

Performance for the Year

Our alignment with the GPS strategy and transformational projects have resulted in a strong operating performance in fiscal 2024, evident from a 16% y-o-y increase in operating profit and a 16% y-o-y growth in net interest income. We remain well-capitalised to seize future growth opportunities, and our customer centricity and strategic banking approach of sector-specific portfolio diversification enable us to identify opportunities and manage our risks effectively.





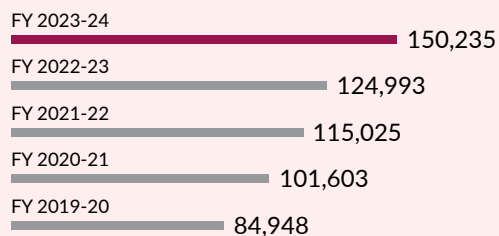
KEY PERFORMANCE INDICATORS

Generating Positive Value

Led by strong growth in Retail Banking, high treasury gains, a robust fee income, and healthy growth in deposits, we were able to put up a healthy performance during the year.

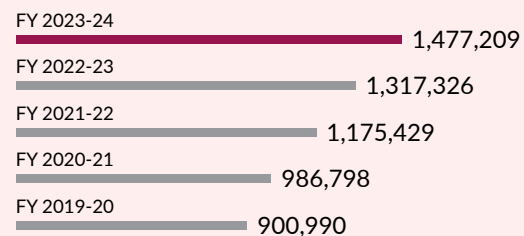
Balance Sheet

Capital & Reserves and Surplus (₹ in crores)



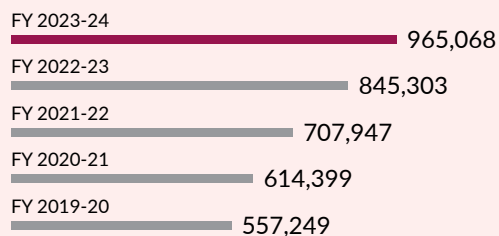
↑ 20% ↑ 15%

Total Assets (₹ in crores)



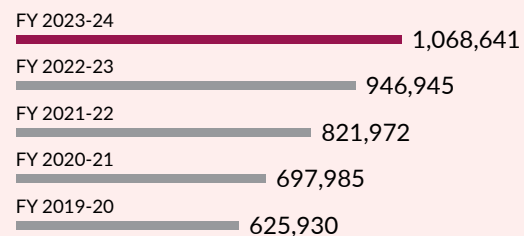
↑ 12% ↑ 13%

Total Advances (₹ in crores)



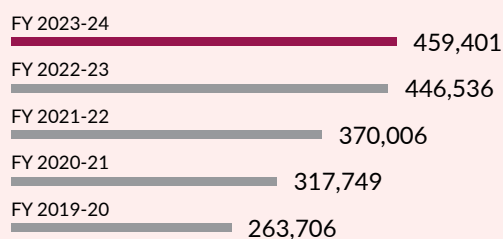
↑ 14% ↑ 15%

Total Deposits (₹ in crores)



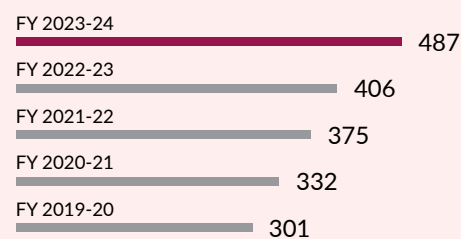
↑ 13% ↑ 14%

Current Account and Savings Account (CASA) (₹ in crores)



↑ 3% ↑ 15%

Book Value Per Share (₹)



↑ 20% ↑ 13%

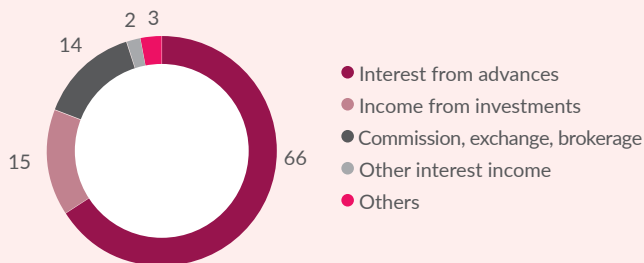
↑ y-o-y growth

↑ 4 year CAGR

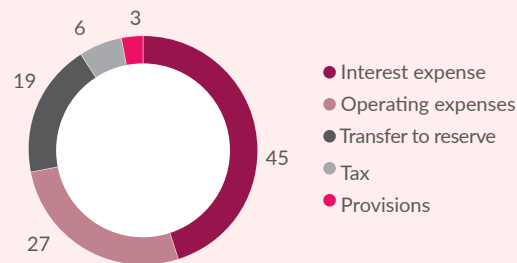


Profit and Loss

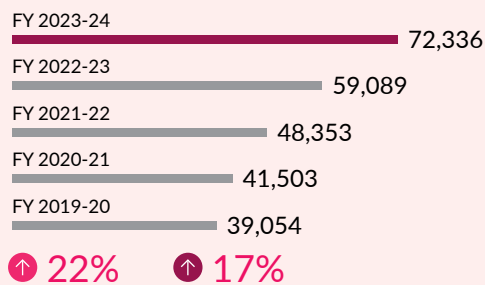
Rupee Earned (%)



Rupee Spent (%)

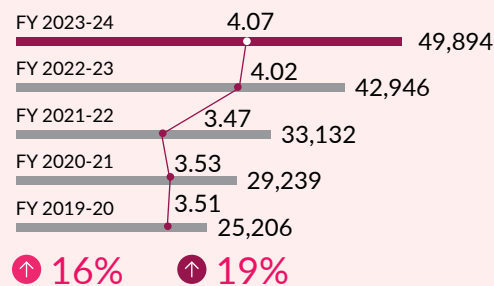


Operating Revenue (₹ in crores)

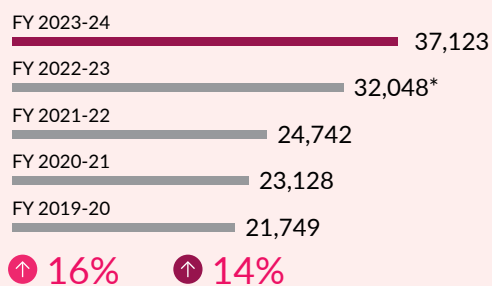


Net Interest Income (NII) (₹ in crores)

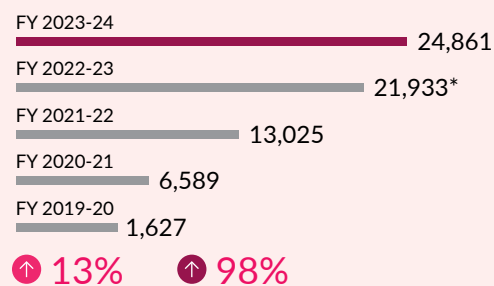
Net Interest Margin (NIM) (%)



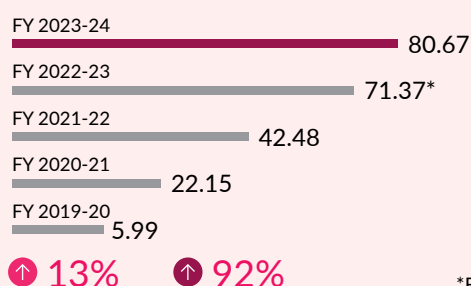
Operating Profit (₹ in crores)



Net Profit (₹ in crores)



Earnings Per Share (Basic) (₹)



*Excluding exceptional items

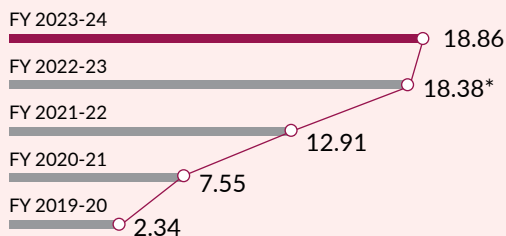
↑ y-o-y growth

↑ 4 year CAGR

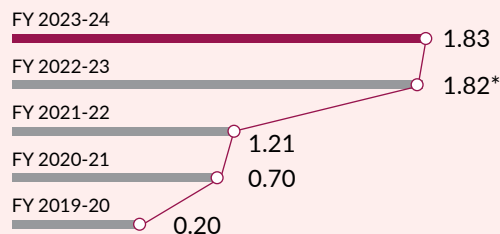
Above are standalone figures as on/for year ended March 31, 2024 unless otherwise mentioned

Key Ratios

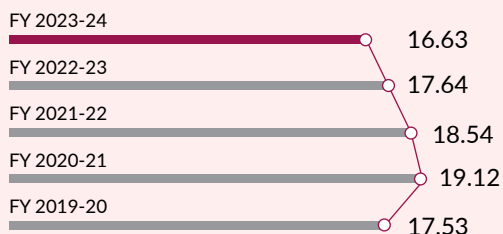
Return on Equity (ROE) (%)



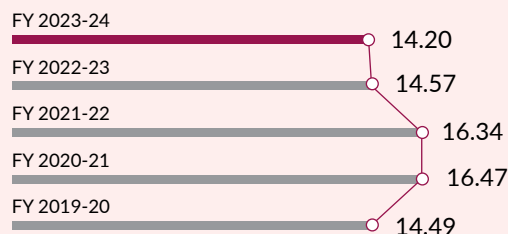
Return on Assets (ROA) (%)



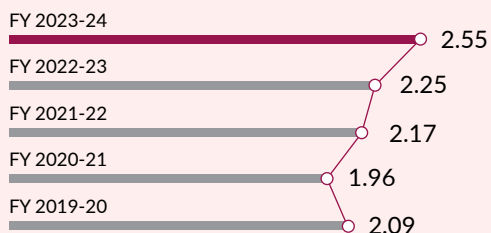
Capital Adequacy Ratio (%)



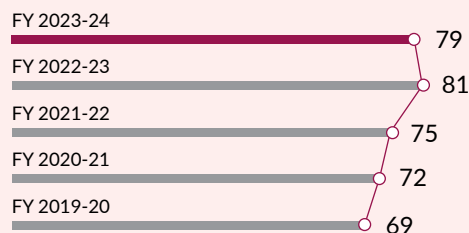
Tier 1 Capital (%)



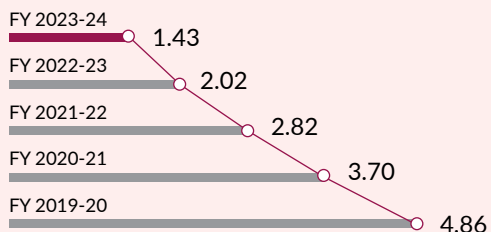
Cost to Asset Ratio (%)



Provision Coverage Ratio (%)



Gross NPA (%)



Net NPA (%)



Highlights of Subsidiaries^

22%

Growth in PAT of domestic subsidiaries

28%

Growth in Axis Finance PAT

58%

Growth in Axis Securities Broking Revenue

21%

Growth in Axis Capital Revenue from operations

20%

Growth in Axis AMC Equity QAAUM

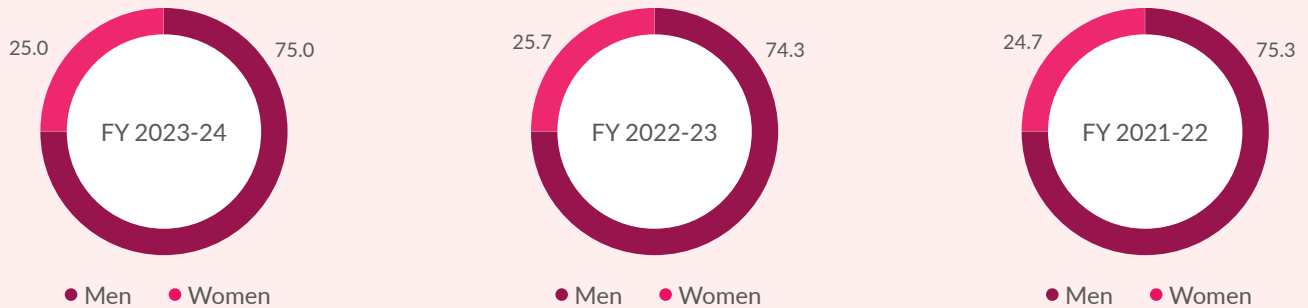
*Excluding exceptional items

^y-o-y growth

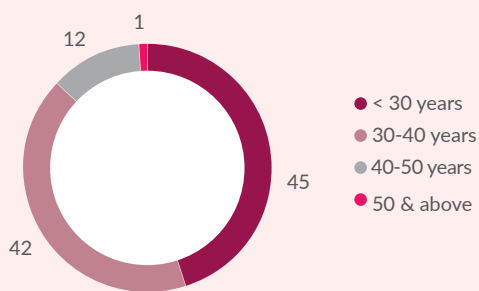


People

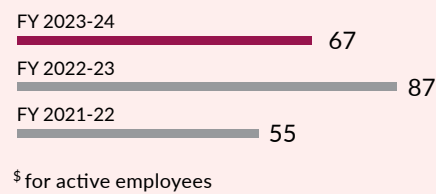
Gender Diversity (%)



Workforce by Age (%)

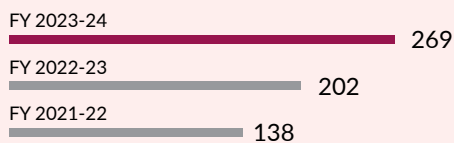


Average Person-hours of Training\$ (hrs)

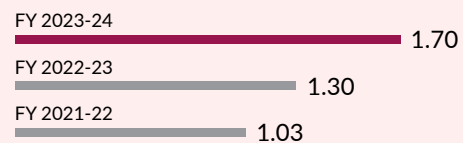


Community

CSR Spend* (₹ in crores)



Lives Impacted# (No. in million)



*Includes amount transferred to Unspent CSR accounts to be utilised in ongoing programmes in subsequent years

#Under the Sustainable Livelihoods Programme

Above are standalone figures as on/for year ended March 31, 2024 unless otherwise mentioned

MESSAGE FROM THE MANAGEMENT - RETAIL BANKING

Delivering Sustainable and Profitable Growth



Munish Sharda

Executive Director
(Retail Banking)



Arjun Chowdhry

Group Executive
(Affluent Banking, NRI,
Cards and Payments)



Sumit Bali

Group Executive
(Retail Lending and Payments)

The Retail Banking segment continues to be the mainstay of the Bank's GPS strategy as we delivered yet another year of strong growth. During the year, we made significant progress in our journey to create one of the best premium Retail Banking franchises, with improvement in the quality of our deposit franchise and sustained momentum in our Retail loan book. We also delivered strong growth in our focus segments such

as Rural and Small Business Banking, and maintained leadership position across Cards, Payments, and Wealth Management businesses.

In fiscal 2024, the LCR accretive deposits grew 18%, Retail loan book grew 20% on the back of all-time high disbursements, overall credit card spends grew 66%, Retail fees grew 36%, contributing 72% to the overall Bank fee income, and

we gained an incremental market share of 28% in Merchant Acquiring business to improve our positioning to #1. Further, with the scale-up of the Bharat Banking business, there was an improvement in our Retail Net Promoter Score (NPS). The acquired Citi consumer businesses are well on track for full integration, and we are progressing well on our journey to become a premium retail franchise.



Visible Improvement in the Growth of Granular Deposits and the Quality of our Deposit Franchise

Over the last few years, we have undertaken significant initiatives to improve the growth trajectory and strengthen the quality of our deposit franchise. Our micro market focused deposit mobilisation strategy, leveraging the various business segments within Retail, Bharat, SME, and Government, continues to progress well. During the year, we delivered 500 bps higher growth in deposits from retail and small business segments than our overall deposits. Further, the reduction in outflow rates by 500 bps in the last two years has helped us to drive balance sheet growth despite the challenging domestic liquidity environment.

During the year, we continued to focus on sweating the existing infrastructure and improve productivity across distribution channels, aided by multiple transformation project initiatives like 'Siddhi', 'Branch of the Future' and 'Triumph'; as well as institutionalisation of daily operating rigour and rhythm. At the same time, we continued to focus on identifying potential areas for expanding our distribution channel as we opened close to 500 new banking outlets in fiscal 2024, which is the highest ever for a particular year in the Bank's history.

The year saw us introduce several new product propositions that included 'Sampann', 'Suvidha Salary Programme' and renewed 'Priority Banking' programme among others

to offer the best of banking services and life experiences under one bouquet. Further, access to 1,600 Suvidha corporate labels from the Citi acquisition is also aiding the corporate SA growth. On the Wholesale segment, project NEO is helping drive higher transaction banking flows, leading to better current account balances.

Concerted efforts across the Bank to garner high-quality, stable and granular LCR accretive deposit growth provide us confidence to continue this growth momentum into fiscal 2025.

Our Premiumisation Strategy Has Performed Well with Strong Growth in Burgundy AUM

Premiumisation of the Liabilities franchise continues to be an important imperative for the Bank. Our Wealth Management business, 'Burgundy', remains among the largest in India, with combined Assets under Management (AUM) of ₹5.37 trillion that grew 50% y-o-y. The Burgundy franchise continues to leverage the capabilities of One Axis and its open architecture platform, with best-in-the-industry partners, to provide a comprehensive product suite to clients. 'Burgundy Private' proposition, which we launched four years ago, has been gaining scale with an AUM of over ₹1.83 trillion, and includes 35 of the top 100 richest Indians (as per *Forbes* list) as its clients.

We have further improved our service architecture led by several digital initiatives, and our customer obsession project 'SPARSH', provides a truly enhanced, distinctive, and industry-first service experience for



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our premium segment customers. Our efforts to create a strong, differentiated, and compelling brand proposition continue to be recognised externally, with the Bank winning the award for 'Best Private Bank for Client Acquisition, Asia' at the PWM Wealth Tech Awards 2023 and 'Best Private Bank for Digital Marketing & Communications' at the Global Private Banker Wealth Tech Awards 2024.

Citibank's Consumer Business Integration is Progressing Well, Further Aiding the Growth Trajectory

The Citibank consumer business portfolio that we had acquired in fiscal 2023 has grown better than our internal estimates, with the employee and customer base embracing migration to a broader platform.

There has been strong growth in Retail Assets and Wealth Management businesses as customers have benefited from seamless transition to the stronger and more powerful 'One Axis' proposition with a wider bouquet of products and services.

On the deposits side, the acquisition of a sizeable premium and granular customer base has strengthened our liability franchise with ~1,600 Suvidha corporate relationships acknowledging our broader offerings and deep presence across the country.

With full integration on track to be completed by the middle of fiscal 2025, we expect to realise further benefits from the various synergy initiatives that we had taken up in fiscal 2024 to improve business growth.

Delivered Strong Growth Across our Focused Retail Segments

Our Retail Lending franchise that now constitutes 60% of the Bank's overall advances, continues to deliver sustained growth across segments with a higher growth across our identified focus segments. In fiscal 2024, we delivered strong performance with a 28% y-o-y growth in disbursements, aided by our wide omnichannel distribution, strategic partnerships and best-in-class digital properties.

In line with our GPS strategy, the focus has been on delivering profitable growth led by business mix optimisation towards higher RAROC segments. The Bank's focus segments, such as Small Business Banking, Rural, Personal Loans and Credit Cards delivered higher growth of over 30% each, led by deepening relationships with Existing to Bank (ETB) customers while leveraging the Known to Bank (KTB) partnerships to acquire new customers.

Our significant investments in digital and technology towards building curated digital onboarding journeys, upgrading the Core Cards platform, enabling front-line staff with varied digital tools on BYOD platform, and other measures have played a key role in the sustained growth story of the Retail franchise.

We continue to leverage our best-in-class data analytical capabilities around proprietary database programmes, alternate data, KTB scorecards and hyper personalisation to drive higher growth across our unsecured retail product segments. For instance, we have now stamped nearly 50% of our retail customer base of 4.5 crore customers for ETB database lending programmes. As part of our universal underwriting project, we have a further stamped base of nearly 19 crore customers, which constitutes nearly 25% of the lendable population, thereby offering immense potential to acquire new customers.

Bharat Banking - Our Distinctiveness Initiative Continues to Scale Up Well

Our strategy to drive higher business growth from rural and semi urban (RuSu) markets made strong progress during the year, with nearly 30% increase in disbursements and 12% growth in deposits through the Bharat Banking vertical. The growth has been across all the major product lines and is value accretive for the Bank due to higher yield, fees and PSL accretion from the RuSu markets.



The Bharat Banking vertical continues to work together with other parts of the Bank to provide customer-centric solutions related to products, which largely cater to agri, rural and farm-to-fork supply chain segments while driving deeper penetration with other Retail assets and Liability products in the RuSu markets.”

One of the key strategic imperatives has been to build a low-cost distribution model with digital at the core. During the year, we scaled up the distribution footprint in this segment to 2,480+ branches, complemented by a large CSC (Common Service Centres) network of 64,550+ VLEs (Village Level Entrepreneurs). The Bharat Banking vertical continues to work together with other parts of the Bank to provide customer-centric solutions related to products, which largely cater to agri, rural and farm-to-fork supply chain segments while driving deeper penetration with other Retail Assets and Liability products in the RuSu markets.

We have also significantly expanded the partnership ecosystem with 80+ partners and continue to pursue co-lending opportunities as we collaborate with marquee names such as ITC, India Post Payments Bank, Airtel Payments Bank, etc. to further penetrate rural supply chains and enhance our distribution.



During the year, the Bank launched a savings product, 'Sampann', for the mass-affluent segment, scaled up tractor refinancing, launched revamped digital customer journeys for farm mechanisation and launched digital Kisan Credit Cards (KCC) and unsecured MSME loans in partnership with the RBI Innovation Hub.

We believe that we are rightly positioned to capture higher incremental business share across high growth RuSu markets, backed by our deep distribution, comprehensive product suite, investment in digital initiatives, robust partnership ecosystem, and proven expertise in lending to RuSu customers.

Maintained our Strong Positioning in Cards and Payments Aided by Powerful Product Propositions and Strategic Partnerships

During the year, we continued to witness strong traction across Credit Card issuances, spends and advances. We issued over 4.8 million Credit Cards in fiscal 2024, a new all-time high led by our best-in-class product offerings, strong data analytics and Known to Bank (KTB) partnership strategy. Our co-branded card, 'Flipkart Axis Bank Credit Card', crossed yet another significant milestone to end the year with 4.13 million cards in force, making it one of the fastest-growing co-branded portfolios since its launch in July 2019.

We continue to offer among the best product propositions for our customers, as reflected in 66% y-o-y growth in Credit Card spends for the year, which touched a new yearly high of ₹2.25 lakh crores. Even as the revolve rates continue to be lower as compared to the pre-COVID period, our Credit Card advances saw healthy

growth, aided by revamped EMI conversion journeys on our highly rated 'Axis Mobile' app.

In the merchant acquiring space, we gained an incremental market share of 28% in fiscal 2024 to lead the market share ranking table, led by our innovative product offerings and 'One Axis' approach to offer integrated ecosystem solutions towards empowering merchants. In the UPI payments space, we continue to partner with new fintech players to drive higher payment volumes. In UPI, we maintained a strong market share of 26% by value as on March 31, 2024.

Our investments towards building a robust IT infrastructure and upgrading capabilities have helped us become the preferred partner with fintech and corporates as we closed the year with 100+ partnerships.



We continue to offer among the best product propositions for our customers, as reflected in 66% y-o-y growth in Credit Card spends for the year, which touched a new yearly high of ₹2.25 lakh crores."

We are Well Placed to Create One of the Best Premium Retail Banking Franchises in India

We have, over the years, built a strong risk management architecture in Retail with a well-defined risk appetite and retail lending policies across product segments. The asset quality in Retail remained stable with a net NPA ratio of 0.42%.

We believe the trend of rising consumerism, growing affluent population and urbanisation in India, with better access to credit, will continue to drive strong growth in the Retail business. We, at Axis Bank, are well placed to leverage this trend on the back of our extensive reach, strategic partnerships, and our leadership in data analytics. Our strong performance in fiscal 2024, gives us the confidence to deliver sustainable and profitable growth while strengthening our market leadership in our key focus segments.

Warm regards,

Munish Sharda

Executive Director
(Retail Banking)

Arjun Chowdhry

Group Executive
(Affluent Banking, NRI, Cards and Payments)

Sumit Bali

Group Executive
(Retail Lending and Payments)

BUSINESS SEGMENT PERFORMANCE – RETAIL BANKING

Opening a World of Possibilities

Supported by continued growth in consumer spending, innovative payment products, synergies with the acquired Citibank business, and improved resource mobilisation, Retail Banking was able to sustain a strong growth momentum.

Capitals Impacted



SDGs Impacted



Retail franchise is growing faster than the industry, led by our focused execution of GPS strategy and the ongoing transformational projects. We continue to focus on building iconic payment products to deepen customer engagement and cater to digital payment users. Committed to being a partner of choice and

creating a distinctive customer experience, our retail franchise offers a world of possibilities to our customers. During the fiscal year 2024, the Retail segment contributed 76%, 60% and 72% to the Bank's deposits (in the form of CASA and Retail Term Deposits), advances and fee income respectively.





Retail Lending

Our retail franchise is focused on deepening our connect with individuals and businesses by offering innovative products and transformation initiatives through our branches and mobile app. The demand of the Indian consumers has changed and owing to that, we expect to see continued growth in consumer spending. This will create a huge demand for consumer-led loans. Our retail assets strategy is to drive business growth with a focus on high Risk Adjusted Return on Capital (RAROC) businesses, and aiming for higher incremental market share in chosen segments. We increased the growth in “focus product segments” within retail, by 31% y-o-y, as against Retail advances growth of 20%.

Enhancing resource productivity, leveraging partnerships, driving fee growth, deepening geographical reach, expanding digital channels, and strengthening risk management frameworks are all pivotal aspects of our strategy.

₹58.33 trillion

Retail net advances up by
 20% on y-o-y basis

60%

Retail advances as a % to
 Total net advances of the Bank



UPI & Partnerships

We strengthened our market presence with strategic UPI, acquiring, and issuance partnerships, boasting 83.7 crores registered virtual payment addresses (VPAs). In UPI, we maintained our strong position with a market share of 26% by value as on March 31, 2024. Further, during the year, the market share was 20% as Payer Payment Service Provider (PSP) by volumes and 19% in Payment-to-Merchant (P2M) acquiring throughput, as against 17% and 18% in fiscal 2023 for Payer PSP by volumes and P2M acquiring throughput, respectively.

Collaborations with fintech players such as PhonePe and Google Pay are driving UPI volumes, while initiatives like RuPay credit card on UPI are helping us enhance presence. Our ongoing investments in UPI infrastructure and cloud migration ensure sustained growth. In the UPI space, the Bank continues its efforts towards distinctiveness in becoming one of the leading payment franchises in the country by driving continued growth and focus on seamless customer experience.

26%

UPI market share

~8.3 million

Merchants
 transacting per day on
 our UPI stack



Credit Card Market Soars

The business has sustained its growth momentum with steady traction in credit cards market share, and strong growth in acquisitions, cards in force as well as spends. We ended fiscal 2024 with 1 million+ cards sourced for nine consecutive quarters, and a cumulative ~4.8 million cards, driven by strong data analytics capabilities and Known to Bank (KTB) strategy.

The acquisition of Citi's card business has further provided us a complementary quality portfolio of 1.8 million cards, with one of the highest transactions per card across industry. We had 14 million cards in force with a market share of 14% as of March 31, 2024. The acquisition of Citi's card business further augments the Bank's position as the fourth largest Credit Card player in India and continues to have the fastest-growing book with a healthy accretion of ~19% to existing card advances as of March 31, 2024.

The credit cards business also touched the highest ever YTD spends of ~₹2.25 lakh crores, with overall retail card spending growing at 76% y-o-y, another milestone for the business.

~4.8 million

Credit cards issued
 in fiscal 2024

Building Blocks for Tomorrow

Reimagining the Branch Channel:

To enhance business growth, we prioritise expanding within our existing customer base. This strategy capitalises on customer loyalty, boosts portfolio performance, increases wallet share, and reduces acquisition costs.

Investment in People:

We have invested in training our frontline staff and digitally empowering our sales teams and branch operations. These investments aim to enhance frontline productivity through initiatives like Unnati and implementing end-to-end digital journeys for onboarding and servicing.

Enhanced Customer Experience and Customer Delight:

We prioritise customer feedback to drive a culture of agility and customer centricity. Utilising Net Promoter Scores (NPS), we continuously assess performance across the customer journey, from lead creation to disbursement.

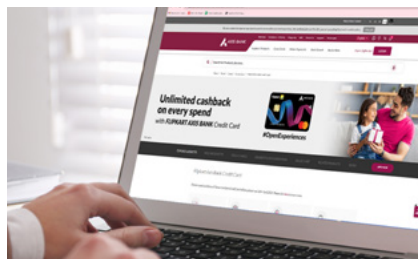


Digital Initiatives

We are actively reducing our environmental impact by promoting digital banking platforms. Initiatives like Project Sankalp have optimised the banking journeys of small businesses, with over 95% of business loans now disbursed digitally. We have launched OMEGA for home loans and digital journeys for instant approvals. Our DIY digital journeys contribute over 60% to personal loans. Also, “more than 95% of Business Loans, Two-Wheeler and ODFD are disbursed digitally”. We offer seamless digital solutions across channels, including car and two-wheeler loans. MSME lending in the Bharat Bank franchise is growing strongly, and initiatives like Project Myrtle and Project SPARSH focus on data migration and customer satisfaction respectively.

Under our Retail Lending segment, Project Athena is a focused effort to amplify our Personal Loan business,

targeting a significant increase in monthly disbursements from the fiscal 2023 baseline. With 80 initiatives spread across five key workstreams, targeted at expanding customer bases, optimising channel efficiencies, and leveraging partnerships, the project aims to drive substantial growth. Agile portfolio monitoring and targeted growth levers further enhance our ability to adapt to and excel in the dynamic lending landscape.



Redefining Customer Engagement

Our co-branded card ‘Flipkart Axis Bank Credit Card’, achieved yet another significant milestone of 4.13 million cards, making it one of the fastest-growing co-branded portfolios since its 2019 launch. The Axis Bank spends on partnership cards continue to outperform industry in terms of

activation and card usage with better risk outcomes.

The launch of Magnus for Burgundy was another milestone achieved by the business which added to the cards product suite. This led to momentum on acquiring Burgundy accounts.

We continue to invest in improved sourcing and offer propositions like Wednesday Delights, Grab Deals along with long term programmes like Dining Delights 2.0, Miles programme, Duty-free programme and others to deepen spends.

The recently launched Duty-free programme for Axis cardholders spans across 14 airports across India. This programme is a testament of adopting the best practices from the Citi business synergy.

On the acquiring front, we gained an incremental terminal market share of 28% in fiscal 2024 led by our ‘One Axis’ approach towards empowering merchants with innovative offerings and integrated ecosystem solutions like ‘Pin-on-glass’ and ‘Zero-day installations’ that we launched during the year.



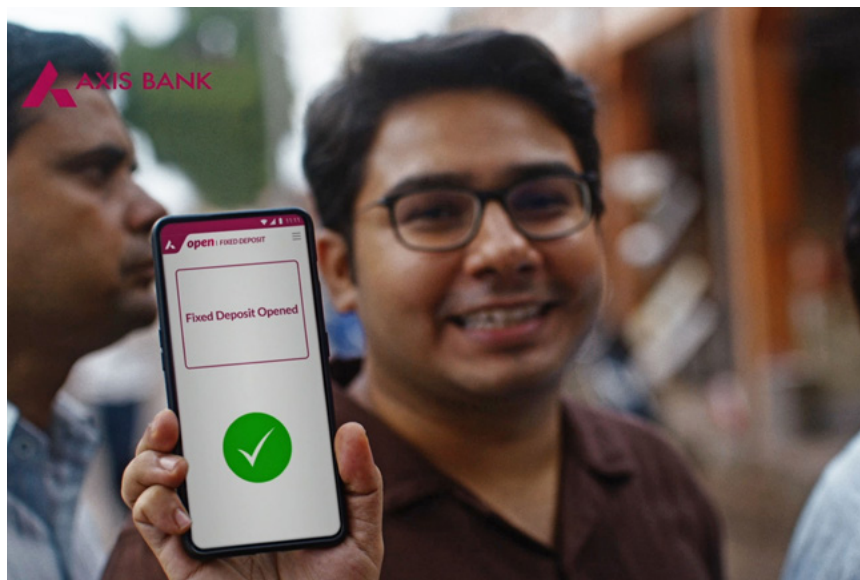
Liability Franchise Progress

Our strategic focus remains on 'quality of growth', with growth in Retail Term Deposits by 17% and 13% overall growth in Deposits on y-o-y basis. Monthly Daily Average Balance (MDAB) is chosen as the metric for deposit growth, which reflects sustained balance growth, while market share is reported in Month-End Balance (MEB) terms. In fiscal 2024, efforts were made to transform core liability, reducing reliance on expensive short-term funding to enhance profitability.

Additionally, we ensured end-to-end lead management in liability channels and expanded opportunities across other areas of the balance sheet, including assets, cards, and Bharat Banking, to drive deposit growth and create sales opportunities beyond core liability channels.

5.2%

↑ Premium SA MDAB deposits on y-o-y basis



Retail Deposits

A key element of the Bank's Retail Deposits strategy has been the shift from a 'product centric' to a 'customer centric' approach with an objective to have sharper growth in deposits from Existing to Bank (ETB) as well as New to Bank (NTB) customers. The Bank's micromarket-focused approach to address the specific needs of customers in a particular district, leveraging its strong distribution reach and 'One Axis' approach, has seen strong progress in the last four years where its market share in deposits averaged out at ~5%.

The Bank remains focused on garnering high quality, stable and granular retail deposits in order to drive its balance sheet growth. During the year, the Bank made multiple strategic changes across Deposit franchise by transforming the NTB engine while reinforcing the ETB engagement supported by differentiated product propositions and Digital enablers.

The growth trajectory of Retail Term Deposits continued to improve through the year as the Bank continued to focus on new individual customers leveraging its strong acquisition channels. This has been achieved through innovative offerings such as the industry-first full KYC digital term deposit, digital alliances, and a revamped mobile banking journey that allows for quick and easy FD booking. The Bank also launched a digital journey to source deposits from its existing non-CASA base.

Premiumisation of Deposits franchise continues to be an important imperative for the Bank. During the year, the Bank introduced several new product propositions that included 'Sampann', 'Suvidha Salary Programme' and renewed 'Priority Banking' programme among others to offer the best of banking services and life experiences under one bouquet.

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Wealth Management

In less than a decade since its launch, our Burgundy franchise has become a leading player in wealth management. This has now been further boosted by the integration of Citibank’s wealth management business. The combined franchise serves over 10,650 clients and their families, helping them manage over ₹5.4 trillion of their financial assets. We share a very strong relationship with each family, duly corroborated by the high average of ~4 products per family (PPF) ratio. The business strategy centred around client-centricity, offering a comprehensive range of financial products & services for self,

family, and business needs has yielded the desired results. The Burgundy business was built on **four pillars**, to ensure convenience for clients, and delivering returns for shareholders, and we continue to build and further strengthen each of these.

50% y-o-y

Multifold growth of Burgundy offering with 441,300 clients

₹1.83 trillion

↑ 33% y-o-y

Burgundy Private AUM*

* Consists of deposits and assets under advice

The Four Pillars of Burgundy Business

People

The diverse and experienced team comprises of Burgundy Private Partners & Service Partners, Burgundy Relationship Managers, and Specialists in Wealth Management and Investment Advisory*. Guided by our ‘3i’ approach - Integrity, Intellect, and Innovation - this team, with an average experience of over 17 years has helped us win not only our client’s hearts but also various global awards. Our people policies focus on attracting and retaining talent, fostering a performance-based culture, encouraging teamwork, and upholding high standards of conduct to create sustainable value for stakeholders.

Service

Our hybrid servicing model blends high-touch with high-tech. Clients enjoy personalized service from Partners/Relationship Managers along with convenient access through Internet banking & the highly rated Mobile banking app, enhancing the client experience. We are progressing in our attempt to be ‘First Time Right’ and provide guarantee to our clients for execution of specific service requests within a pre-defined time frame, helping us stand out in this intensely competitive market. The learnings from global best practices of Citibank’s franchise and regular feedback from our clients is helping us further enhance the client experience.

Granularity

Our upgraded wealth management system integrates seamlessly with the core banking and the digital platforms of the Bank, enhancing efficiency and scalability. The omni-channel capability coupled with the advanced analytics and simplified operations has helped us scale geographically while ensuring the same enhanced risk management. Burgundy is offered in 400+ cities across 4,950+ branches across India. Burgundy Private is available in 27 cities and growing. We continue to invest in technology to improve our proposition, increase productivity and reduce costs.

One Axis

Over the years, One Axis has become an organisational philosophy that defines how we serve our clients in an extremely competitive business environment. It not only helps bring together the intellectual capital and expertise across all our businesses in the Bank and other Axis group companies but also helps in providing various products & Services to be able to meet all the financial needs of our clients, their families and business requirements in a comprehensive manner.

* Investment Advisory services are provided by Axis Securities Limited



STAR Behaviour: Take charge

The customer had closed his loan and wanted his the property documents. The Bank official, Mr. Jas Patel, came to know that one of property owners was suffering from cancer and had just undergone surgery.

Due to serious health issues, the property owner was not able to visit RAC and collect property documents. The Bank official visited the customer's residence and handed over all property documents to the property owners within the scheduled timeline.



Voice of the customer

“I am writing to express my sincere appreciation for the exceptional service I have received from your Bank. I would like to extend my gratitude to Mr. Jas Patel, whose dedication and expertise have been instrumental in addressing my banking needs. In closing, I would like to commend the entire Axis Bank team for their unwavering commitment to excellence. Your dedication to providing top-tier service has not gone unnoticed, and I look forward to continuing our mutually beneficial relationship for years to come.”

Outlook and focus for 2025-27

Productivity

Improving resource productivity, boosting liability growth through non-liabilities channels. Branch expansion strategy prioritises advanced centre selection. Micromarket-based sourcing enhances physical channel productivity. Leveraging of co-origination and enhanced digital journeys drive digital acquisition.

Granularity

Accelerating our acquisition engine by implementing a district-level strategy, targeting high-potential segments and focusing on capturing white spaces in COEs like education/healthcare and Mandi/industrial clusters, including corporate parks.

Customer Centricity

Focusing on customer centricity, we envision continuous product innovation tailored to deep customer insights. Our objective remains offering the perfect proposition to each segment. Embracing futuristic tools like 'Siddhi', we empower Relationship Managers for enhanced efficiency. We foresee transforming corporate salary with the power of 'One Axis', alongside ongoing rationalisation of charges.

People Centricity

Prioritising people-centricity by focusing on our People & KRA strategy. Efforts to include building key client relationships across the Bank, reducing frontline sales employee attrition, and upskilling resources to drive premiumisation.

MESSAGE FROM THE MANAGEMENT – WHOLESALE BANKING

A Trusted Banking Partner of Corporate India



Rajiv Anand
Deputy Managing Director

Fiscal 2024 was yet another significant year for the Bank as we took big strides in our journey to become the Operational Banker of Choice for Corporate India. In line with our stated strategy, we continued focusing on relationship RAROC-led approach and offering innovative holistic solutions to deliver profitable and sustainable growth.

Over the last few years, we have significantly reinforced our Wholesale Bank's client focus, strengthening the organisational architecture across coverage, service, and technology, along with our 'One Axis' capabilities. During the year, we further strengthened our proposition, led by strong growth in advances across the focused business segments that grew 19% y-o-y. We also gained market share across transaction banking businesses, which led to steady growth in granular non-credit fees, and launched new offerings under 'NEO', our digital platform for corporates and MSMEs.

Strong Relationship-led Franchise, Serving Client Requirements Across the Capital Structure

Corporate India's balance sheets continue to remain strong, with high operating cash flows and relatively low leverage. Private capex has been a lot more measured as corporates remain cautious, funding new capacity additions mostly through internal accruals and lower debt component.

Over the past five year, we have transitioned the Wholesale Bank from an asset-focused business model to a strong relationship-led franchise, improving the rating mix and diversification of book towards well-rated corporates. With Corporate India being quite savvy in managing cash flows, our focus in Wholesale has been to ensure that we are serving them across the capital structure to get a higher share of their overall business rather than just focusing on balance sheet growth.

We continue to deliver 'One Axis' to our customers, providing

them with products and solutions across traditional wholesale and transaction banking, debt capital markets, investment banking, asset management and retail banking products. Our concerted efforts to serve clients across the coverage and product segments, and subsidiaries continue to be recognised externally, with the Bank receiving several key awards and accolades. The Bank was recognised as the 'Share Leader 2023' for Market Penetration – Local Banks in the Indian Large Corporate Banking and Middle Market segments respectively at the Coalition Greenwich Awards for the third consecutive year. The Bank was also ranked #1 bookrunner in India Borrower Local Currency Loans as per the India Capital Market League Tables published by Bloomberg for 2023 .

Delivered Disproportionately Higher Growth in our Focus Segments

The MSME segment remains a key growth driver for us, given that it is a granular and well-diversified portfolio and offers us a relatively better RAROC opportunity. The book size of our focused segments, including SME and Mid-corporate, has nearly doubled in the last three years. It now constitutes 40% of the Wholesale Book, up from 25% in fiscal 2020, thereby bringing in a greater level of granularity to the overall portfolio while contributing to the PSL agenda.

One of our strengths is our ability to recognise the different segments and provide specific banking and beyond solutions to our 4 lakh+



MSME customers across their business life cycle. During the year, we launched NEO for Business, a first-of-a-kind mobile first transaction banking platform, specially curated for the MSMEs' banking and beyond banking needs. The proposition has seen strong acceptance, with over 60K customers onboarded in the six months since launch.

Our differentiated approach towards customer and product selection together with our well-diversified book and strong credit underwriting, has helped us keep the risks under control in the MSME segment, reflected in net slippages of just ₹273 crores in fiscal 2024. The net NPAs in the SME segment further declined by 7 bps y-o-y to 0.26% with provision coverage at 72%.

The MNC and New Economy segments also remain a priority for us. Today, we have active relationship with 67% of unicorns and over 40% of Series D funded startups in the country.

Our overseas book, which constitutes ~10% of our overall Corporate loan book, continues to be majorly dominated by high-rated Indian conglomerates and PSU entities. During the year, we became the first bank to launch digital US dollar fixed deposits for retail NRI customers at our GIFT City IFSC Banking Unit. The Bank's Dubai International Financial Centre (DIFC) also won the FINEXT Awards for Excellence in Finance Companies in Banking.

Our Solution-oriented Approach in Government Business is Aiding us to Drive Deposits Growth

We have been a trusted banking partner of the Government sector in India, led by our strong relationship management and a solution-oriented approach across payments, collections, deposits, and liquidity management. During the year, we implemented over 250 digital mandates aided by

best-in-class banking technology, digital innovation and beyond banking solutions. We continued to leverage our nation-wide presence and our technology prowess to get a larger share of Government flows across multiple programmes, both at the Central and State Government level, right from the Consolidated Fund of India all the way down to the individual beneficiaries. During the year, our deposits from Government business grew by 19% y-o-y as the Wholesale Banking team worked closely with Bharat Banking and Branch Banking teams.

Strengthened our Proposition as a Transaction Bank with Increase in Market Share across Product Segments

We have invested significantly in talent and expertise to build a cohesive Transaction Banking and Treasury franchise. We were one of the first banks to implement an e-Bank Guarantee (e-BG) solution for one of the large PSUs and executed an onshore INR Non-Deliverable Derivative trade transaction for a large domestic client. We also introduced new categories on Bharat Bill Payment System (BBPS), among several other initiatives during the year.

As a result, we improved our market positioning in payments and won significant mandates from large fintech and payment aggregators, led by our comprehensive API stack and technology-backed solutions across current account, cash management, trade finance, etc. We continued to maintain a leadership position across products, with a market share of over 35% in IMPS and 30% in NEFT (in terms of volumes), 20% in the Bharat Bill Payment ecosystem and 11% in foreign LC. Resultantly, fees related to transaction banking, forex and trade constituted 77% of the Wholesale Banking fees in fiscal 2024, up nearly 900 bps in the last five years.

Strong Progress towards Becoming Best-in-class Digital Wholesale Bank

Our path-breaking digital banking platform 'NEO by Axis Bank' continued to demonstrate a strong product market fit. With over 1,800 corporates integrated on APIs, there has been ~6x growth in transaction volumes, over 4x growth in transaction throughput and 2x growth in the linked CA balances in the last 12 months.

Our Corporate Developer Portal now offers over 125 Open Banking APIs that allow seamless end-to-end digital onboarding tailored to clients' specific businesses. We also launched 'NEO for Corporates', a cloud-based digital banking solution that provides a unified platform across payments, trade, forex, and more. This integrated platform will significantly increase ease of doing business for large corporates while enabling us to scale products rapidly. With a full rollout of NEO, Axis remains on track to becoming the Operational Bank of choice for our Wholesale Banking clients.

Benign Asset Quality Environment and Strong Manufacturing Activity to Support Broad-based Credit Growth

Given Corporates' low leverage, there is ample headroom for them to drive capacity expansion in the future. Banks like us are well positioned to support Corporate India across the capital structure in this next phase of growth. I remain confident that our distinctiveness around 'One Axis', digital and customer centricity along with our RaRoC-focused approach towards driving growth will help us gain market share and build a sustainable and profitable Wholesale Bank.

Warm regards,

Rajiv Anand
Deputy Managing Director

BUSINESS SEGMENT PERFORMANCE - WHOLESALE BANKING

Expanding Reach and Convenience

Our Wholesale Banking business prioritises client-centricity, aiming to deliver unparalleled service through a robust organisational structure and market leadership. An extensive physical reach and digital offerings are ensuring greater access as well as a seamless banking experience to our customers.

<p>Capitals Impacted</p> <hr/> <p>FC IC MC</p>	<p>SDGs Impacted</p> <hr/> 
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Customer focus drives our approach in Wholesale Banking, particularly for Medium Enterprises (MEs), where we have implemented initiatives such as the ‘Evolve’ knowledge series and regular customer satisfaction surveys. Relationship Managers equipped with digital tools and data insights deliver timely solutions, fostering lasting partnerships. Our state-of-the-art Digital Corporate Banking platform, NEO, integrates a comprehensive suite of transaction banking products tailored to clients’ specific needs.



7%
Corporate advances y-o-y growth (Gross of IBPC sold)

22%
Mid-Corporate y-o-y growth

5%
Current Account y-o-y growth

17%
SME y-o-y growth

11.4%
Market share in foreign LC

1st
Rank in Debt Capital Markets for rupee bonds

89%
Share of Corporate Advances to clients rated A- and above

11%
Corporate & Commercial banking Fee Income y-o-y growth



One Axis

Under 'One Axis', we provide comprehensive products and services through our business segments and subsidiaries. In collaboration with Axis Capital, we have executed around 32% mandates with our valued customers. Additionally, our Wholesale Bank has onboarded around 50% of Burgundy Private Relationships this fiscal year.

Axis Trustee has achieved 10% of new business through the Wholesale Banking and Corporate Group. We are proud leaders in BBPS, NEFT, and IMPS transactions.

Ranked #1 Bookrunner for Local Currency Loans and #2 for India Borrower Loans in 2023 by Bloomberg

Treasury

We offer a comprehensive range of treasury services, including forex remittances, interest rate and derivatives products, bullion business, money market services, constituent SGL facilities, and retailing of government securities. Our online deal booking platform, FXConnect, provides convenient access for our customers.

Axis Bank ranked 1st on Bloomberg DCM league table for 16 straight years.

During the fiscal 2024, the Bank raised ₹3,851 crores through issuance of Infra bonds with a maturity of ten years.

We are currently making steady progress in migrating to a fully integrated state-of-the-art Treasury system as part of our technology upgrade. Phase 1 of the migration was

successfully completed in fiscal 2024 with Phase 2 expected to go live in fiscal 2025.

Recognised as 'Syndicated Loan House of the Year, India' at the Syndicated Loan Market Awards 2023, by Asia Pacific Loan Market Association (APLMA)

Performance in Fiscal 2024

As of March 31, 2024, our corporate loan book reached ₹277,086 crores, marking a 7% increase from the previous year (gross of IBPC sold). Notably, the Mid-Corporate and Commercial Banking Group (CBG) segments displayed robust growth. Our Government Business segment remained robust, with gross inflows of ₹27.95 lakh crores in fiscal 2024, contributing to a 4.1% market share in the Government Banking space. Our strategic approach focuses on sector-specific portfolio diversification, enabling us to identify opportunities and manage risks effectively.

One Axis

 **AXIS BANK FOUNDATION**

 **AXIS SECURITIES**

 **AXIS MUTUAL FUND**

 **AXIS CAPITAL**

 **AXIS PENSION FUND**

 **AXIS FINANCE**

 **INVOICEMART**
A joint venture of Axis Bank and mjunction

 **AXIS TRUSTEE**

 **FREECHARGE**
by  **AXIS BANK**

Digital Transformation and Geographical Reach

With a widespread geographical presence across India, we ensure accessibility and service delivery, fortifying our position as a preferred financial institution nationwide. We acknowledge the importance of both physical and digital presence, and thus maintain a strong branch network while innovating and expanding our digital offerings. Our phygital approach offers flexibility, allowing clients to choose between our extensive branch network and our convenient digital platform.

Additionally, our digitally sourced KPIs reflect the effectiveness of platforms like NEO for Business, showcasing a significant increase in digitally sourced loans. This integration of physical and digital elements enhances our ability to cater to diverse needs effectively.

NEO for Business

Our digital banking platform stands out with its versatile features, including online account opening, effortless fund transfers, bill payments, trade finance solutions, real-time account monitoring, and customisable dashboards that offer efficiency and convenience to customers.

Whether it is about initiating transactions, monitoring accounts, or accessing tailored insights, our platform empowers customers to manage their financial needs with confidence and ease, ensuring a smooth banking experience at every step. Moreover, NEO seamlessly integrates and enhances capabilities to provide innovative banking solutions to our valued clients.

Serving MSME Needs

Rapidly expanding, our Commercial Banking Group (CBG) serves MSME needs across the customer value chain with comprehensive solutions from loans to trade/forex to liabilities. This banking segment is being strategically positioned to emerge as the preferred financial partner for MSMEs.

In fiscal 2024, the CBG segment made substantial contributions to Priority Sector Lending (PSL), aligning its efforts with national developmental goals while strengthening its liability portfolio to enhance stability and profitability.





Taking charge in challenging circumstances

Following the flash floods in Sikkim in October 2023, the water washed away bridges, dams and roads, and unfortunately, many lives were lost. As a result of the calamity, the state capital Gangtok, was isolated from other locations across the state, and there was a severe cash crunch in the region.

The RBI intervened and approached us to help in the delivery of cash in the severely affected locations (i.e. Jorethang Town). Within 24 hours, we had the entire system set up again in Paypro Cash Delivery. Our CCPH, WBP and Branch Banking teams exhibited extraordinary teamwork and were able to deliver cash to our client, a Co-operative Bank. The Bank, in turn, could start providing cash to its customers and branches immediately.



Voice of the customer

“As per our request, Axis Bank left no stone unturned to make arrangements to cater to our south and west branches in this dire situation. In a matter of two days, the trial run was also successful today. I believe, a lot of effort and man-hours were required from your end for this success in such a short time. The Co-operative Bank is extremely grateful to each of your team members, and every individual involved in this heroic task. We would like to thank you all for your unwavering support to us in this matter.”








Gangtok, the capital town of Sikkim, India





ONE AXIS IN ACTION

Propelled by the Power of One

The consolidation of our diverse range of financial products and services under one roof within the 'One Axis' framework significantly enhances the customer journey. This integrated ecosystem stands as a pivotal force propelling the strong performance of the group, catalysing consistent innovation and change.

<p>Asset Management</p> <p>75%</p> <p> AXIS MUTUAL FUND</p> <p>One of the fastest-growing MF player</p>	<p>Invest Banking & Inst Equities</p> <p>100%</p> <p> AXIS CAPITAL</p> <p>Leadership position in ECM deals segment</p>	<p>Consumer Focused NBFC</p> <p>100%</p> <p> AXIS FINANCE</p> <p>AAA rated NBFC with diversified product offerings</p>	<p>Retail Brokerage</p> <p>100%</p> <p> AXIS SECURITIES</p> <p>3rd largest Bank led brokerage firm</p>	<p>Trustee</p> <p>100%</p> <p> AXIS TRUSTEE</p> <p>Amongst the leading trustees in India</p>
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Our One Axis Ecosystem

<p>Fintech Platform</p> <p>100%</p> <p> FREECHARGE by AXIS BANK</p> <p>One of the major fintech players in India</p>	<p>TReDS Platform</p> <p>67%</p> <p> ATREDS</p> <p>Leading player on TReDS platform</p>	<p>Retirement Solution</p> <p>47.27%</p> <p> AXIS PENSION FUND</p> <p>5th rank in terms of subscriber addition since inception</p>	<p>Insurance</p> <p>19.02%#</p> <p> MAX LIFE INSURANCE</p> <p>4th largest private insurance company (Co-promoter)</p>
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The aforementioned numbers represent the stake in respective group entities

#post receipt of all regulatory approvals, the Bank has increased its group holding in the Associate to 19.02% by investing an additional sum of ₹1,612 crores in April 2024, from 12.99% as on March 31, 2024.

We drive purposeful growth by harnessing the power of 'One Axis', which enables us to leverage our strengths and expertise across all areas of operation. This dynamic approach has helped us streamline our business model, expand our reach, and offer a diverse array of financial products and services to our customers.

Explore our Comprehensive Array of Offerings

We place paramount importance on the technology architecture anchoring our digital strategy and thus maintain a robust technology infrastructure to ensure scalability, resilience, and proactive risk management. Through strategic partnerships and the integration of cutting-edge technologies like AI and data analytics, we remain agile and poised for sustained growth in the digital era.

One Axis in Play

Credit Relationship

- » Working capital, Term loans
- » Deposit products
- » Structured finance
- » Trusteeship services

Retail

- » Wealth management –Burgundy/ Burgundy Private
- » Salary accounts of employees
- » Payment products – Credit cards, prepaid cards, travel cards, digital wallet
- » Insurance and third-party products
- » Retail broking and advisory

Transaction Banking

- » Cash Management
- » Trade & Supply Chain
- » Letter of Credit/ Bank Guarantee
- » Bill/Invoice discounting
- » Current Accounts
- » Correspondent Banking
- » Custodial services

Treasury

- » Debt Capital Markets (DCM)
- » Equity Capital Markets (ECM)
- » M&A & Advisory
- » Forex & Derivative Solutions
- » Investment in Axis Mutual Fund





Axis Finance, a leading NBFC, offers comprehensive lending solutions to diverse corporate and retail clients across regions and industries. With a remarkable 47% CAGR in AUM from fiscal 2021 to fiscal 2024, we prioritise robust operational and risk management practices supported by advanced technology. Our focus includes retail loans, loans for SMEs and loans to mid and large corporates.

Key Initiatives in Fiscal 2024

- » Retail segment continues to be the focus with disbursements growing by 37% y-o-y with over 1,50,000+ customers serviced. **Book growth continued to be robust with a 51% y-o-y increase in on-book assets with resilient asset quality.**
- » The Corporate Banking segment has continued to showcase strong momentum of book growth with 24% y-o-y increase in disbursements while maintaining a **robust and resilient book and best-in-class asset quality** metrics and industry-leading return ratios.
- » Enhanced **reach and distribution** as we now cover 200+ locations and operate in 50 plus branches.
- » We continued to strengthen our **digital capabilities** with the objective of increasing customer delight.
- » With a view to **diversifying our funding sources**, we have tapped family offices, corporate treasuries, wealth funds and leading private/public banks, thus helping us to navigate the hardening yield environment better.



Awards

Great Place to Work® 2024™

Most Preferred Workplace 2023-24 by Marksmen Daily

Focus Areas Going Forward

- » Exploring the vast opportunity in **the small and micro enterprises space** will be the focus area in fiscal 2025. This will bring better granularity and stability in our book.
- » Driving customer base expansion through **Direct Origination and Digital Channels** while optimising operational efficiencies with technology.
- » Apart from sustaining digital, and tech initiatives, **Generative AI technologies** to be harnessed to the optimum potential.

Performance in Fiscal 2024

51%

Growth in Retail loan book y-o-y

31%

Growth in Corporate banking loan book y-o-y

16.77%

Return on equity

28%

Growth in profit after tax to y-o-y ₹610 crores

19.24%

CRAR



Axis Capital stands as a leading entity in India's financial sector, renowned for its tailored services in investment banking and institutional equities. Through innovative technology and a strong network, we are dedicated to nurturing a top-tier franchise. With a 20-year history of excellence, Axis Capital is consistently recognised as a premier investment bank. In fiscal 2024, we successfully managed 52 ECM major transactions, including 18 IPOs, 11 QIPs, 3 OFS, and 3 Rights Issue. Notable achievements include overseeing the largest-ever IPO in Indian capital market and facilitating a significant merger and acquisition deal between two prominent financial institutions.

Key Initiatives in Fiscal 2024

- » Successfully launched the initial phase of Credit AIF, marking a significant milestone in expanding our structured finance portfolio.
- » Maintained market share and leadership in ECM, with notable growth in block volumes.
- » Improved rankings in Cash Equities, fuelled by a burgeoning domestic client base and global engagement through strategic roadshows and conferences.
- » Increased cash margins for derivatives, facilitating business expansion and scalability.
- » Enhanced thought leadership with thematic reports, expanding coverage by 20%.



Awards

The Asset Triple A Sustainable Finance Awards 2024:
Best Equity Advisor,
Best IPO, Best REIT,
Best Rights Issue

Finance Asia Achievement Awards
2023: Best IPO

Focus Areas Going Forward

- » Uphold market leadership in ECM with a share exceeding 10% and enhance block volumes.
- » Continued repositioning towards industry leadership.
- » Invest in technology for derivatives and electronic broking to expand market share.
- » Increase deal conversions in private equity across ECM and Advisory while ensuring consistency in M&A strategy.
- » Structured Finance to leverage investment banking strengths for scaling Axiscap Alternative Investment Fund (AIF).
- » Personnel strategy to prioritise top-tier talent acquisition and robust campus hires.

Performance in Fiscal 2024

2nd

Rank in Equity Capital Market (ECM)

33%

Growth in Equity business broking (revenue) in F&O segment

90

Investment banking deals in fiscal 2024

₹150 crores

Profit after tax in fiscal 2024



Freecharge leads the financial services sector, offering seamless solutions from bill payments to credit services. Partnering with Axis Bank, Freecharge continues to introduce financial services for its customers and enterprises, in addition to providing fast and secure payment services through Payment Gateway and PSP App. Our focus on enhancing payments infrastructure ensures both scalability and security. Through upgraded apps and platforms, we strengthen risk management, drive cross-selling, and deepen partner engagement, solidifying our position as the go-to platform for innovative financial solutions for merchants and customers.

Key Initiatives in Fiscal 2024

- » Extended Axis Bank's Gold Loan programme to Freecharge customers, accessible via app or website, with ongoing efforts to strengthen accessibility.
- » Enabled merchants to apply for Axis Bank current accounts, pay digitally for funding and facilitate financial monitoring of the accounts conveniently via the Freecharge merchant app.
- » Introduced Dynamic QR code creation within the app for streamlined collection of order payments.
- » Launched Axis Bank RuPay credit cards, journey on Freecharge app. Seamlessly integrated with UPI via lead sourcing, catering to existing and new customers, enhancing user experience, and simplifying credit card applications.



Awards

One of the Top Mid-size India's Best Workplaces for Millennials

Focus Areas Going Forward

- » Comprehensive merchant ecosystem with Current Accounts, secured and unsecured lending products, and payment collection solutions. Offering services digitally as well as via physical branch model in deeper geographies.
- » Microfinance and Gold loan to merchant and retail consumers via further expansion into deeper geographies.
- » Payment aggregator business scale up.

Performance in Fiscal 2024

<p>75%</p> <p>↑ y-o-y</p> <p>Merchant Monthly Active User (MAU)</p>	<p>68%</p> <p>↑ y-o-y</p> <p>Gross Merchandise Value (GMV) on Freecharge QR</p>
<p>89%</p> <p>↑ y-o-y</p> <p>GMV through Freecharge Payment Aggregator</p>	

AXIS MUTUAL FUND

Axis AMC provides dynamic investment solutions to retail and institutional investors, spanning diverse asset classes like listed and unlisted equity, debt, and real estate. With a proven track record of sustained performance, our ambition is to ascend as the premier asset manager. Through the innovative One Axis platform, we collaborate with the Bank to offer supplementary products such as fixed deposits and credit cards, amplifying our value proposition for clients and partners alike.

Key Initiatives in Fiscal 2024

- » Focused on expanding our digital assets ecosystem across B2C, B2B, and B2B2C sectors, operationalising our Intelligence Ecosystem (IEC) platform for hyper-personalised services catering to diverse customer and distributor needs in asset management.
- » Enhancing mobile app user experience with an AI/ML-based NLP Chatbot on WhatsApp and upgraded payment capabilities featuring UPI, reflected in our top customer app ratings (App Store 4.6 & Play Store 4.5) among AMCs.
- » Fiscal 2024 saw Axis AMC raise over ₹3,400 crores in the NFO of Axis India Manufacturing Fund, among the highest fund-raises for a Thematic Fund, with broad participation, nearly 1.5 lakhs applications, and significant new investors.

Focus Areas Going Forward

- » Axis AMC will continue to focus on growing market share across asset classes in the mutual fund space while also scaling up its Alternates business.
- » Axis AMC is working with the Bank to incorporate mutual fund journey into the NEO Banking channel.
- » AMC is also collaborating with the Bharat Banking team to build customised products and drive engagement for Tier II and III markets.



Awards

Best Fund Managers
2023 by ET Wealth

Great Place to
Work® 2024™

Performance in Fiscal 2024

5%
AUM*market share

30%
Women Diversity ratio
as compared to 28% in
fiscal 2023

**₹164,981
crores**
Overall Equity QAAUM**
with 28% 4-year CAGR

66%
Overall AUM consists of
Equity & Hybrids

**₹274,265
crores**
Overall QAAUM**
with 19% 4-year CAGR

50%
Profit after tax
(5 year CAGR)

** Quarterly Average Assets under Management (QAAUM)

* Assets under Management (AUM)

AXIS SECURITIES

Axis Securities, a subsidiary of Axis Bank Ltd., is a premier retail brokerage offering a comprehensive advisory model. With robust technology infrastructure and digital capabilities within the One Axis environment, we provide holistic financial solutions. Our focus on continuous product and service enhancements ensures an optimal customer experience. Offering a wide range of lending solutions and retail broking services through Axis Direct, we aim to excel in customer experience, innovation, and productivity, becoming a leading player in the retail broking space.

Key Initiatives in Fiscal 2024

- » Implemented voice, email, and chat-enabled service bots to enhance customer experience, resulting in a significant decrease in customer complaints.
- » Prioritised digital transformation, with deployment of a modern middleware that reduces dependency on vendors and enhances operational efficiency.
- » Introduced personalised, data-driven insights for customers, facilitating informed decision-making and discovering new investment opportunities.
- » Prioritised information security with a robust architecture, achieving an 'Advanced' security BitSight score for the overall digital platform, mitigating potential risks effectively.



Awards

Amongst Top 10 Companies for winning the Happiness and Wellbeing Award (Happy+ in collaboration with ET HR World)

MCX 'Leading Member-Bank Broking'

Focus Areas Going Forward

- » Launch of new and revamped mobile apps tailored to the needs of investors and traders both, enriched with modern features and tools.
- » Predictive and proactive servicing, leveraging the capabilities of AI and Big Data. These bots shall assist in identifying customer needs and offer prompt services, further enhancing the customer's experience.
- » Continued focus on mitigating operational risk and further enhancing compliance and information security measures.

Performance in Fiscal 2024

5.45 million

Total Consumer base for fiscal 2024 with a 4-year CAGR of 24%

12%

Growth in consumer acquisitions y-o-y

54%

Clients traded through Axis Direct mobile app

53%

Share of mobile trading in total volume

₹301 crores

Profit after tax for fiscal 2024

Invoicemart, India's largest Trade Receivables Discounting System (TReDS) platform, addresses credit challenges by providing early payment solutions to MSMEs. TReDS is an electronic platform that allows a transparent and online trading of receivables. It is a digital marketplace which connects buyers (CPSEs, State PSUs, Corporates) and MSMEs to a pool of financiers, through a bidding process, thereby unlocking working capital in a transparent and efficient manner. Since its launch, the platform has scaled exponentially with the registration of 29,600+ MSME sellers, 1,760+ buyers and 61 financiers, which is highest on any TReDS platform.

Performance from July, 2017 to March, 2024

~₹104,000 crores

Throughput

~31,400

Participants on-board

~26 lakhs

Invoices discounted (in Nos.)

Axis Pension Fund Management (PFM) initiated its activities on October 21, 2022, with the aim of overseeing pension funds for investors in various retirement product segments and offering optimal retirement solutions to clients. Since its inception, it has consistently attracted a growing number of subscribers and increased its Assets Under Management (AUM). Despite entering the market after two other competitors, Axis PFM has demonstrated outstanding performance within the National Pension Scheme (NPS).

Performance in Fiscal 2024

₹2,197 crores

↑ **1,048% y-o-y**

Assets Under Management

104,132

↑ **671% y-o-y**

Total subscriber base

1.2%

Market share from
0.3% (y-o-y) in Non-
government segment

9.1%

Market share from
1.3% (y-o-y) in new
subscriber addition

Axis Trustee Services is registered with SEBI and has been successfully handling various trusteeship activities, including debenture trustee, security trustee, security agent, lenders' agent, trustee for securitisation and escrow agent, among others.

₹39 lakh crores

↑ **30% y-o-y**

Assets under custody

₹58 crores

↑ **7% y-o-y**

Total Income

MESSAGE FROM THE MANAGEMENT – OPERATIONS AND TRANSFORMATION

Raising the Bar with Each Success



Subrat Mohanty

Executive Director
(Banking Operations
& Transformation)

Dear Shareholders,

Fiscal 2024 has been a remarkable year in our journey towards becoming an all-weather franchise. In line with our GPS strategy, we maintained our growth momentum and profitability while also strengthening and transforming the core of the Bank.

In the past, I have written about the three areas of work we have undertaken to make our franchise future-ready: (i) strengthen our core systems and processes to handle dynamic changes in scale and business requirements better, (ii) invest in capabilities based on an understanding of the trends in technology and consumer behaviour and preferences, (iii) lead the way in being a responsible corporate citizen. We continue to make progress in all these areas.

I would like to share some examples across these three areas to give you a flavour of what we have accomplished so far, and what to look for in fiscal 2025.

Strengthening our Core

Technology that is 'Axis-class'

Over the past few years, we have been investing in building future-ready technology. Given our central position in the thriving digital payments infrastructure in the country (market leadership in digital payments and acquiring merchant terminals), we recognise our responsibility to maintain our technology backbone in excellent condition. This means (i) our platforms need to scale to meet dynamic business needs (e.g., NEO for Business, which offers end-to-end digital journeys for banking and beyond-banking needs of MSMEs), (ii) our technology is standardised (e.g., Salesforce platform for standardising retail lending workflows right from underwriting to disbursement and creating 40+ reusable capabilities across 20+ products), and (iii) we have proprietary digital tech that acts as a competitive advantage (e.g., mAXImuS

an omnichannel Direct to Consumer engagement layer for retail business, and 'open', that continues to rank amongst the world's leading mobile apps both on Google Play Store and iOS platform).

Our modernised architecture and a cloud-first strategy reflect our dedication to resiliency. We have deployed 140+ critical applications on cloud. We have embraced the RBI's Central Bank Digital Currency initiative as part of our commitment to innovation and inclusivity in shaping India's financial landscape. All of this 'falls' under the umbrella of a robust cyber security architecture as we continue to prioritise top-tier data security.

Driving Efficiency in Operations

We constantly strive to improve our service quality by leveraging emerging technologies. We have 3,500+ bots in Retail Banking operations, running ~1,500 automated processes. We have set in motion initiatives that will help us enhance the customer experience by tapping Generative AI in a responsible manner. We have adopted an integrated approach to Gen AI that will enable us to test use cases (such as content creation, real time assistance and document reading) and efficiently scale up usage across all applicable areas of the Bank. We recently launched a GenAI-based knowledge assist bot 'Adi' for our branch employees that answers queries in a conversational manner. Similarly, we are looking to tap GenAI for real-time call centre assistance to make interacting with us simple and hassle-free for our customers.



Investing in Capabilities

Empowering Employees

Delivering on our customer service promises hinges on the ability of our employees to engage with customers in a meaningful and contextual manner. Our employee platform 'Siddhi' provides single point access to our frontline staff on all product, customer engagement and service journeys, enabling our frontline staff to become smart advisors to our customers. 'Siddhi' has been built using best practices of modern technical architecture and data stack and is integrated with 35+ systems, right from core banking, CRM and loan origination systems to data lakes and learning systems. Currently, 60,000+ on-roll and off-roll staff within Retail Banking are using 'Siddhi' with 40+ service journeys and cross-sell journeys, covering 80% of the Retail business. We are seeing a lift in business metrics arising from 'Siddhi', and we expect the benefits to scale up as the app gets rolled out to larger parts of our employee base, including Wholesale Banking.

Customer Obsession

SPARSH, our Customer Obsession programme, is a Bank-wide priority and a core area of distinctiveness for us. The principles of SPARSH are now ingrained across all our 5,300+ branches, every customer touchpoint, and amongst all our 1,04,000+ colleagues. We have also been building institutional capabilities and processes for customer delight (e.g., Kaleidoscope to help our staff address a customer's concerns based on past interactions with that customer across all channels and journeys). We have gained 45 points on Retail Net Promoter Score in fiscal 2024 and have moved from Rank 4 (fiscal 2021) to Rank 2 (fiscal 2023) in Retail NPS, as per benchmarking study undertaken by independent agency Kantar for Axis Bank.

Analytics for Delivering Customer Delight

Being a digital-first organisation that values customer centricity, we aim to provide services to our customers by being part of their context at any given time (contextualisation) and curating banking experiences tailored to each customer's preferences (personalisation).

Our personalisation engine has been live for the last 24 months and has helped us achieve significant lifts across multiple areas (e.g., 60%+ increase in Insta Loans and term deposits via nudges). We tap alternate data to assess creditworthiness (100+ alternate data features currently live via partnerships and digital public infrastructure). Our modern data stack handles 30 crores+ records every day and powers 3,800+ self-service dashboards. Within the Bank too, we are getting better at using data, for example, to power faster, more scientific decision-making.

Premiumisation of our Franchise

We completed an important step aligned with our premiumisation agenda in fiscal 2023 with the acquisition of Citi's consumer business in India. The integration of the acquired business has been making good progress. We have integrated a diverse talent pool of ~3,200 employees with exposure to Citi's global best practices, with some key leaders taking on increased responsibilities at Axis Bank. Customers have experienced a smooth transition on Legal Day 1 and have benefitted from the wider product suite of Axis. We are on track to achieving the Legal Day 2 milestone, representing the complete transition of the erstwhile Citi customers to the Axis platform in H1 fiscal 2025.

Strengthening our Defences

For centuries, banking has been synonymous with trust. Given

the increasing frequency and sophistication of frauds in recent times, it is vital for banks to work hard to retain their customers' trust. We set up a Financial Crime Intelligence division in fiscal 2024, combining our strengths in analytics, digital monitoring and fraud control. In striking contrast to our credo of '*dil se open*' to our customers, we have in place a firmly 'Closed' stance when it comes to frauds, and we are hard at work to earn the tag of 'least preferred bank' for fraudsters.

Being a Responsible Corporate Citizen

We believe in banking that leads to a more inclusive and equitable economy, a thriving community, and a healthier planet. We have made steady progress in establishing an ESG culture at the Bank and we aspire for leadership in ESG globally. Our Sustainable Livelihoods programme has created long-term livelihood avenues for some of India's most marginalised rural communities, and has touched 1.7 million households. We are above the 80th percentile among global banks on DJSI (Dec 2023). We also featured in the FTSE4Good Index for the 7th consecutive year in 2023. As an organisation, we remain committed to consciously managing the environmental footprint of our operations.

We have started reaping the results of our unwavering focus on our GPS strategy and transformation programme. We are keenly aware that with every success, the bar gets raised higher. We will continue to keep the fire alive and work to achieve the heightened expectations of our stakeholders.

Warm regards,

Subrat Mohanty

Executive Director
(Banking Operations & Transformation)