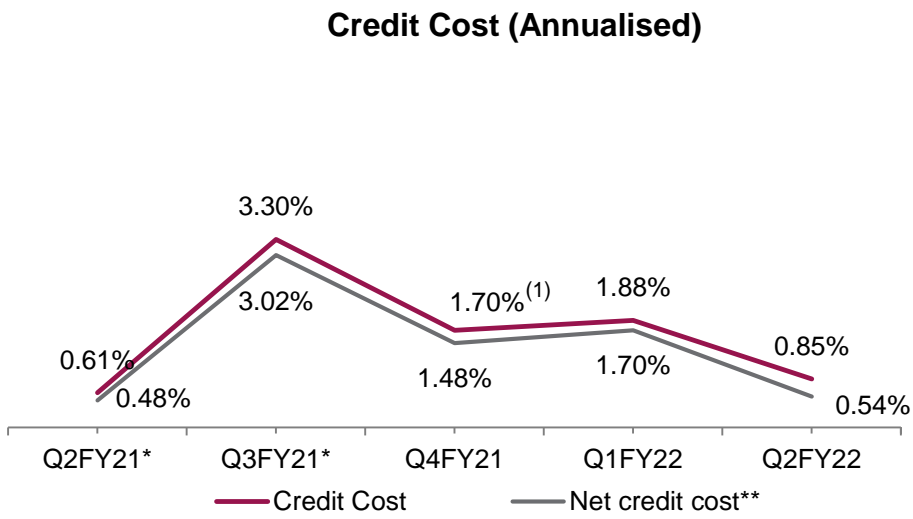
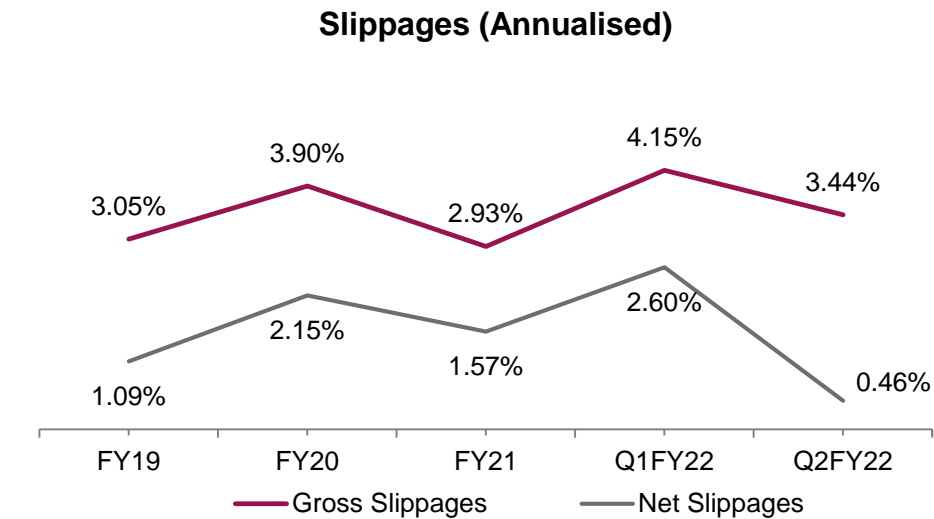
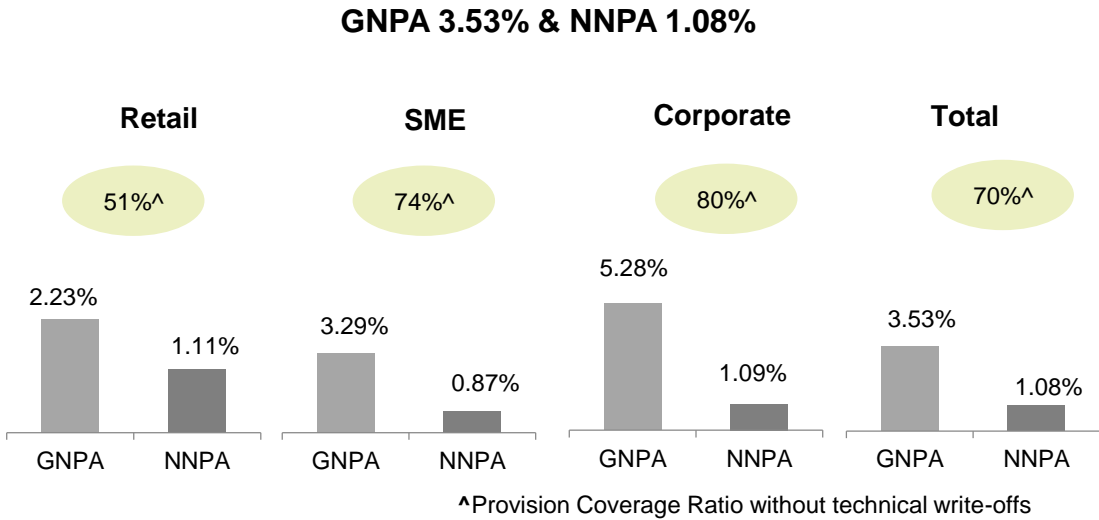
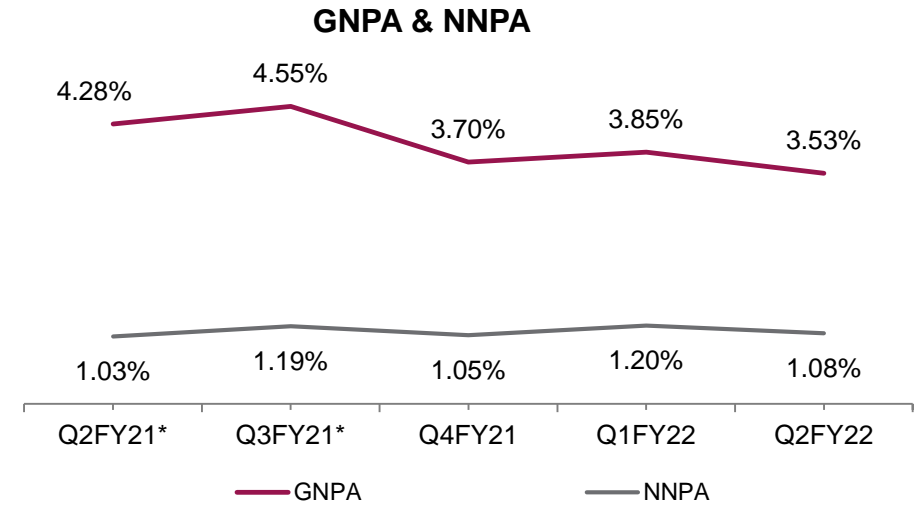
**Asset Quality**

Future of Work and Sustainability

Subsidiaries' Performance

Other important information

# GNPA lowest in last 20 quarters, healthy provision cover, net slippages decline 82% QoQ



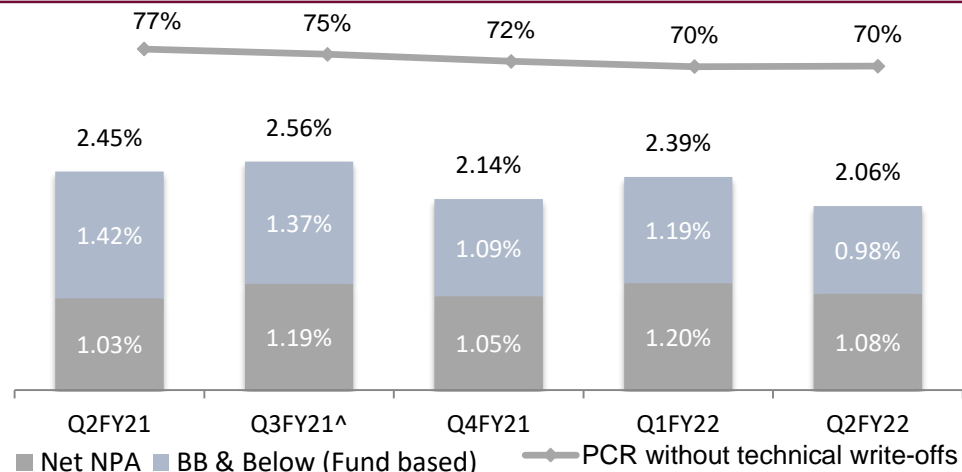
(1) 1.21% excluding CBG provision change

\* as per IRAC norms  
 \*\* credit cost net of recoveries in written off accounts

# 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) at 70%; net NPA improved 12 bps QoQ



## Decline in BB & below Fund based pool due to repayments/upgrades

BB & Below Outstanding	Q1 FY22	Q2 FY22
Fund based (FB)	8,042	6,697
Non fund based	4,424	4,439
Investments	635	610

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    ^ as per IRAC norms

## Update on restructured book

Outstanding Covid (1+2) restructuring as on 30.9.2021	Implemented	Invoked pending implementation	Total
<b>Bank</b>	<b>4,342</b>	<b>119</b>	<b>4,461</b>
Retail	2,806	119	2,925
Wholesale	1,521	-	1,521
CBG	15	-	15
<b>Bank as a % of GCA</b>	<b>0.64%</b>	<b>0.02%</b>	<b>0.66%</b>
Retail as a % of segment GCA	0.80%	0.04%	0.84%
Wholesale as a % of segment GCA	0.68%	-	0.68%
CBG as a % of segment GCA	0.02%	-	0.02%

- Provision on restructured book Rs. 1,533 crores, coverage 24%
- 93% of Retail Covid (1+2) is secured, unsecured 100% provided for
- Linked but not restructured NFB Rs. 1,002 crores
- MSME (1+2) standard restructured book Rs. 916 cr, 0.13% of GCA

## Key comments on BB and Below book

- Average ticket size ~ Rs. 60 crs
- ~ 98% of restructured corporate book classified BB & below
- ~ 21% of FB BB & Below book rated better by at least one rating agency
- Top 4 sectors comprising Power Generation & Distribution, Infra Construction, Hotels and Trade account for 70% of fund based BB and Below book

# Detailed walk of NPAs over recent quarters

All figures in ₹ Crores



		Q2FY21^	Q3FY21^	Q4FY21	Q1FY22	Q2FY22
<b>Gross NPAs - Opening balance</b>	<b>A</b>	29,560	27,472	29,046	25,315	25,949
Fresh slippages	B	1,750	7,993	5,285	6,518	5,464
Upgradations & Recoveries	C	2,026	2,162	3,463	2,543	4,757
Write offs	D	1,812	4,257	5,553	3,341	2,508
<b>Gross NPAs - closing balance</b>	<b>E = A+B-C-D</b>	<b>27,472</b>	<b>29,046</b>	<b>25,315</b>	<b>25,949</b>	<b>24,149</b>
Provisions incl. interest capitalisation	F	21,108	21,695	18,321	18,103	16,949
<b>Net NPA</b>	<b>G = E-F</b>	<b>6,364</b>	<b>7,351</b>	<b>6,994</b>	<b>7,846</b>	<b>7,200</b>
<b>Provision Coverage Ratio (PCR)</b>		<b>77%</b>	<b>75%</b>	<b>72%</b>	<b>70%</b>	<b>70%</b>
Accumulated Prudential write offs	H	25,850	28,599	31,856	34,589	35,808
<b>PCR (with technical write-off)</b>	<b>(F+H)/(E+H)</b>	<b>88%</b>	<b>87%</b>	<b>88%</b>	<b>87%</b>	<b>88%</b>

## Provisions & Contingencies charged to Profit & Loss Account

	Q2FY21^	Q3FY21^	Q4FY21	Q1FY22	Q2FY22
Loan Loss Provisions	764	4,504	2,394	2,865	927
Other Provisions	3,579	(747)	(226)	437	808
<i>For Standard assets*</i>	1,453\$	490	(6)	27	(122)
<i>Others**</i>	2,126	(1,237)	(220)	410	930
<b>Total Provisions &amp; Contingencies (other than tax)</b>	<b>4,343</b>	<b>3,757</b>	<b>2,168</b>	<b>3,302</b>	<b>1,735</b>

\* including provision for unhedged foreign currency exposures      \$ includes 10% provision on loans under moratorium

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

^ as per IRAC norms

Prior year numbers of provisions & contingencies are restated to reflect the change in presentation of income from recoveries and provision for depreciation on investments as per guidelines issued by RBI in Aug 21

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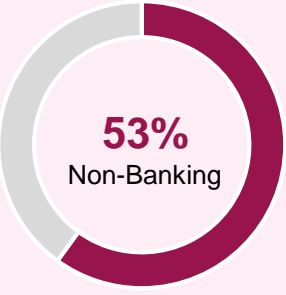
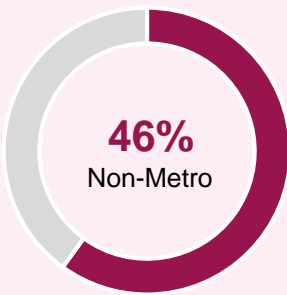
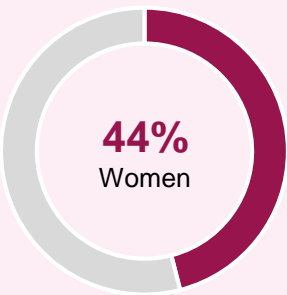
Other important information

Key highlights

Since the launch of **GIG-A-OPPORTUNITIES** in **13 months**

- ▶ Significant traction in alternate models – **20%** of employees in alternate formats
- ▶ Axis group emerged as a leader in employee flexibility **2,528** full-time employees now working from anywhere
- ▶ Hybrid work the new normal, all employees have returned to office two days a week

**Accessed new talent pools in hiring**



**Enabled delivery of strategic projects through skilled freelance contributors**

**Strengthened employee stickiness through flexibility**

**Identified cost saving through space rationalization**

# ESG a Bank-wide Agenda



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

## ESG a Board-level agenda

- Axis Bank becomes the first Indian Bank to constitute an ESG Committee of the Board

## ESG oversight at Leadership level

- ESG Steering Committee established comprising senior leadership
- DEI Council providing oversight on Diversity, Equity and Inclusion
- ESG Working Group driving ESG integration in banking & financing activities

## Building Ownership at Business Level

- ESG Commitments announced for Retail and Corporate businesses
- Sustainable Financing Framework to drive ESG issuances

### Axis Bank issues USD 600 mn Sustainable AT1 Notes

- First such issuance by an Indian entity
- Oversubscribed 3.8 times
- 47% allocations to ESG-focused investors

### Steady Progress on ESG Benchmarks

- **5<sup>th</sup>** Consecutive year on FTSE4Good Index
- CDP Score moved from C to **B** in 2020
- In **70<sup>th</sup>** percentile among global Banks on DJSI
- MSCI ESG Ratings improves from BBB to **A**



Among the top 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



FTSE4Good Index constituent for 5<sup>th</sup> consecutive year in 2021

# Axis Bank Announces Commitments towards Positive Climate Action and the Sustainable Development Goals



## Positive Impact Financing

- Incremental financing of **₹30,000 crores** for positive-impact sectors by FY26
- Making **5%** of Retail Two-Wheeler loan portfolio as electric by FY24, offering 0.5% interest discount for new EV loans



## Proactive Risk Mitigation

- Integrating ESG into risk management at the enterprise level
- Expanding ESG risk coverage in credit appraisal under our ESG Policy for Lending
- Scaling down exposure to carbon-intensive sectors in our wholesale lending portfolio



## Inclusive and Equitable Economy

- Incremental disbursement of **₹10,000 crores** by FY24 under Asha Home Loans for affordable housing
- Ensuring **30%** female representation in workforce by FY27, aligned to our #ComeAsYouAre Diversity Charter



## Healthier Planet

- Planting **2 million** trees by FY27 across India towards contributing to creating a carbon sink
- Achieving carbon neutrality in our business operations

Please access the [Press Release](#) to know more

# Positive Outcomes and Impact Across the ESG Spectrum

## Key sustainability performance highlights

### Sustainable Banking and Finance Banking



- Corporate Lending Portfolio of **~ Rs 9,750 Crores** in green sectors as on 31<sup>st</sup> March 2021
- **37** funding proposals assessed under Sustainable Lending Policy and Procedures (SLPP) in FY 21
- Saksham digital platform -- **~5 million sheets** of paper saved from **2.6** million customer requests in FY 21
- Branch of the Future initiative: Reduced paper usage by estimated **~0.5 million sheets** monthly

### Banking for the Emerging India



- **1.5 Million+** live customers under Axis Sahyog microfinance program as on 31<sup>st</sup> March 2021
- **2,065** Rural and Semi-urban branches covering **500+** districts under the Deep Geo strategy (as of Sep'21)
- Over **0.8 million** borrowers under the PM MUDRA Yojana for micro-entrepreneurs as on 31<sup>st</sup> March 2021
- **83,000+** Active customers under Asha affordable housing loans as on 31<sup>st</sup> March 2021

### Human Capital



- **86,500+** employees as on 30<sup>th</sup> September 2021, average age of **31.7** years
- Committed to achieving **30%** women representation in the workforce by 2027, from **23%** in FY 21
- Over **2.1 Million hours** clocked by 74,000+ employees in virtual classroom sessions in FY 21
- **83** GIG-A roles filled in FY 21 – **40%** were women, **44%** from Non-Metros

# Positive Outcomes and Impact Across the ESG Spectrum

## Key sustainability performance highlights

### Corporate Social Responsibility



- ~ **0.7 million** reached under the Financial Literacy Program from April – September 2021
- **0.98 million** households reached under Axis Bank Foundation's Mission 2 Million, as on 30<sup>th</sup> September 2021
- Axis DilSe – Over **300 students** supported at Lyzon Friendship School in rural Manipur
- Axis Bank Scholarship program in place at Ashoka University and Plaksha University
- COVID-19 support to frontline agencies in close to **150 districts** in India in FY 21

### Operational Excellence



- Committed to reducing specific GHG emissions by **5% YOY**
- ~ **13,000 GJ** of green power generation from **7.05 MW** installed solar capacity in FY 21
- **15,360 MT** of GHG emissions avoided from energy efficiency initiatives in FY 21
- ~**2.2 lakh litres** of diesel saved from On-grid inverter solution in rural branches in FY 21

### Thought Leadership



- The Bank is represented on key ESG-focused committees and working groups:
  - **CII** Climate Change Council, FY 2021-22
  - CII Western Region ESG Sub-Committee FY 2022
  - **NIIF** Green Frontier Working Group
  - SES Governance ESG Advisory Board
  - Renewable Energy to Responsible Energy Initiative
  - **CDP** Technical Working Group on Water Indicators for FIs

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Asset Quality

Future of Work and Sustainability

**Subsidiaries' Performance**

Other important information

# Significant value creation happening in our key group entities

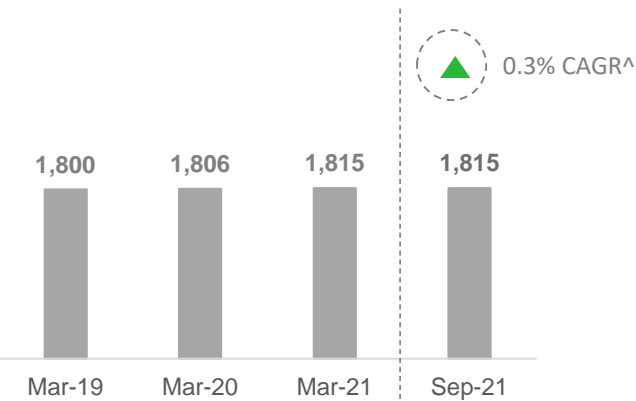


Detailed One Axis presentation [Link](#)

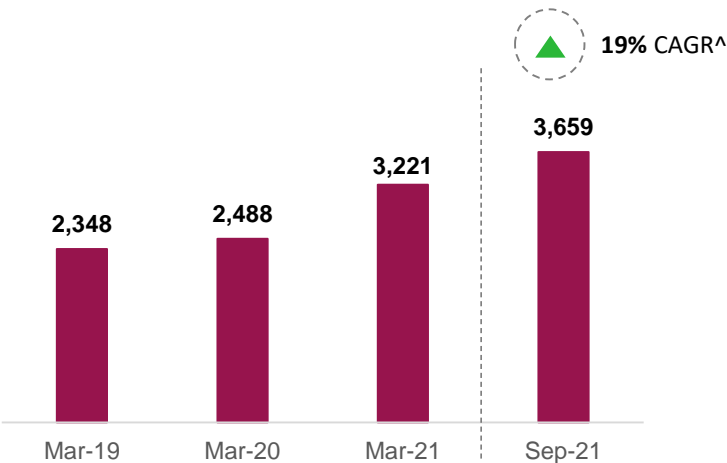
Asset Management	Invst Banking & Inst Equities	Consumer focused NBFC	Retail Brokerage	Trustee	Fintech platform	TReDS platform	Insurance
One of the fastest growing MF player	Leadership position in ECM deals segment	AAA rated NBFC with diversified product offerings	3 <sup>rd</sup> largest bank led brokerage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

All figures in ₹ Crores

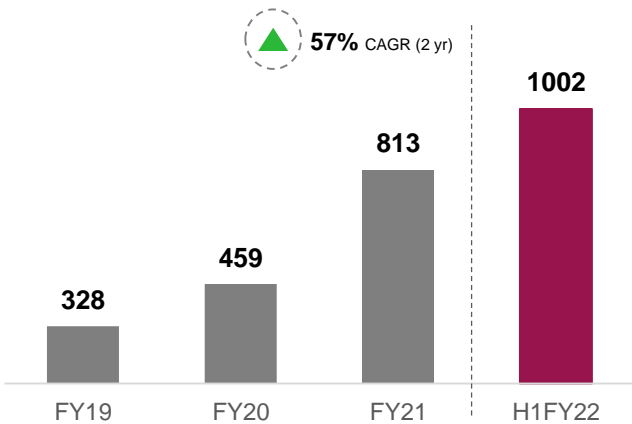
Total investments\* made



Combined network\* of operating subs



Combined PAT\* of operating subs (annualized)



\*\* Including stakes owned by Axis Capital and Axis Securities; Also, there is further Option to take overall stake to 19.99%    ^^ 25% is held by Schroders Plc

<sup>^</sup> CAGR for Mar-19 to Sep-21 period @ Based on New Business Premium

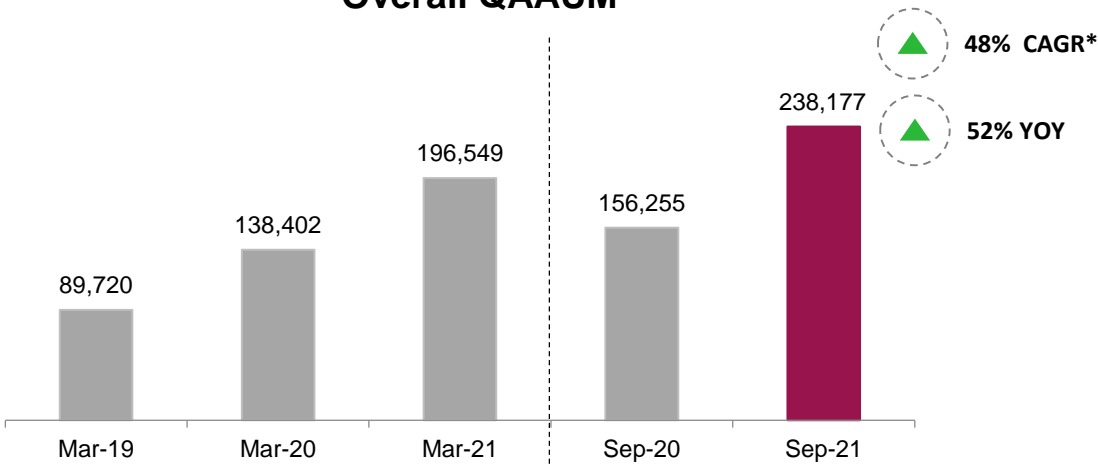
\* The figures represented above are for the group entities mentioned in the slide (excluding Axis Trustee and Max Life) and are as per Indian GAAP, as used for consolidated financial statements of the Group

Axis AMC : Strong performance, AUM growth of 52% YOY, PAT up 60% YOY



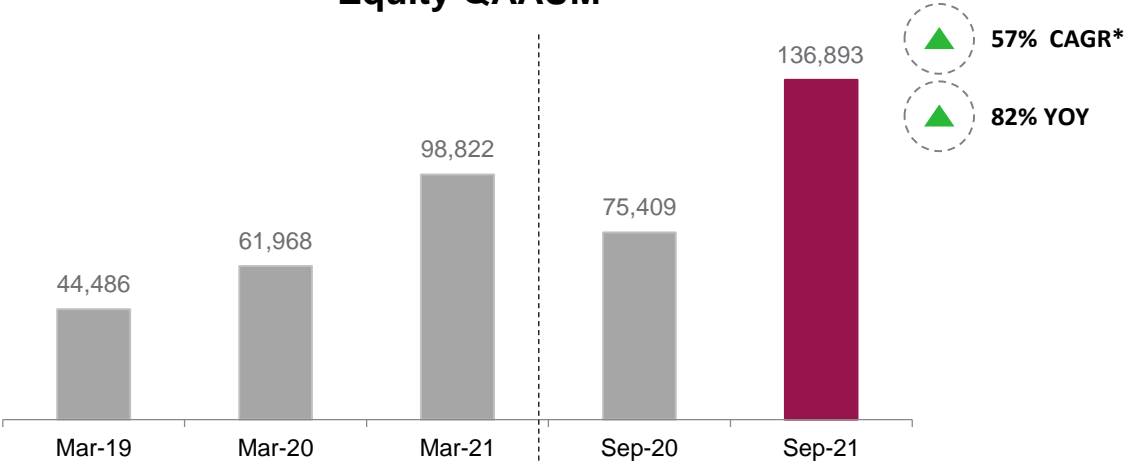
All figures in ₹ Crores

Overall QAAUM

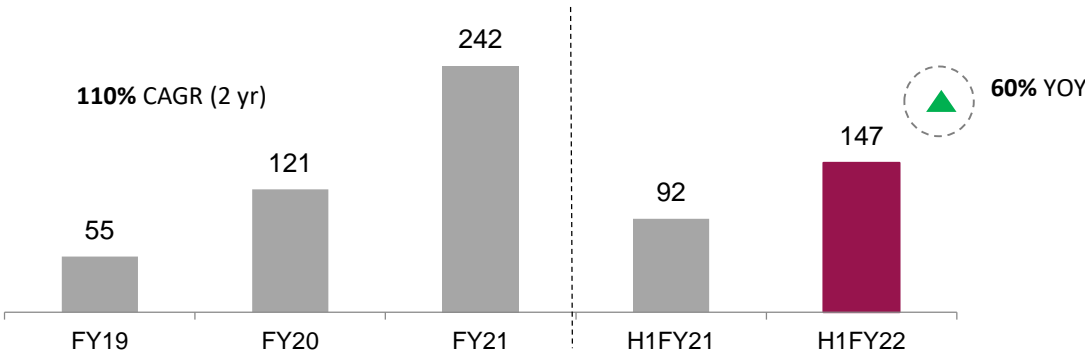


\* CAGR for period Mar-19 to Sep-21

Equity QAAUM



Trend in PAT



Major Highlights

- **10.03%** AAUM market share in Q2FY22, up from 9.56% in Q2FY21 driven by fund performance
- **57%** of overall AUM consists of Equity & Hybrid funds
- **82%** equity AUM growth in last 12 months maintaining itself as one of the fastest growing AMC in the country
- **44%** YOY growth in Client folios that stood at **9.8 mn**

^Disclosure: Scheme AUM/AAUM (Amt in cr) Rs.243914.53 / Rs. 238176.97 Asset Classwise AUM / AAUM: Liquid/Money Market: 37862.91/39409.68, Gilt: 149.48/ 148.51 Income/Debt: 55146.65 / 56437.35 Equity including ELSS: 135108.71 /126317.56 Hybrid: 8853.26 / 9234.91 Solution: 1784.11/1694.15 Index: 579.29/527.32 ETF: 1037.98/938.60 FOF: 3392.14/3468.88 . AUM by geography (%) [Cities]: Top 5: 59.90% Next 10: 19.17% Next 20: 8.17% Next 75: 8.03% Others: 4.73%

# Axis Capital : Go to Banker for India Inc



H1FY22 Ranking\* (includes IPO, FPO, QIP, REIT, InvIT, OFS & Rights)

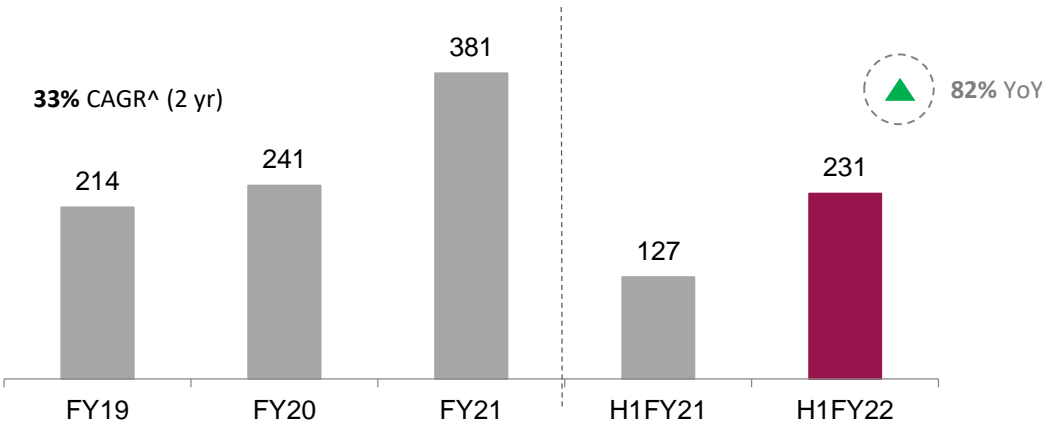
Rank	Banker	No of Deals*
1	Axis Capital	23
2	Peer 1	23
3	Peer 2	15
4	Peer 3	14
5	Peer 4	13

## Major Highlights

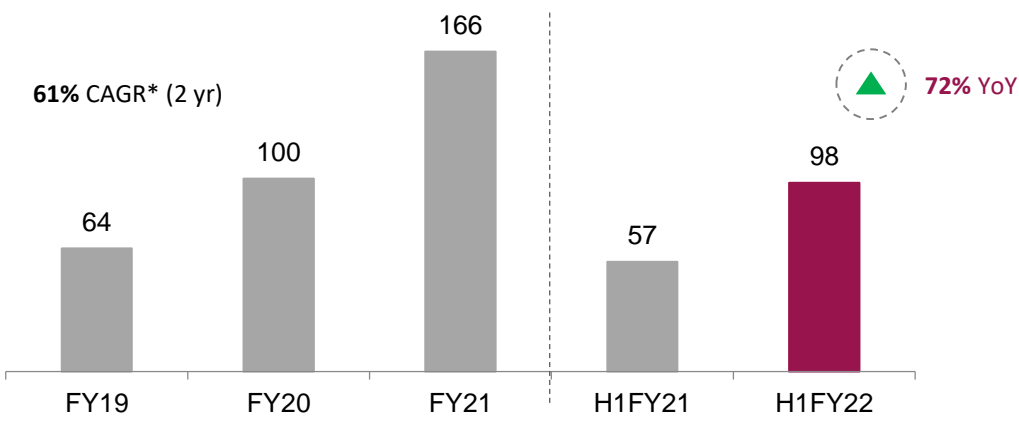
- **31** IB transactions were completed in H1FY22 that include **13** IPOs, **7** QIPs, **2** OFS, **1** Rights issue and **3** PE advisory deals among others
- Re-emphasized its ECM leadership and strong domain expertise by helping companies across multiple sectors like Healthcare, Financials, Real Estate, to raise equity from markets
- Transactions included first ever InvIT by any PSU and largest public InvIT transaction till date; and largest IPO in hospital space till date
- Axis Capital's Institutional Equity business trading volumes in cash segment grew **72%** YOY and that for F&O grew **47 times** YOY in Q2FY22
- **72% YOY** growth in PAT

All figures in ₹ Crores

## Revenue from Operations



## Profit After Tax

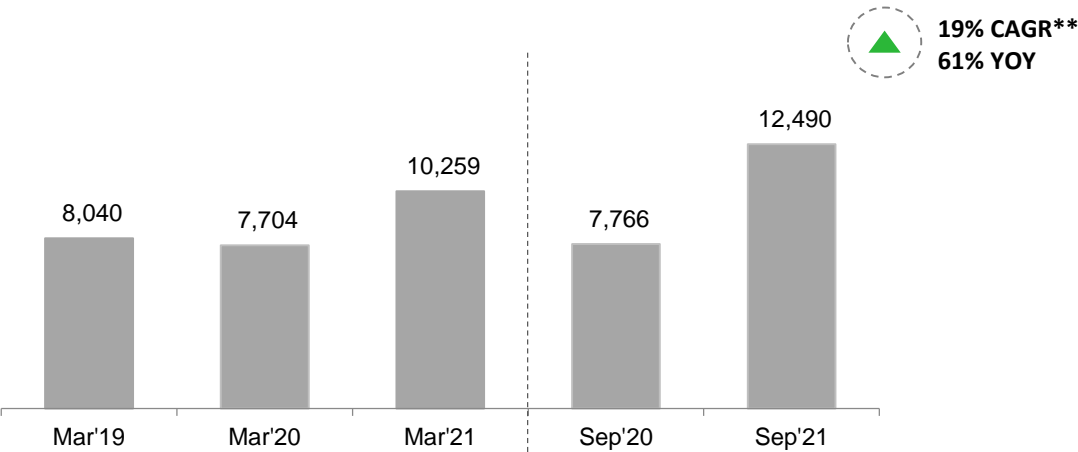


\*Source: Primedatabase; Updated till 30<sup>th</sup> September, 2021;  
Includes all Equity IPOs, FPOs, QIPs, OFS, REIT, InvIT, Rights Transactions

^ CAGR for period FY19 to FY21

# Axis Finance : Poised for growth, PAT grew 84% YOY

Growth in loan book

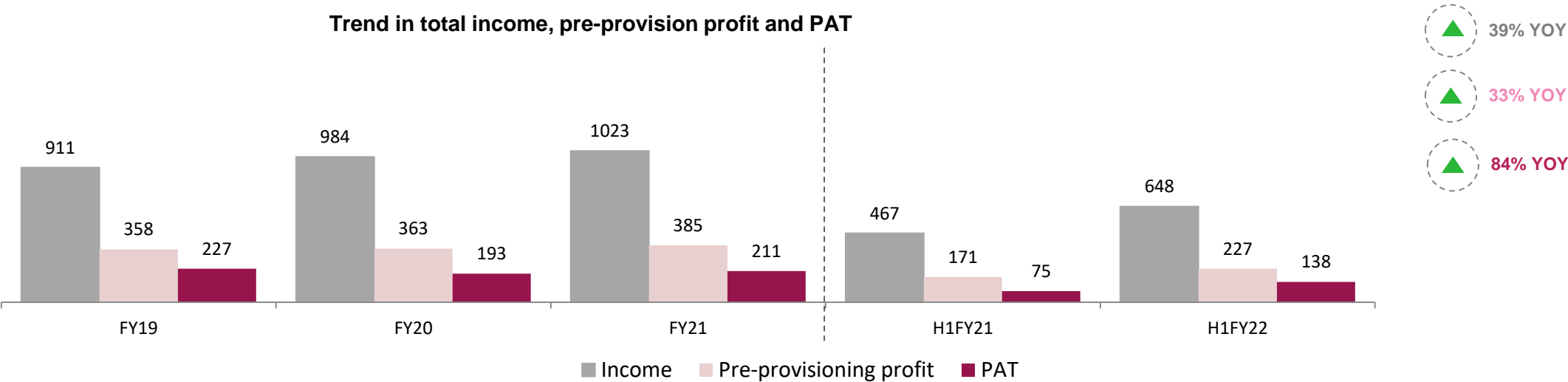


\*\* CAGR for period Mar'19 to Sep'21

Major Highlights

- **20%** Capital adequacy ratio
- **18.5%** overall ROE for Q2FY22
- **5 times** YOY growth in Retail book
- **36%** YOY growth in Wholesale loan book with **88%** of secured loans
- **36%** Cost to Income for Q2FY22
- **1.3%** Net NPA% with near nil restructuring

Trend in total income, pre-provision profit and PAT



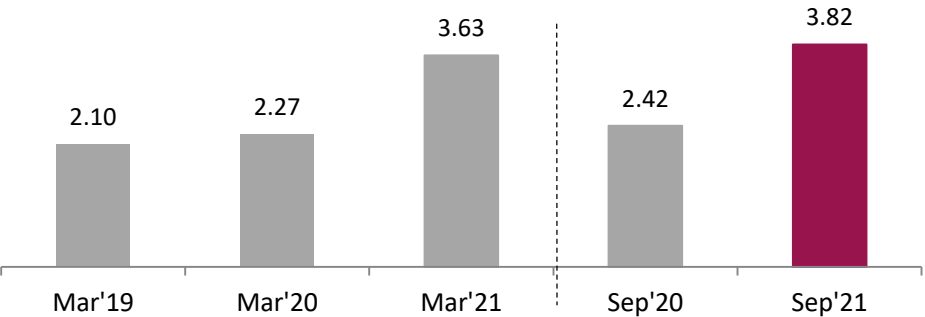
# Axis Securities : Strong performance in H1FY22 with 68% growth in revenue



Total customer base (in mn)

Axis Securities had acquired nearly **1 mn** Karvy's trading accounts in Q4FY21, making Axis Securities as the **3<sup>rd</sup>** largest bank led retail brokerage in terms of customer base

58% YOY  
27% CAGR\*



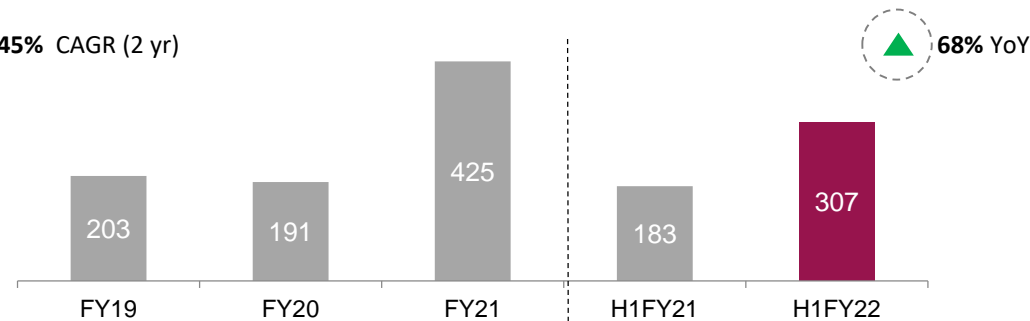
\* CAGR for period Mar-19 to Sep-21

## Major Highlights

- **43%** YOY growth in customer acquisitions for Q2FY22 period
- **65%** of the volumes in H1FY22 from Mobile trading, one of the highest mobile adoption rates in the country
- **48%** of clients traded through Axis Direct Mobile App in H1FY22
- **160 crores** of broking revenues in Q2FY22, reaching new quarterly highs
- **59%** YOY growth in PAT for H1FY22

All figures in ₹ Crores

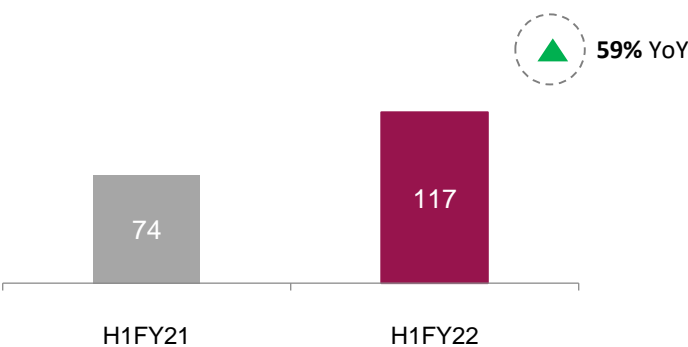
## Broking Revenue



45% CAGR (2 yr)

68% YoY

## Profit After Tax



59% YoY

\* CAGR for period FY19 to H1FY22

# 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 **₹ 16,000 crs+**. The platform for a 2<sup>nd</sup> consecutive month crossed a monthly throughput of **₹ 1,000 crs+**.
- » Invoicemart has helped in price discovery for MSMEs across **570+** cities and towns in India who are now able to get their bills discounted from **43** financiers (banks and NBFC factors)

## Progress so far (Jul’17 to Sep’21)



**Throughput**  
**₹ 17,482 Cr**



**Invoices Discounted (in No’s)**  
**~ 8.1 Lakh**

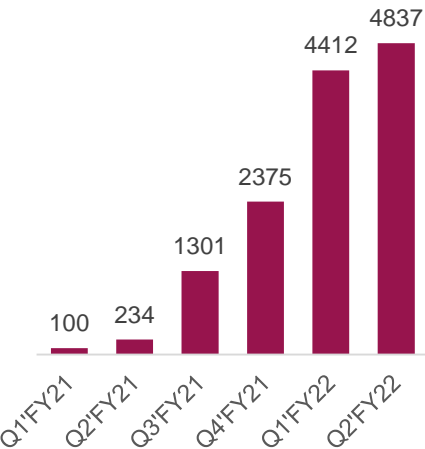


**Participants on-board**  
**~ 11,497**

# Freecharge continues to make progress in its payments led financials services journey; “Buy Now Pay Later” product gaining traction

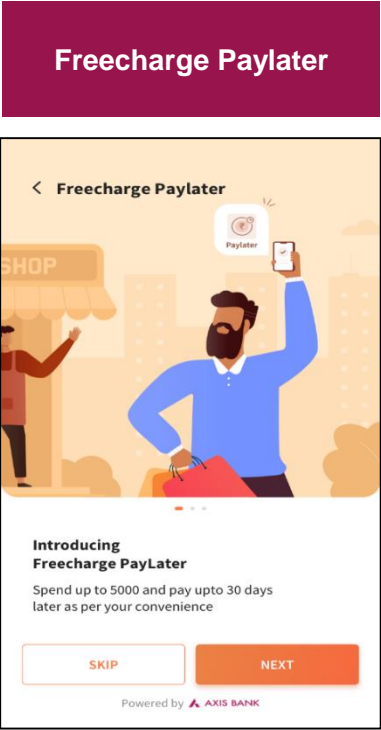
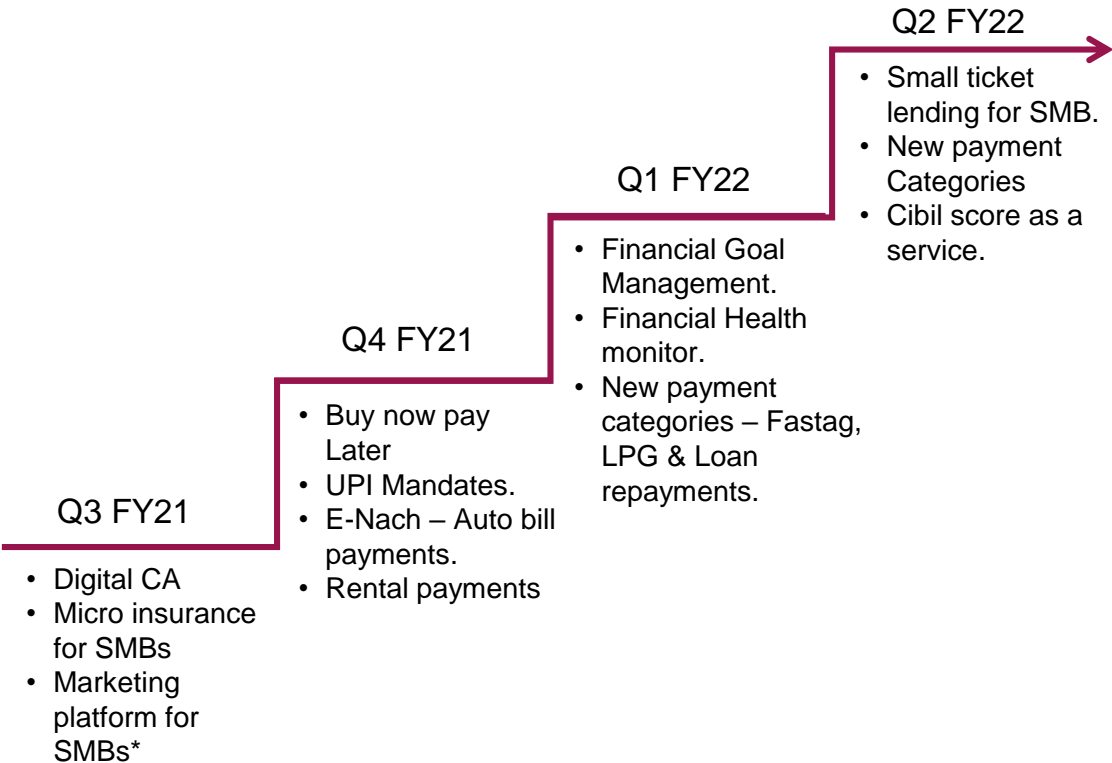
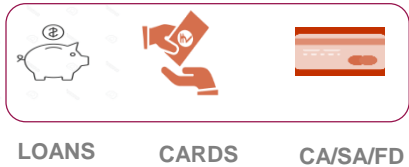


Merchant payment solutions continues to show strong momentum



Processed volume growth (Values are Indexed)

~3X growth in Current account acquisitions QoQ



- **14x** growth in users acquired QOQ.
- **16x** growth in GMV QOQ
- **2.5L** transactions done by the Paylater customers in Q2'FY22

\*Small and medium businesses

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment performance

Asset Quality

Future of Work and Sustainability

Subsidiaries' Performance

Other important information

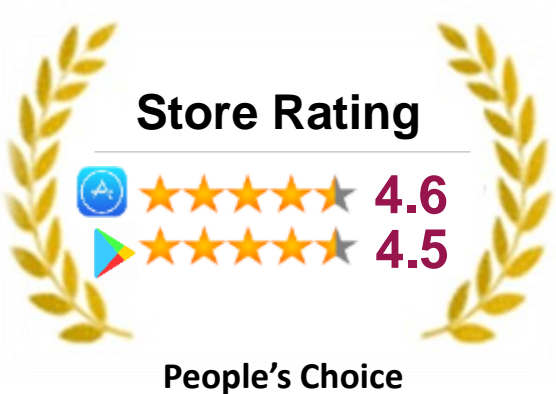
We have created a differentiated identity and are amongst the most valuable Brands in India



Featured amongst Top 20 most valuable brands in India



Axis Bank Mobile App



# Major awards won by the Bank and its subsidiaries





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




**Ranked no 1 in Corporate Banking Quality in India**



**Financial Inclusion Initiative of the Year – India**



**Best Digital Bank India 2021**



**Best Data Analytics Project Award (Multivariate Orthogonal Model)**



**Best in Future of Operations**

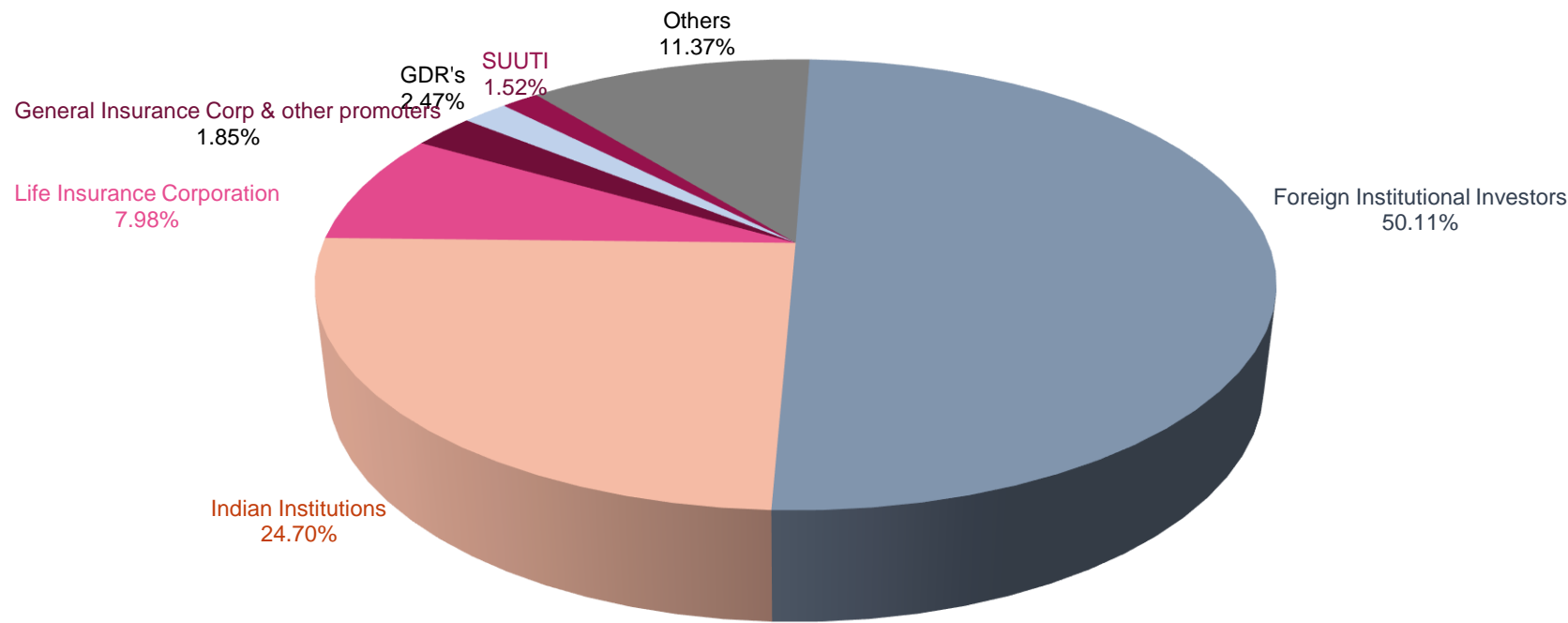


**Best Use of IT in Risk Management / Fraud Prevention**



**‘Leadership in Social Impact’ and ‘Leadership in Transparency’**

# Shareholding Pattern (as on September 30<sup>th</sup>, 2021)



➤ Share Capital	₹613 crores
➤ Shareholders' Funds	₹107,083 crores
➤ Book Value Per Share	₹349
➤ Diluted EPS (Q2FY22) #	₹40.42
➤ Market Capitalization	₹259,177 crores (as on October 25 <sup>th</sup> , 2021)

# annualised

# Financial Performance



Financial Performance (₹ crores)		Q2FY22	Q2FY21	% Growth	H1FY22	H1FY21	% Growth
Interest Income	A	16,336	15,981	2%	32,339	32,426	-
Other Income	B = C+D+E	3,798	3,569	6%	7,157	5,794	24%
- Fee Income	C	3,231	2,752	17%	5,899	4,404	34%
- Trading Income	D	473	740	(36%)	1,029	1,229	(16%)
- Miscellaneous Income	E	95	77	24%	229	161	42%
<b>Total Income</b>	<b>F = A+B</b>	<b>20,134</b>	<b>19,550</b>	<b>3%</b>	<b>39,496</b>	<b>38,220</b>	<b>3%</b>
Interest Expended	G	8,436	8,655	(3%)	16,679	18,115	(8%)
<b>Net Interest Income</b>	<b>H = A-G</b>	<b>7,900</b>	<b>7,326</b>	<b>8%</b>	<b>15,661</b>	<b>14,311</b>	<b>9%</b>
<b>Operating Revenue</b>	<b>I = B+H</b>	<b>11,699</b>	<b>10,895</b>	<b>7%</b>	<b>22,817</b>	<b>20,105</b>	<b>13%</b>
Core Operating Revenue*	J = I-D	11,226	10,118	11%	21,767	18,840	16%
Operating Expenses	K	5,771	4,236	36%	10,703	7,963	34%
-Staff Expense	L	1,936	1,413	37%	3,787	2,819	34%
-Non Staff Expense	M	3,835	2,823	36%	6,916	5,144	34%
<b>Operating Profit</b>	<b>N = I-K</b>	<b>5,928</b>	<b>6,660</b>	<b>(11%)</b>	<b>12,114</b>	<b>12,142</b>	<b>-</b>
<b>Core Operating Profit*</b>	<b>O = N-D</b>	<b>5,456</b>	<b>5,883</b>	<b>(7%)</b>	<b>11,064</b>	<b>10,877</b>	<b>2%</b>
Provisions other than taxes	P	1,735	4,343	(60%)	5,037	8,397	(40%)
- Recoveries in written-off a/c's		(536)	(209)	156%	(824)	(437)	89%
Profit Before Tax	Q = N-P	4,193	2,317	81%	7,077	3,745	89%
Tax Expenses	R	1,060	634	67%	1,784	950	88%
<b>Net Profit</b>	<b>S = Q-R</b>	<b>3,133</b>	<b>1,683</b>	<b>86%</b>	<b>5,293</b>	<b>2,795</b>	<b>89%</b>
EPS Diluted (in `) (annualized)		40.42	22.59		34.34	19.29	
Return on Average Assets (annualized)		1.19%	0.73%		1.03%	0.60%	
Return on Equity (annualized)		12.72%	7.95%		10.92%	6.86%	
Capital Adequacy Ratio** (Basel III)		20.04%	19.38%		20.04%	19.38%	

Prior period numbers have been regrouped as applicable for comparison

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

\*\* including profit

# Impact of changes on P&L line items pursuant to RBI Master Direction



Rs. in crores except %

P&L line item	Regrouped numbers post RBI Master Direction			Without effect of regrouping			Post regrouping		Without regrouping		Impact on YoY growth	Impact on QoQ growth
	Q2FY21	Q1FY22	Q2FY22	Q2FY21	Q1FY22	Q2FY22	YOY Growth (%)	QoQ Growth (%)	YOY Growth (%)	QoQ Growth (%)		
Other income	3,569	3,358	3,798	3,807	3,588	4,286	6.42%	13.10%	12.58%	19.45%	(6.16%)	(6.35%)
Operating Revenue	10,895	11,119	11,699	11,133	11,348	12,186	7.37%	5.22%	9.46%	7.38%	(2.09%)	(2.17%)
Operating Profit	6,660	6,186	5,928	6,898	6,416	6,416	(10.99%)	(4.17%)	(6.98%)	-	(4.00%)	(4.17%)
Core Operating Profit	5,883	5,608	5,456	6,092	5,896	5,992	(7.26%)	(2.71%)	(1.64%)	1.63%	(5.62%)	(4.34%)
Provisions & Contingencies (Other than tax)	4,343	3,302	1,735	4,581	3,532	2,223	(60.05%)	(47.46%)	(51.47%)	(37.07%)	8.58%	10.39%

Based on RBI Master Direction on Financial Statements – Presentation and Disclosures issued on 30<sup>th</sup> August, 2021

- Recoveries from written off accounts hitherto included as part of other income have been adjusted as a credit to provisions and contingencies and
- Provision for depreciation on investments hitherto classified as part of provisions and contingencies has been reclassified as part of other income

# Financial Performance



Financial Performance (\$ mn)		Q2FY22	Q2FY21	% Growth	H1FY22	H1FY21	% Growth
Interest Income	A	2,201	2,153	2%	4,357	4,368	-
Other Income	B = C+D+E	512	481	6%	964	781	24%
- Fee Income	C	435	371	17%	795	593	34%
- Trading Income	D	64	100	(36%)	139	166	(16%)
- Miscellaneous Income	E	13	10	24%	31	22	42%
<b>Total Income</b>	<b>F = A+B</b>	<b>2,712</b>	<b>2,634</b>	<b>3%</b>	<b>5,321</b>	<b>5,149</b>	<b>3%</b>
Interest Expended	G	1,136	1,166	(3%)	2,247	2,440	(8%)
<b>Net Interest Income</b>	<b>H = A-G</b>	<b>1,064</b>	<b>987</b>	<b>8%</b>	<b>2,110</b>	<b>1,928</b>	<b>9%</b>
<b>Operating Revenue</b>	<b>I = B+H</b>	<b>1,576</b>	<b>1,468</b>	<b>7%</b>	<b>3,074</b>	<b>2,708</b>	<b>13%</b>
Core Operating Revenue*	J = I-D	1,512	1,363	11%	2,932	2,538	16%
Operating Expenses	K	777	571	36%	1,442	1,073	34%
-Staff Expense	L	261	190	37%	510	380	34%
-Non Staff Expense	M	517	380	36%	932	693	34%
<b>Operating Profit</b>	<b>N = I-K</b>	<b>799</b>	<b>897</b>	<b>(11%)</b>	<b>1,632</b>	<b>1,636</b>	<b>-</b>
<b>Core Operating Profit*</b>	<b>O = N-D</b>	<b>735</b>	<b>793</b>	<b>(7%)</b>	<b>1,491</b>	<b>1,465</b>	<b>2%</b>
Provisions other than taxes	P	234	585	(60%)	679	1,131	(40%)
- Recoveries in written-off a/c's		(72)	(28)	156%	(111)	(59)	89%
Profit Before Tax	Q = N-P	565	312	81%	953	505	89%
Tax Expenses	R	143	85	67%	240	128	88%
<b>Net Profit</b>	<b>S = Q-R</b>	<b>422</b>	<b>227</b>	<b>86%</b>	<b>713</b>	<b>377</b>	<b>89%</b>
EPS Diluted (in `) (annualized)		40.42	22.59		34.34	19.29	
Return on Average Assets (annualized)		1.19%	0.73%		1.03%	0.60%	
Return on Equity (annualized)		12.72%	7.95%		10.92%	6.86%	
Capital Adequacy Ratio** (Basel III)		20.04%	19.38%		20.04%	19.38%	

Prior period numbers have been regrouped as applicable for comparison

\$ figures converted using exchange rate of 1\$ = ₹74.23

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

\*\* including profit

# Balance Sheet



Balance Sheet	As on 30 <sup>th</sup> Sep'21	As on 30 Sep'20		As on 30 <sup>th</sup> Sep'21	As on 30 <sup>th</sup> Sep'20	% Growth
<b>CAPITAL AND LIABILITIES</b>	In ₹ Crores	In ₹ Crores		in \$ Mn	in \$ Mn	
Capital	613	612		83	82	0.21%
Reserves & Surplus	1,06,470	97,052		14,343	13,074	10%
Employee Stock Option Outstanding (net)	82	-		11	-	
Deposits	7,36,286	6,23,667		99,190	84,018	18%
Borrowings	1,58,709	1,31,207		21,381	17,676	21%
Other Liabilities and Provisions	48,578	45,137		6,544	6,081	8%
<b>Total</b>	<b>10,50,738</b>	<b>8,97,675</b>		<b>1,41,552</b>	<b>1,20,932</b>	<b>17%</b>
<b>ASSETS</b>						
Cash and Balances with RBI / Banks and Call money	96,969	47,788		13,063	6,438	103%
Investments	2,49,816	2,00,290		33,654	26,982	25%
Advances	6,21,719	5,64,585		83,756	76,059	10%
Fixed Assets	4,280	4,360		577	588	(2%)
Other Assets	77,954	80,652		10,502	10,865	(3%)
<b>Total</b>	<b>10,50,738</b>	<b>8,97,675</b>		<b>1,41,552</b>	<b>1,20,932</b>	<b>17%</b>

Prior period numbers have been regrouped as applicable for comparison

\$ figures converted using exchange rate of 1\$ = ₹74.23

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