



**TRANSCRIPTS OF THE 29<sup>TH</sup> ANNUAL GENERAL MEETING OF AXIS BANK LIMITED (“BANK”)  
HELD AT 10.00 A.M. ON JULY 28, 2023 THROUGH VIDEO CONFERENCING**

**Directors present:**

Rakesh Makhija	- Non-Executive (part-time) Chairman
Amitabh Chaudhry	- Managing Director & CEO
Ketaki Bhagwati	- Independent Director
Girish Paranjpe	- Independent Director and Chairman of the Audit Committee
T. C. Suseel Kumar	- Non-Executive (Nominee) Director and Member
Meena Ganesh	- Independent Director and Chairperson of the Nomination and Remuneration Committee
G. Padmanabhan	- Independent Director
Ashish Kotecha	- Non-Executive (Nominee) Director
Prof. S. Mahendra Dev	- Independent Director
Manoj Kohli	- Independent Director and Chairman of the Stakeholders Relationship Committee
P. N. Prasad	- Independent Director and Member
CH SS Mallikarjunarao	- Independent Director and Member
N. S. Vishwanathan	- Additional Independent Director
Rajiv Anand	- Deputy Managing Director and Member

**Officials present:**

Puneet Sharma	- Chief Financial Officer
Sandeep Poddar	- Company Secretary

**Other Representatives/Invitees attending through VC:**

Manish Sampat	- CNK & Associates LLP, Joint Statutory Auditors
Ashutosh Pednakar	- M. P. Chitale & Co., Joint Statutory Auditors
S N Bhandari	- Bhandari & Associates, Secretarial Auditor
Manisha Maheshwari	- Bhandari & Associates, Secretarial Auditor
KVS Subramanyam	- Ahalada Rao V & Associates, Scrutinizer

**Moderator:** Over to you Chairman Sir.

**Rakesh Makhija:** Good morning dear shareholders. On behalf of the Bank I welcome you to the 29<sup>th</sup> Annual General Meeting of Axis Bank Limited. I hope you and your families are safe and well. In terms of MCA and SEBI circulars, this meeting will be conducted through the VC facility. All possible efforts have been made by the Bank to enable its members to participate and vote on the Resolutions as set in the notice dated June 16, 2023, convening this AGM.

I have been informed that the requisite quorum for valid conduct of this meeting is present, accordingly, I call this meeting to be in order.

The notice dated June 16, 2023, convening this meeting and the AGM of the Bank for the fiscal 2023 has been sent out on June 26, 2023 to those members who have registered their email addresses. These documents were also uploaded on the respective websites of the Bank, NSDL and the Stock Exchanges as per the extant norms. Statutory registers as referred in the notice convening, the AGM are available for inspection to the members electronically. I now request the company secretary to brief you on the voting facility.

**Sandeep Poddar:** Good morning to all of you. The remote e-voting facility for this AGM was made available from 9 a.m. of Monday, July 24, 2023 up to 5 p.m. of Thursday, July 27, 2023. Members participating in this meeting and who have not yet casted their votes on the resolutions through remote e-voting can cast their votes through e-voting facility during the course of this meeting. The e-voting facility will remain open for 15 minutes after conclusion of this meeting.

For e-voting during this meeting, members are requested to refresh the e-voting page of NSDL, click on event and follow the instructions given therein. Since voting is being done electronically, there is no need to propose or second the resolution set out in the notice convening this AGM. The scrutinizer will submit their report after verification of the votes and the results will be declared as per the extant norms.

**Rakesh Makhija** Thank you Sandeep. Let me now introduce our directors of your Bank who are attending this meeting through the video conferencing facility. Amitabh Choudhury, Managing Director & CEO., Ketaki. Bhagwati, Independent Director. Girish Paranjpe, Independent Director and Chairman of the Audit Committee. T.C. Suseel Kumar, Nominee Director, LIC. Meena Ganesh, Independent Director and Chairperson of the Nomination and Remuneration Committee. G. Padmanabhan, Independent Director. Professor S. Mahendra Dev, Independent Director. Ashish Kotecha, Nominee Director of entities affiliated to Bain Capital. Manoj Kohli, Independent Director and

Chairperson, Stakeholder Relationship Committee. P. N. Prasad, Independent Director. CH SS Mallikarjunarao, Independent Director. N. S. Vishwanathan, Independent Director and Rajiv Anand, Deputy Managing Director. Let me also welcome Mr. P. N. Prasad, CH. SS. Mallikarjunarao and Mr. N. S. Vishwanathan, who have joined the board since the last AGM. P.N. Prasad is a professional banker with more than 37 years of experience. He retired as the Deputy Managing Director of State Bank of India in May 2020. Mr. SS. Mallikarjunarao is also a professional banker with more than 37 years of experience. He retired as Managing Director and CEO of Punjab National Bank in January 2022. Mr. N.S. Vishwanathan is a central banker with nearly 40 years of experience. He retired as Deputy Governor of Reserve Bank of India in March 2020. He has also been appointed Chairman of the Bank, subject to requisite approvals. Yesterday, we also received his approval from the RBI. Welcome, Mr. Vishwanathan.

Apart from the board members, we also have Puneet Sharma, Chief Financial Officer, Sandeep Poddar, Company Secretary, representatives of M P Chitale & Company and CNK & Associates LLP, Joint Statutory Auditors and Bandari Associates, Secretarial Auditors present at this meeting. CS KVS Subramanyam, Practicing Company Secretary, Scrutinizer for this meeting is also present. Inba Vessaoker is the moderator for this meeting.

I welcome you once again to this meeting. Since we are doing this meeting in the VC mode, in order to maintain continuity of this meeting in the event of any disruption due to technical issues faced by me. With the consent of the directors present, I hereby propose the name of Ketaki Bhagwati, the independent director, to act as the alternate chairman of this meeting. Let me take the director's consent. Amitabh Chaudhry. Girish Paranjpe, TC Suseel Kumar, Meena Ganesh, Mr. Padmanabhan, Professor Mahendra Dev, Ashish Kotecha, Manoj Kohli, Mr. P.N. Prasad, Mr. Mallikarjunarao, Mr. Vishwanathan and Rajiv Anand, Thank you.

We have received the confirmation from all the directors. With your permission, I would like to take the notice convening this meeting as read. Thank you. Similarly, as the auditor's report and the Secretarial report does not contain any qualification, reservation or adverse comments, with your permission, I would take this report as read. Thank you. Let me now brief you on the performance of the Bank in the backdrop of the events in India during the year gone by.

My dear shareholders, a very good morning to you. It gives me immense pleasure to welcome you all to the 29<sup>th</sup> AGM of your Bank. I thank each and every one of you for your time and continued interest in the affairs of the Bank. This AGM is being held through the video conferencing mode. While I miss the warmth and personal

interaction of physical meetings, this format does have the advantage of enabling shareholders across the country to participate in this meeting. I'm sure we will have an active exchange during this AGM.

Let me dwell a bit on the macroeconomic environment, both in India and the global stage. Fiscal 2023 was a year of transition, characterized by extreme uncertainty in global financial conditions. This was aggravated by geopolitical tensions, which further disrupted global supply chains and fueled inflation. This prompted central banks from across major economies to hike rates at an unprecedented pace. Amongst this, the Indian economy emerged as a global economic sweet spot. Deft monetary and fiscal policy management has ensured that the economy has to an extent been insulated from the global economic slowdown, financial market shocks and volatility.

India is projected to be the fastest growing economy, large economy in 2023 and 2024. And the macroeconomic conditions remain resilient and stable. Inflation is gradually moving down to our stated target levels and the financial sector remains robust. Our current account deficit, earlier a point of concern in our external balance, turned out to be at a very sustainable level and is expected to further improve in fiscal 2024.

I believe conditions are right for private investment to gain momentum for the next couple of years. Credit demand remains strong in fiscal 2023 and given the expectation of improving deposit accumulation, is likely to lead to double digit credit growth in fiscal 2024. I'll talk a bit about the year that went by.

As you would recall, we embarked on our GPS i.e. growth, profitability and sustainability journey four years ago to bring to realization the full potential of our institution. This is a journey which will continue, but I'm very pleased to report that since then, on the back of our one Axis and open philosophy, we have made progress to providing winning proposition for many of our stakeholders.

We have remained focused on three core areas of execution to move forward on a GPS strategy. One, creating a performance driven culture, two, strengthening the core, and three, building for the future. I'll talk about these in further detail.

Talking about performance driven culture, we accelerated the growth momentum in fiscal 2023 led by continued execution and excellence and transformation across various business of the Bank. We set new benchmarks in our focus areas to deliver improvements in key operating metrics.

In Q4 of fiscal 2023, we completed the acquisition of Citibank India Consumer Business at estimated purchase concentration of Rs. 11,949 crores. The deal is expected to be EPS and ROE accretive at the end of this calendar year 2024 with

potential for revenue and cost synergies through cross selling, upselling, and global shared services.

The acquisition is aligned to our GPS strategy and our focus on premium segment growth.

It has granted access to 2.4 million large affluent and profitable Citi customers. Approximately 3,200 Citibank employees with deep domain knowledge and best in class client servicing and operations through city phone banking have joined the Axis family. The integration of citi consumer business is progressing well with positive feedback from Citibank customers.

High value customers have acknowledged the seamless transition, continuation of excellent service and benefits such as access to Axis Bank's extensive branch network and diverse product portfolio under the one Axis umbrella. Our profitability metrics have improved considerably and without causing the impact of exceptional items. Our profit after tax stands at Rs. 21,933 crores increasing 68% year-on-year.

Our net interest income was Rs. 42,946 crores, a growth of 30% year on year. Net interest margin was 4.02%, up 55 basis points year on year and fee stands at Rs. 16,216 crores, a year-to-year growth of 25%. Our consolidated ROE i.e. our return on equity, stood at 18.84%, up 517 basis points year-on-year.

Organic creation of 69 basis points of CET1 capital in fiscal 2023, thereby having a comfortable capital position.

In view of the overall performance of the Bank and while retaining capital for future growth, the Board has recommended a final dividend of rupee one per equity share, subject to your approval at this AGM.

In terms of our different businesses, the retail banking franchise is a key vector of the GPS strategy and we are on the journey to create one of the best premium retail banking franchise in India.

Our CASA deposits grew 21% year-on-year, the retail loan book grew 22% on the back of all-time high disbursements, credit card spends touched new yearly highs and the retail fee is grew 33%.

Our Bank's overall Burgundy AUM has grown at a CAGR of 29% in the last six years to approximately Rs. 3.6 trillion. Credit card issuance increased by 57% to 4.2 million cards in fiscal 2023.

Small business banking experienced exceptional growth of 50% year-on-year, while rural banking saw a 26% year-on-year increase.

I'm happy to inform you that the Bank has made digital partnerships across platforms and ecosystems, and around 11 million customers are on WhatsApp banking.

We have significantly reinforced our client focus in the wholesale Bank by strengthening the organization's structure, leadership and coverage teams. We stepped up growth across the coverage segments in fiscal 2023 with domestic corporate loan book up by 24% year-on-year.

The MSME segment is the key growth driver for the Bank. Our mid corporate and SME loan portfolio has doubled in three years. We engage with various corporate clients offering technology solutions for transaction banking, forex and trade. Our market share increased in IMPS, Bharat Bill Payment and foreign LC, while NEFT ranking improved to 2<sup>nd</sup> place in fiscal 2023.

89% of corporate advances are to clients rated A- and above. We are ranked first in blockchain-enabled domestic trade risk transactions.

Our path breaking digital banking platform, Neo, witnessed a strong adoption from corporate, with 1,000+ client engagements since launch.

For the past four years, we have made significant strides in expanding our businesses across subsidiaries, primarily driven by a One Axis strategy. Our domestic subsidiaries have delivered yet another impressive year, contributing to the Bank's consolidated ROE and generating a total profit of Rs. 1,304 crores.

The second part of our effort is to strengthen our core and we built a strong balance sheet. Our balance sheet continues to demonstrate resilience with a strong capital position and asset quality metrics. Through fiscal 2023, we strengthened our provision coverage ratio by 600 basis points, reaching 81%. Additionally, we have maintained a substantial non-NPA provisioning buffer of over Rs. 11,900 crores, resulting in a standard asset coverage of 1.42% - among the highest in the industry.

We take pride in maintaining outstanding asset quality with a further decrease of 34 basis points in net NPA, standing now at 0.39%. Furthermore, our standard COVID-19 restructuring portfolio remains exceptionally low, accounting for only 0.22% of the Bank's gross customer assets.

Our self-sustaining capital structure reflects in an overall capital adequacy ratio of 17.64% and a CET 1 ratio of 14.02% that positions us well to pursue further growth ambitions.

Technology is a very important part of our banking business now, and I will talk a bit about that. We are leaders in cloud adoption, deploying over 75 initiatives on the cloud through a multi-cloud first strategy and cloud native microservice based architecture. We've also invested in emerging technologies, creating over 3,000 Robotic Process Automation (RPA) bots, and 1,480-plus automated processes to expedite delivery across businesses.

The Bank has invested in new age data science engineering platforms, big data lake, microservices based architecture and Analytical Work Bench to deliver value in traditional/non-traditional use cases. These capabilities and a data-driven strategy have enabled us to increase our penetration across our various business portfolios.

We have organization-wide transformation projects to accelerate our GPS journey. I will highlight some of these path-breaking initiatives.

Sparsh is our name for customer obsession as a core strategic agenda and embarked upon a multi-year journey. The core credo of the program is to delight our customers and fulfill their dreams through smart banking every day. In the last 21 months since we launched this program, the Star behavior of Sparsh have been taken to 100% of the Bank's branches, all service touch points across retail and corporate banking and to backend operations as well. This is coupled along with launch of Sparsh rituals and Bank wide measurement of core Sparsh metrics such as net promoter score (NPS), customer complaints and Axis promise - our turnaround time measurements.

**Moderator:**

Sorry to interrupt Mr. Makhija, can you hear me? This is the operator. Mr. Makhija, we are unable to hear you, sir. Ladies and gentlemen, we request you to please remain connected while we check the connection for Mr. Makhija and get him back. Please do not disconnect. Please remain connected while we get Mr. Makhija's connection back.

Ladies and gentlemen, thank you for your patience. We have the connection for Mr. Rakesh Makhija connected. Over to you, sir.

**Rakesh Makhija:**

My apologies, dear shareholders. It is beyond my control, but hopefully it will not happen again. I was talking about our initiative for customer obsession called Sparsh. So I will carry on from where I left off. As compared to last year, net promoter score stands at 131 over an index baseline of 100.

Our next big initiative, Bharat Banking, is making significant progress, benefiting from improvements in physical addition infrastructure and the evolution of technology stack. We expanded our distribution network to 2,137 branches and collaborated with rural focus customers and fintech players. As a result of our focus initiatives, we achieved record high yearly disbursements at 26% growth in rural advances and a 15% year-on-year growth in deposits from Bharat branches. This growth spans all major product lines driven by improving margins, PSL (Private Sector Lending) asset accretion, and lower credit costs. We are confident in sustaining our growth momentum and creating distinctiveness in the Bharat market.

As far as building for the future is concerned, I will now talk a bit about digital capabilities. We have an aspiration to be the best benchmark digital bank globally, we launched Axis 2.0 program last year. Axis 2.0 is set up as an independent business within the Bank and it comprises all products that are end-to-end, availed digitally by customers. In these cases, the customer discovers the product themselves and also avails the product themselves with no human intervention.

The Axis mobile app is amongst the world's highest rated mobile banking on Google Play store with a rating of 4.8 that is the highest across 59 global banks, eight global NEO banks and 15 fintech apps. The Bank has approximately, 12 million monthly active users on its app and on average an active user visits the app 15 times a month.

As part of the Axis 2.0 strategy, we aspire to be a leader in new platform businesses. We've taken early leadership in the same with several initiatives underway to scale up lending and pay out businesses, leveraging the account aggregator, open network for digital e-commerce, central bank, digital currency, and open pay enhancement network. We're the first Bank to go live on the account aggregator platform as financial information provider. Today, the Bank offers personal loans, auto loans, two-wheeler loans, home loans, small business loans and credit cards leveraging account aggregator framework. We also launch end-to-end digital business loans for MSMEs, leveraging RBI's Innovation Hub.

On the wholesale front, Project Neo reflects our ambition to build India's number one digital corporate Bank.

The Bank's geographical reach in India now extends to 35 states, using territories over 615 districts. As on 31 March, 2023, the Bank had a strong distribution network with 4,89 domestic branches, three digital banking units, 13 extension counters and 156 business correspondent banking outlets. The Bank also has an extensive network of 9,802 ATMs and 6,150 recyclers, which not only handle cash deposits and withdrawals, but also serve as self-service and fulfillment centers.



For social work side, our corporate social responsibility is a core part of what we do. We are supporting high impact CSR interventions across the country in four key themes of sustainable livelihoods, education, financial inclusion & financial literacy, and environmental sustainability. The Axis Bank Foundation's flagship sustainable livelihood program is supporting close to 1.3 million households. Initially in 2018, the program aims to support 2 million rural families by 2027 to enhance and stabilize their incomes through our diverse interventions.

During this fiscal, the program expanded to newer geographies such as the Northeast, West Bengal and Odisha, and further expanded the scope whereby it would also support ultra-poor families graduate to stable incomes. In our experience of running this program, especially during the two very challenging years of COVID-19, we observed that for rural families, medical expenses have a clear and distinct impact on their livelihood security. Therefore, along with the program's continued focus on livelihood support, we are also initiating support to families to enhance their health-seeking behavior, thereby expanding our focus on improving their overall well-being.

During the fiscal year, we partnered with the Indian Institute of Sciences, Bangalore for the establishment of the Axis Bank Center for Mathematics and Computing towards supporting cutting-edge education research. Our financial literacy program reached 1.1 million women participants in 24 states during the fiscal year. Toward our commitment to plant 2 million trees by 2027, over 0.8 million saplings across six states were planted as of 31 March, 2023.

We are the first Bank in the country to be set up by the ESG committee of the Board and we have been fully committed to strengthening the Bank's risk and compliance culture towards achieving long-term financial sustainability and cementing our stakeholders trust in us.

Toward this, we put a commitment of incremental wholesale lending of Rs.30,000 crores in sectors with positive sustainable impact by 2026. We already achieved Rs. 20,400 crores as of lending on 31March, 2023. Against our commitment to achieve Rs. 10,000 crores of incremental lending under Asha home loans by March 2024, cumulative lending of Rs.7,971 crores was achieved as of 31March, 2023.

During fiscal 2023, we achieved EV penetration of 2.5% in overall retail two-wheeler loan portfolio. Our aspiration is to achieve 5% penetration by March, 2024.

Women employees now represent 25.7% overall workforce as we move towards a commitment to reach 30% representation by 2027.

I've spoken at length about the various initiatives in place to propel the Bank to an ever-increasing level of leadership and performance. We are at the same time, acutely aware of the need to ensure that our Bank's governance and compliance processes match up to the highest possible global standards. The Board spends an enormous amount of time to review this and works with the management towards improving the processes in areas of risk, compliance and customer management. Being a great corporate citizen is also part of our ethos and the debate and discussion on helping and working on community initiatives is as important as driving our performance.

We are a large employer attracting thousands of young people to join the journey of building our Bank. As it continues to expand, the banking industry is seeing extremely high levels of attrition. At Axis Bank, we fully recognize that we build an organization where people not only are excited to join us, but remain engaged to become the strongest advocates of our brand.

The Bank's people strategy, people, process and culture has always been a key focus of the Board. The Board and the management are mindful that be it changing employee aspirations or lack of social capital post-COVID, the Bank has to continue to build a sustainable and inclusive growth-oriented culture and people practices.

Our business leaders, along with the HR team, are working very hard to provide an environment that breaks the cycle of attrition, at the front line, nurtures social capital, with the supervisory leaders and encourages our colleagues to look at building careers internally rather than rotating outside. This year has been a landmark year as we welcomed our colleagues from Citibank and I'm heartened to see them all participating in the Axis growth story to make it stronger.

We are firm and steadfast in our approach that our people remain the key element of our Bank and I'm hopeful that with the work being done we will continue to see more examples of thriving careers at Axis Bank.

The award that we received, we secured a top position of quality index of both large corporate and middle market banking in the Greenwich Banking Survey. Furthermore, our ambitious Project Neo, which I mentioned earlier, has received prestigious awards. Burgundy Private was adjudged as the Best Private Bank for client acquisition in Asia in the fifth annual WealthTech Awards. We were honored with the Retail Bankers International Asia Trailblazer Award for innovative utilization of AI and machine learning. We also received the Economic Times DataCon Award for a modern and agile data architecture and infrastructure.

The Bank was also featured on the prestigious FTSE4Good Index for sixth consecutive year in 2022 and maintain a steady performance across global ESG assessment and ratings platform.

We did great by being ranked in the top 10 of the Kincentric Best Employers in India and being certified a Great Place to Work for the second consecutive year.

Finally, dear shareholders, as you are aware, my term as Director and Chairman of the Bank will end in October this year. I am thankful to you for your unwavering support and trust in me. I am also very happy that the Board has chosen Mr. Vishwanathan, who comes with distinguished credentials and was former Deputy Governor of the Reserve Bank to succeed me. I am sure he will have your full support and I wish him a very successful tenure at the Bank.

I would also like to thank the entire management team led by Amitabh Chaudhary for the strong commitment towards taking Axis to greater heights. I also wish to pay my deep gratitude to my past and present colleagues on the Board for their valuable guidance, support, and their passion to drive this great institution to even a brighter future.

On behalf of the entire Board, I would also like to convey my sincere thanks to the Reserve Bank of India for their support and guidance. Our customers are the reason that we exist, and I would like to thank them for their trust and patronage. Additionally, our thanks to suppliers, auditors, legal advisors, consultants, and the various regulatory authorities for their continued support.

Last but not the least, I thank our employees for their dedication, commitment for ensuring uninterrupted services to our customers under all circumstances. They truly demonstrate that customers are at the heart of everything that we do. Thank you once again.

I now request those members who registered themselves as speakers to ask their questions. Once your name has been called out by the moderator, kindly confirm your name and proceed with your questions. In case on calling out the name of a speaker member, if he or she is not available for any reason whatsoever, or is not audible, then the moderator is requested to call the next speaker member.

In order to give an opportunity to all registered speakers to speak at the meeting, each member will be allotted two to three minutes each. Members are kindly requested to be brief and restrict themselves to matters concerning the notice, Annual Report and the AGM of the Bank and avoid repeating questions.

I also request members to maintain decorum of this meeting. In the event of use of unparliamentarily language, derogatory words or personal remarks, I would have no option but to ask them to be muted and they will not be allowed to speak further during the meeting.

Members may also note that in order to avoid repetition, all questions will be answered after all the registered speakers have spoken.

I now request the moderator to unmute the registered speakers one-by-one.

**Moderator:** Thank you very much, sir. Ladies and gentlemen, we will now begin the question-and-answer session. Request everyone to please remain connected while the speaker's queue assembles. I invite our first speaker member, that is Mr. Jaideep Bakshi. Request you to please unmute your audio and video and ask your question.

**Rakesh Makhija:** Go ahead, Mr. Bakshi.

**Jaydip Bakshi:** Very good morning, Chairman Sir, MD & CEO and Board of Directors. Myself, Jaydip Bakshi connecting from the city of Kolkata. Namaskar. Thanks to Sandeep Ji for giving me an opportunity to express my view and presenting a detailed and colorful annual report and thanks to the entire Secretarial Department for convening this AGM through video conferencing in a smooth manner. Sir, myself proud to be a part of the Bank having rich legacy and being one of the largest private sector Bank, providing spectrum of financial services to customers ranging from corporates to common masses and also the retail business.

Congrats for the operating revenue and profit which were maintained and your initial presentation depicted our Bank's status and also our future path for progress and congrats once again for the dividend of Rs. 1/- and our performance is well spread out in the pages of 38 to 40 in the annual report.

Sir, the 30% women workforce in Bank by 2027, is a great boost for our women empowerment. It's a good initiative. And how much are we spending on the marketing and advertising for more penetration? And what is the business generated digitally for our fixed deposit or savings or other different sectors?

Sir, in our effort to expanding our technology capabilities, how much is our spending on the IT? And what are the steps for protection of our two data centers, for the Mumbai and the Bengaluru? And sir, what are our plans to improve our profitability and further reduce our NPA? Sir, our share price compared to other private sector banks are not moving such a pace, what do you think, though it is not in our hands? And this

scholarship program for women it's also good and supporting the students for economy weak section is also a very good initiative.

What are the steps taken by the Bank for utilizing Alternate Energy Source? And once again for the awards in place, then in page 79, it's a good achievement. And also for the CSR activities, where we are spending around Rs.172.3 crores and reaching out to the society and return back, it's a very good initiative.

And what are the steps are we identifying and how are we mitigating the risk factors which we foresee? And sir, how are we extending our hands to the MSME sectors? Because they are the real backbone of our industry and the nation, and also for the startups, because they mainly do not come out with better results because of the financial constraints. And the semi-urban economy opening up, what are our thoughts for opening up new branches in the outskirts of our cities?

And we have a variety of main products. Our main service would be our customer service where we must see that each customer leaves the branch premises with a satisfied smile. That will be our main objective also from the service sector. Sir, myself, an account holder of the savings account, a demat account holder, and also a mutual fund investor. And since the days of the, when our name was UTI. And so I'm a proud member of our Bank and really satisfied with the services which we have rendered. I am with the Sector 1, Salt Lake branch in Kolkata.

Thanks for the same and nothing to add more. I've supported all the resolutions and hope sir, under your leadership and help of Board members and all others associated with the Bank, our Bank will come out with most positive results and serving the needs and aspiration of our customers. Thank you, sir. and all stay safe. Namaskar.

**Rakesh Makhija:** Thank you.

**Moderator:** Thank you. Our next speaker member, Mr. Gautam Tiwari, had registered, however, has not connected. Speaker number three, Mr. Subramaniam Kanthaswamy, had registered, however has not joined the meeting. We therefore invite our speaker number four, Mr. Sunil Kumar Modak. Request you to please unmute your audio and video and ask your question.

**Sunil Modak:** Good morning sir, Mr. Chairman, other Board members, Company Secretary, employees of Axis and my fellow shareholders. Myself Sunil Kumar Modak joining this VC meeting from city of joy, Kolkata. Sir, it is my pleasure to join this 29<sup>th</sup> AGM of Axis Bank and must thanks secretarial department and supporting team for the AGM to connect me in this VC meeting. Sir, Axis Bank is my Bank. I am the customer of Axis Bank at Kolkata, Dumdum Branch.

This year our Bank's performance is good. Last financial year our profit was Rs.8,21,972 crores, whereas this year it is Rs. 9,46, 945 crores, which is reduced, profit is reduced this time. However dividend maintained at the rate of Rs.1 on Rs.2 share this is not bad. Sir, I have participated in the e-voting and casted my vote for in favor of the resolutions.

Sir, I find from the balance sheet that our trading profit was Rs.1,627 crores last financial year but this year it is negative, it is loss of Rs. 242 crores. What is the reason Sir? Throw some light on this. Sir, our employee's strength is how much after acquisition of the Citibank credit card section.. How many branches we have and ATMs? Is there any specially challenged employees we have? If yes, how many? Before I conclude, I have a small complaint.

I had a credit card and it was sanctioned to me with a credit limit of Rs.18,000 against my fixed deposit. I did not use this card for two -three months and I was seriously ill, then I asked Axis Bank to close this credit card. They closed the card but they have charged joining fee and the late payment charges but I have not used this card for a single time. Sir, around Rs.1,200 to Rs.1,500, I have to spend for this. They have told that they will return it but till date they did not return this amount. Please sir, look into this.

**Rakesh Makhija:** We will do that.

**Sunil Modak:** With this I conclude. Thank you. for patience hearing. Thank you. Namaste.

**Rakesh Makhija:** Namaste.

**Moderator:** Thank you. We will now invite our next speaker member, speaker number five, that is Mr. Ramesh Shankar Gola. Mr. Ramesh Shanker Gola, request you to please unmute your audio and video and ask your question.

**Ramesh Gola:** Actually sir, the reason for this delay is that you did not give access to the video and mic immediately. You gave it after calling the participant. That's why it is going late. Every company is immediately ready.

**Rakesh Makhija:** Go ahead.

**Ramesh Gola:** Thank you, the Chairman, directors, and Company Secretary, Sandeep Poddarji, very known person from Hyderabad. I am Ramesh Shanker Gola, shareholder and account holder also. Sir, in the coming two years, are you thinking about any new transaction from the Bank's view, please tell me.

I am the account holder and is required to maintain minimum balance of Rs.10,000. Why are you not removing this restriction for shareholders. If this is changed to zero balance account, other shareholders having account with other banks will also deposit in our Bank, this would increase our CASA and other NEFT, RTGS and DD transaction.

Bank should also provide 1% additional interest to shareholders on fixed deposit. This will increase the deposits. At present, how many branches are there in India? Please let me know. How many total employees does the Bank have on temporarily and permanent basis both. What is the breakup of women and men employees?

If you give your permission, I want to see our corporate office and registered office and want to meet you. I will feel very happy. I have one account in Faridabad branch, Hyderabad, sir. Please make it a zero balance account, Chairman sir. I have already casted my votes in favor of all the resolutions. Thank you so much.

And about Sandeep Poddar from secretarial department, I want to say, wherever he goes spreads the happiness and looks after everyone well. Thank you so much for giving me a very good opportunity, Chairman sir and co-directors. Have a good day. God bless you all, sir.

**Rakesh Makhija:** Thank you,

**Moderator:** Thank you. We will now invite our next speaker member Mr. Rajendraprasad Deviprasad Joshi. Mr. Rajendra Prasad request you to please accept the prompt on your screen unmute your audio and video and ask your question.

**Rajendraprasad:** Hello, good morning Chairman sir, Rakesh Makhija ji, our MD & CEO, Amitabh Chaudhry ji, our company secretary, Sandeep Poddar. Sir, myself, Rajendra Prasad Joshi, shareholder, speaking from Mumbai at my residence. Sir, at the outset, really, I am thankful to Shri Sandeep Poddar sir for sending me the email well on time and sending the soft copy of the annual report.

But sir, I have requested for the physical copy two times, so far I have not received. Sir being a senior citizen, I find it very difficult to read the soft copy in detail and so I always insist for the physical copy. So, kindly I request Sandeep ji that every year please go on sending me physical copy of the Annual report. So, this is my request, please note down that thing.

Secondly, sir definitely you are giving a good services to the shareholders. So, we have nothing to complain about it. Sir, one thing I will like to say is about our Bank itself is it is now it has become a one of the top ranked bank viewed from the financial

performance as well as customer services. I am also an account holder of the Bank and I find that our services are really satisfactory.

Along with this, sir, I would also like to appreciate our performance. Over the five years, our financial performance has improved a lot and our asset quality also has improved a lot. I have just two, three questions to ask you. Sir, what steps are being taken to improve the CASA ratio and also to improve net interest income margins?

Second thing is what is the status of the bad loans outstanding at present and what precautions or the mechanism followed to avoid bad loans at present. These are two or three questions, please can you answer it, I will be very much thankful to you. With this I am very much thankful to you for giving me this opportunity to speak from the platform and also I support all the resolution. Thank you very much sir.

**Rakesh Makhija:** Thank you.

**Moderator:** Thank you very much. Before we take our next question, we would like to remind participants to please limit your questions to three minutes per participant. We'll take our next question from speaker number seven, Elija Devi. We've unmuted your audio. Please go ahead and ask your question.

**Bharat Raj:** Very good morning, sir. I'm Bharat Raj, joint account holder. Elijah Devi is my mother. On behalf of her, I'm also shareholder. I'm talking, sir. First of all, entire Board of Directors, sir, wonderful performance. Thanks for your dividend. So, Axis Bank is a bank, we do not compare with any other banks, sir. It is having a family oriented and ethical bank.

If you compare with other banks, it is not very aggressive, but they are always accessible and they're very serious in the personal banking, sir. I'm happy, Chairman sir, under your leadership Axis Bank is growing wonderfully and the way you've taken over the Citibank's services, I'm very happy, sir. Thank you, sir.

And under your leadership, we'll see more and more higher heights, sir. Sir, I thank my company secretary Mr. Sandeep Poddar, because he is a well friend of mine. In Dr. Reddy Labs, he's given wonderful services. I hope in this Bank also, he is giving wonderful services.

Actually, yesterday I was in Mumbai and walked into our corporate office. I wanted to meet Mr. Sandeep, he along with Mr. Mahesh Chouhan, Senior Manager met me with friendly nature and wonderfully shared all the ideas and everything with me. This is what the Axis Bank, sir. They're always friendly nature. Thank you. Once again, all the best for coming years. There is no further questions sir. We trust your leadership.



Entire team, I'm very proud. My best wishes to you. Thank you very much, God bless you all.

**Rakesh Makhija:** Thank you.

**Moderator:** Thank you. We will now invite our next speaker member, Jitendra C. Sanghavi. I request you to please unmute your audio and video and ask your question.

**Jitendra Sanghavi:** Hello everyone, thank you for inviting me and thank you for giving me an opportunity for this Q&A session. I will directly come to a few questions and I would like to have a fruitful answer for these questions. First and foremost question is UPI that we are having in Axis, how much cost we are having and what is the gross and what is net?

How much subsidy are we getting from RBI and what exact cost are we incurring and what are we trying to do with the finance minister, whether we will be able to get any more subsidy from them or it is net cost for us, that is my first question.

Second question is diversity, what kind of diversity do we have in Axis Bank? I can see only two Directors are Women Directors. Are we planning to have more Directors? I am not asking only from Director's point of view, even from employee's point of view, how many percentage we are looking for and by when we will be able to achieve, because in Axis Bank, I have not seen much incremental change in last three - four years in women employees. So what is your strategy to increase?

Third and important question is sustainability and ESG. What are we planning to do? I understand that we have done everything online and everything is done, but still there are many, many things, actually we are lacking and what are we planning to do by 2023 and whether we will be able to achieve those or it is just a statement that we are trying to make as of now.

Fourth and important question is since Citi personal banking that we have bought, what are the valuation that we have thought for it and whether we'll be able to achieve, what is the target and by when, we will be able to achieve a net IRR.

Fifth question is corporate banking. I just wanted to know, how much percentage of total loan we have given to Adani. That is really important because Adani is crashing like anything. It has gone up like anything and it has come down like anything. And we don't know, what will be the future of Adani. So I would like to know what will be the percentage, we have given as a part of loan to Adani.

And sixth and important thing, why we are not having young talent in our leadership? Okay, I am not able to see any of you guys are less than 50, okay? So why we are not

giving an opportunity to young talent? I know Rakeshji you are laughing, but you just understand, now new talent, new generation is very dynamic.

At least we should have, I'm not saying take it to a directorship, but at least give them a chance to give more opportunity. There are lots of IIT, IIM people, which are coming out. Why are we not giving opportunity to them in leadership? I know they should have some experiences, but with experience people at least 40s, 50s, at least try to give them some chance. That's it from my side.

**Rakesh Makhija:** I was laughing because we have a huge amount of young talent and you don't see them on the six, seven people you are seeing here, there are lots of them at very high position, but please carry on. Let me not interrupt you.

**Jitendra Sanghvi:** Sorry. No, that's it. This is my last question. But yes, I would like to see someone in at least CS, CFO, at least from both sides, at least you can give them a chance. So yes, think about it. I'm not pressurizing anything. But yes, I would like to see some dynamic in Axis because you also understand that with an old age, I'm not saying you have good amount of experience, but with a dynamic and with the technology, there should be some new talent or a young talent should come up. That is my request, nothing else. Thank you, sir. Thanks a lot for listening to me. Thank you.

**Moderator:** Thank you very much. We now invite our speaker number 9 that is Rajesh Dewan. Mr. Dewan, I request you to please accept the prompt on your screen, unmute your audio and video as well. Please go ahead and ask your question.

**Rajesh Dewan:** Good morning, gentlemen, and thanks for inviting me to the panelist meeting. I just have only one question with me, so despite all these incremental growth in the Bank, the company has not yet issued any bonus share despite having huge reserve and surplus with it.

And secondly, the shares of this Bank is not moving in tandem with the other private sector banks, whether it is ICICI Bank, whether it is SBI Bank, whether it is new generation IndusInd Bank.

And thirdly, I am also a shareholder of Jammu branch since its assumption in Jammu. I am having an account number 329 with the Bank. Despite having a huge amount of deposit with the Bank, which I do not want to disclose here, you can verify it from the branch. I am having huge deposits with the Bank. Despite after so many years, my account was converted to Burgundy account. Secondly, I am also having an account in the name of my wife with the same, not same but alternate sequences.

Despite that, her account has not been upgraded to Burgundy account. And similarly, I have not, though my account was converted to Burgundy, but I was not issued Burgundy cheque book and my wife was converted to Burgundy but the debit card is not being upgraded to a Burgundy card. Online it said, it is not eligible for upgrading though she is also having good balances and deposit with the Bank.

Please look at it and otherwise, I am satisfied with the branch but for this few hiccups I am not able to continue with the Bank. I think I should not continue with the Bank. This is my information and for that you have to take care and ask the concerns to do the needful. And for that I am not taking your much time. So it's thanks to all the members, worthy members of the Board and Chairman Mr. Makhija that is so nice of you. Thank you.

**Rakesh Makhija:** We will look into this. Thank you.

**Moderator:** Thank you very much. Speaker number 10, Navy Capital Management had registered however has not joined the meeting. Speaker number 11, Kishori Sureshbhave, had registered, however, has not connected to the meeting. Speaker number 12 is Prathamesh Vikas Dakwe. We've given you permission to speak, Ms. Dakwe. You can just go ahead and ask your question.

**Vasudha Dakwe:** I am Vasudha Vikas Dakwe, talking on behalf of my son, Mr. Prathamesh Vikas Dakwe. I have facing a lot of problems in transferring my physical shares into DEMAT. Secondly, I am also facing the problem in my unclaimed dividend. Lots of mails I have sent to our RTA, but there is not a positive response from them. Please look into this matter and solve my problems as soon as possible.

Secondly, I would like to ask, how many new branches you are going to open in the rural areas? With this, I support all the resolution. Thank you very much and wish the company all the best for coming financial years. And I also request, please give me the appointment of our company secretary to solve me these problems. Thank you very much, sir.

**Rakesh Makhija:** Thank you.

**Moderator:** Thank you. I now invite our speaker number 13. It is Mr. S.K. Limaye. I request you to please accept the prompt on your screen. You will be able to unmute your audio and video. You can ask your question. Mr. S.K. Limaye, could you please unmute your audio and video and ask your question.

**S.K. Limaye:** A very good morning to our respected Chairman, MD, the Board members and all participants. I am Sanath Kumar Limaye. Sir, at the outset I want to congratulate

Mr. Chaudhry and his entire team for the excellent results. Our share price has zoomed by 34% since last AGM. Paying for Citibank acquisition from P&L account and not from reserves was a very wise decision.

With increase in business, the results for next year would be robust and hopefully dividend would be Rs. 10 per share. I am a shareholder since IPO in 1998 and have more than 10,000 shares on date. I also have savings, Demat, trading account all with our Bank. I am a Burgundy customer.

Sir, I want to know, whether the Bank has any provision to compensate its customers if they incur financial loss for errors or mistakes committed in Bank's functioning. It is gross injustice to them if they lose money because someone in the Bank did not do his job properly or some system failed. It may be a miniscule amount for the Bank, but it is considerable for a small investor.

The Bank earns 68% of fee income, which was Rs. 16,500 crores last time from retail segment. It should protect their interest, too. Sir, to elaborate, I have suffered a loss of Rs. 16,000 rupees because shares offered by me and blocked by the Bank in a buyback offer were not transferred to RTA or managers in time. Even the government has an investor protection fund to safeguard interest of small investors.

Our Bank should also have some in-house arrangement, so that customers are not penalized for no fault of theirs. So, please formulate some customer friendly policy on this. Sir, next question I have, do we have any plans to hive off our subsidiary? That is one question, sir and one suggestion I have is that we should aggressively go for home loans, which is a very lucrative sector, growing sector and the risks are also less.

And finally, sir, just one thing, I wanted to change some Rs. 2,000 notes in my Bank's branch, they gave me a big form, they asked me whether I have a Burgundy account holder or not, I said I am a Burgundy, then they said only 10 notes can be changed at a time.

Then I just came out and went to a public sector Bank, where also I have an account, they also told me that notes having value upto Rs. 10,000 can be changed at a single time. Then I said, if I stand in the queue and then again I come in the queue, Can I again change it. They said yes and there are no forms and no questions. They changed my 21 notes. So thank you very much and have a good day, sir.

**Rakesh Makhija:**

Thank you, Mr. Limaye.

**Moderator:**

Thank you. We now invite our next speaker member, Mr. Subrata Datta, request you to please unmute your audio and video and ask your question. Mr. Dutta, could you

please go ahead with your question? Your audio is unmuted. Can you see me? Yes, we can.

**Subrata Datta:**

Good morning, Chairman and Board of Directors. I have a very serious issue to submit to this AGM. I am facing as a Burgundy customer of this Bank and also as a shareholder. Firstly, my issue number one is, I have a joint account with my daughter as a Burgundy account holder and she is abroad now and she used a debit card for withdrawing money from abroad. She is there since 2022 and still she is outside India. But during entire year, she withdraw her money from the debit card and it was okay, but on July 23, 2023, this year, she was presented with an outstanding TCS demand of Rs. 1,34,000. My question is that how a TCS can be outstanding? TCS needs to be collected at the time of transaction. If there is any deficit amount, the transaction should not go.

But here, they allow all the transactions and after the close of the financial year of 2022-23, now in 2023-24 financial year, they are placing a demand of Rs. 1,34,000 as outstanding TCS. Where from she will pay? She is having her account and it is apparent, that it is the fault of either the software or your person for not debiting the TCS. So why should she be penalized? How can she pay the outstanding TCS? Where from she should get paid? I contacted my local branch, submitted a written complaint. I contacted the regional manager with a written complaint, but no reply has been received by me. And this is the position of a Burgundy account holder with his daughter outside India, facing extreme difficulties in maintaining her daily expenses because her account has been blocked and placed on a negative balance.

So even if I want, I cannot support her financially. So this is the position of a customer and as a shareholder having a Burgundy account with your Bank and I think, it is a very essential and urgent matter to be dealt with.

One thing and next my suggestion is about your edge reward point. This is a very funny thing. They offer two options. One is for items to be selected for purchase and another is discount coupons. But I have ordered some items, they have debited from my edge rewards point, but the items never reached me. I think it is a fraud, using past bitrate at that point.

And my third suggestion would be, why my Bank do not accept cash deposit to convert into demand draft. The State Bank accepts it to issue demand draft and my Axis Bank do not accept it. And I think by this way they are losing a huge amount of money through the service charge and all these things.

I think you should look into these three matters and again I emphasize, please look into my first point where I am facing problem as a Burgundy customer and my daughter is in a very difficult state abroad due to blockage of her account and placing it on a negative balance. For fault of your Bank or your software or your persons, she should not be penalized. Thank you, sir. I will not take any questions.

**Rakesh Makhija:** We will look into this.

**Moderator:** Thank you very much. I now invite our next speaker member, speaker number 15, Tejas Shah. I request you to please accept the prompt on your screen, unmute your audio and video and ask your question. Please go ahead.

**Tejas Shah:** Thank you very much. Respected Chairmen sir and entire Board member and specially representors of our shareholders, Manoj Kohli ji, P.N. Prasad ji, CH SS Mallikarjunarao ji and Girish Paranjpe ji. Sir, the theme of the annual report is Open to Win Together. But I think it is open to win, 'together' word is missing in the right sense. Because you do not want to take all investors with you. Sir, why have you kept only two days are fixed for registration? In other companies, you can email any day before the meeting and in our company, only two days are fixed for registration. If someone misses, you don't give them a chance to speak. I have experienced this for the last two years, then why is this sir?

Don't we want that as many investors as possible attend AGM and give their opinion on the accounts? Sir, if any shareholder says anything, then he will say for the good future of the company. Sir, that's why I think that in 'Open to Win Together', the word together is missing.

In the last AGM, I had told Abhijit sir about it and also told all the Independent Directors, but there was no change in it. I have a special complaint from all the Independent Directors that I had said in the last AGM, still why did you give permission to management for this year also? Are you really independent, sir? Do you only care about your sitting fees?

Do you go to Board meetings meeting to have tea and breakfast? Don't you want to work for the benefit of the investor? Doesn't your management listen to you? And that is why S Vishvanathan and Vasantha Govindan have resigned. I appeal to all the Independent Directors that it should not happen again. It is your responsibility.

I want to know the details of the request sent by the shareholders for registration through email for attending the audio-video meeting for last three years. I want the details in writing. Secondly, I emailed Company Secretary Department for the annual

report and hard copy of the Balance Sheet of subsidiaries. He sent it immediately. I am grateful to him for that.

But the subsidiaries' Balance Sheet that I have got, some of them have very small fonts, which can't be read without glasses. Some subsidiaries don't have proper printing, which can't be read at all. Some subsidiaries have one or two blank papers in between. In some subsidiaries, the papers are upside down. So why is this? The secretarial department should check and send it.

Sir, I have two-three queries. In that, first is, there is a subsidiary company, Axis Mutual Fund Trustees in which the revenue is approximately Rs. 1 crores and you have given sitting fees of Rs. 83 lakhs, which was Rs. 32 lakhs last year. This year you have given 80-85% sitting fees of revenue, Sir, what is the need to give so much? I am not able to understand the logic behind this. Please explain this to me.

Secondly, in the Axis Mutual Fund, in Page number 24, in Note number 10, trade receivable, the details you have given are of 2023-2024 instead of 2022-23, so, 2024 has not come yet. So, why have we gone so far?

Third, sir, there is another subsidiary of ours, Axis Capital, in that, in the note number - 30, other expenses in printing and stationery last year which was Rs. 2 lakh which has increased to Rs. 290 lakh which means 150 times it has increased approximately. So, why it has increased so much? Please send the details and bifurcation in writing.

Second, Axis Finance, in the note number 10 i.e. property, plant and equipment, vehicles having total value of Rs. 240 lakh have been purchased. Sir, which vehicles have been purchased? Are there any Director's vehicles in them? And our company is of finance, so, what is the need of so many vehicles, I need elaboration on that?

Second sir, in Axis Finance, in related party transaction, loan to KMP is Rs. 119 lakhs, so sir, who has been given this and why and what is the rate of interest, please give the details.

**Moderator:** Sorry to interrupt. Mr. Tejas Shah, I request you to please finish the question faster. There are other participants waiting for their turn, sir.

**Tejas Shah:** Madam, we have heard the Chairman Sir for more than half an hour. So, you can give me three minutes to five minutes, madam. Thank you.

**Moderator:** Okay.

**Tejas Shah:** Thirdly, sir, Freecharge Technology has doubtful deposits of Rs. 362 lakhs. So, please give me a bifurcation of that.

And lastly, I want to know from Abhijitji sir, that I often read the name of my Bank in the newspaper that RBI has given a penalty for non-compliance and failure of compliance amounting to Rs. 30 lakhs, Rs. 93 lakhs sometimes Rs. 5 crores and secondly there was also a fraud of Rs. 30 crores with our company and one time it has happened that there was a fraud of Rs. 1,030 crores, will this continue? And why is this happening with our Bank? This is not good for our Bank and all investors. Thank you very much, sir.

**Rakesh Makhija:** Thank you.

**Moderator:** Thank you. Our next speaker member number 16, Radhe Shyam Prasad, had registered, however, has not joined. We will therefore move to our next speaker member, number 17, Mr. Santosh Kumar Saraf. Mr. Saraf, could you please unmute your audio and video and ask your question?

**Santosh Kumar Saraf:** Hello. Yes, sir. Greetings to Directors, Members, Officers and our Shareholder brother and sister whoever is present in the Video Conference. I am Santosh Kumar Saraf from Calcutta, greet you all. I wish that all of you must be in good health. I would like to thank the management for their hard work. Today, the price of a share is going to be Rs. 1,000. In some time, it used to be Rs. 28 or Rs.10. This is the result of hard work and management.

And sir, you have given a Rs. 1 as a dividend. I would like to thank you for that too. Many people have asked me questions. Many people have complained too. So, I think that this Video Conference meeting is conducted to discuss the accounts rather than making complaints. They waste the time of the speaker shareholder. I will ask one question, sir. What is the arrangement of artificial intelligence for fraud? What are you doing?

Artificial intelligence is in use now. It is being used by the government as well and recently IT department had sent notices to one lakh Income tax payers using it. So, my question is whether you are using artificial intelligence? And I would like to suggest you to seek advice from the technical people and use it. I will not explain much. This VC meeting is very good. I will say that keep a continuous VC meeting, which the shareholders outside your city will be able to attend.

Our Directors who have not come, they can also attend from their place. Once again, all the Directors, Officials, all the Employees, I thank them for good results. And I pray



to God that you all stay healthy, wealthy and prosperous in 2023-24. I pray for your family too. Stay healthy and well with them. Greetings to you.

**Rakesh Makhija:** Thank you very much.

**Moderator:** Thank you very much. Our next speaker member, number 18, Mr. Tapan Shah, has registered, however, has not connected. Therefore, we will move to our speaker number 19, that is Bijan Mandal. Request you to please accept the prompt on your screen, unmute your audio and video, and ask your question. Mr. Bijan Mandal, I request you to please unmute your audio and video and ask your question. It looks like your microphone is still muted. Can you please unmute? Yes, and ask your question sir.

**Bijan Mandal:** Thank you sir. I am a shareholder of the company and I also have the fixed deposit and savings account in Bank and also in mutual funds.

**Moderator:** Sorry to interrupt Mr. Mandal can you just hold the microphone little closer to you and speak we can't hear you that clearly.

**Bijan Mandal:** Can you hear me sir? I have unmuted already. Okay now the thing is that I have recently gone through your financial and I found that there is a vast improvement in your financial performance in the last financial year and particularly in the ongoing financial year in the first quarter, you have earned Rs. 75 per share as EPS on annualized basis, it is really impressive. But sir, the dividend you have paid is only Rs.1 per share. I would like to ask you to review the dividend distribution policy. Thank you.

**Moderator:** Thank you. Our next question is from speaker number 20, Meena Agarwal. Request you to please unmute your audio and ask your question.

**Meena Agarwal:** Yeah. Respected Chairman, Mr. Rakesh Makhija, MD and CEO Amitabh Chaudhry, our CFO Puneet Sharma and CS Sandeep Poddar. There were 18 resolutions to be voted for, which I voted. Yeah. One second, sir. The performance of the Bank has been very good. The PAT was about Rs. 23,172 crores before the exceptional item of Rs. 12,000 crores plus due to the acquisition of the Citibank India operations. Had that not been there, our EPS should have been Rs. 71 instead of Rs. 31.

Sir, the only grievance that I can have is that growth will also be there in the Bank and the Bank will always need funds for growth and we have done an EPS after the exceptional items of Rs. 31 and still you have given a dividend of Rs. 1, which is less than about 0.3% of the EPS. Do consider of a better payout ratio. This thing is very low. We invest to get returns from the Bank, but if you're going to get Rs. 1 out of

Rs. 31, it is very low. And the net worth of the Bank has increased to Rs. 1,24,000. This thing is all very good.

My grievance is only on the Rs. 1 dividend that you have declared on earnings of Rs. 31 plus, it is not sufficient, sir. Do consider better interim dividends or better thing, even the bonuses are due from the Bank, which is not there after having such a strong balance sheet of Rs. 1,24,993 net worth and a book value of 406 on a face value of Rs. 2 sir. So, I wish the company all the best for the future growth and my grievance you will take into consider. Thank you sir.

**Rakesh Makhija:** Thank you Sir.

**Moderator:** Thank you. We will now move to our next speaker member Mr. Praful Chavda, speaker number 21. I request you to please unmute your audio and video and ask your question.

**Praful Chavda:** Chairman sir, Board of Directors. I am Praful Chavda from Hyderabad. Many shareholders have said many things, so I want to say something different. First of all, I am your customer and your Bank charges for SMS, SMS is free nowadays So, how much income does the Bank get by charging SMS to all the clients and how much do you spend on it, how much benefit do you get by putting SMS charge we will tell you that.

What service are you providing to senior citizens inside the Bank or outside the Bank whatever comes in your system giving more interest or whatever is in the fixed deposit we will tell you. It seems that you don't have any system to open an HUF account. I myself went to the Bank to open an HUF account. They said that they don't know what happens and what doesn't. Later they say that come in the evening or in the morning. Now a person comes and he knows.

That is, senior citizens also come again to the Bank in exchange for getting service. What benefits do you get from the ATM? Many benefits have been lost from the ATM. Only a few people use the ATM. The vegetable vendors also use the paytm for small value transactions. Your employees who pass loans, they should be responsible for pass the loan, should be responsible for the recovery of the loan. They go to another place and the recovery agent or whatever your job is, goes to the recovery.

If there is no recovery, then you auction for a house or a two-wheeler or a four-wheeler auction you do. You cannot pick up the house, but the Bank comes and picks up the car and takes it away. They take away the two-wheeler and put it in a garbage bin. It stays there for a year or two, then they auction it. Then the two-year rent is also collected from the buyer. Why not immediately auction the car of the Bank? The car should be auctioned at the person's house.

So that the people of the colony know how bad a person he is that he does not pay the loan from the Bank and roams around in the car. So, that people like this should be open. So that the person who takes the loan should understand and pay the loan. This should happen, sir.

Sir, the second thing is that a friend of mine just said that there has been a lot of fraud to the company. How did the damage happen, sir? Has a rupee been fraud from your house? If a rupee of your house is gone, you do not sleep at night. And if the Bank has been fraud, you happily come in a tie and coat. So this should not happen. There is a lot of inquiry from the Bank, you should not do this. You should inquire more about the person who has been paid.

How can you fraud? Don't you have a system? If you are leaving the fraud people, then give me Rs. 200 crores Rs. 500 crores. I am ready to go to jail. If I get Rs. 500 crores, I am ready to take it. Don't do this, sir. Fraud must be because of you otherwise fraud is not there.

And sir, secondly I don't want to say anything else whatever it is, it is enough, but I want to say that whatever happened, it happened. But I want to say one thing if your health is not good, you should have taken a leave and made the other person sit. Thank you, sir.

**Moderator:**

Thank you. We will now invite our next speaker member, number 22 i.e. Dileep Kumar Jain. Mr. Jain, please accept the prompt on your screen. You may unmute your audio and video and then ask your question. Ladies and gentlemen, we request you to please remain connected while Mr. Jain unmutes his audio and video.

**Dileep Kumar Jain:**

Chairman Sir and Board of Directors, congratulations to all of you for giving such a great results and to the Bank, I would like to extend my heartiest thanks to all of you.

One thing I would like to say is that, all the panelists have said so much that there is no need to say anything further. But it is necessary that the frauds that are happening, in which RBI repeatedly penalizes them, and the penalties imposed on the level of your office by RBI, so what is happening in those frauds and how many NPAs are there, how much have been recovered and how is the position running from 2020 from the COVID period till now there has been new NPA and how much has been recovered because today we are hearing that NPAs worth more than Rs.10 lakh crores are being recovered. So what is the amount of that?

One thing I want to say is that the registration for the speaker was given for two days and in that also it happened that it was given on the NSDL website. I tried to call Sandeep ji twice, but he didn't pick up the phone and only the NSDL account holder

can log in to that. There was no option to log in to by CDSL account holders. For this, I called NSDL and Mr. Anubhav Saxena from NSDL said sorry three times. I can't do anything. This is a system, it has been messed up from there.

After that, a call has come from your office and after that, they have added me as a speaker. So, how many persons suffers like me who really want to speak on the interest of the Bank. If such thing is happening on the management level on the IT team's side, in which CDSL members cannot log in, so, sir, it is a very big thing and need to be taken care of.

I called Mr. Sandeep Poddar, Company Secretary twice, however my phone was not picked up., I mean, these things dent the Bank's image. I thank you for giving me the opportunity to speak. One more minute I want to take.

**Moderator:** Mr. Jain I think you have muted your audio, sir. Can you please unmute and speak? We lost your audio.

**Dileep Kumar Jain:** Yes, sir. I went to the Barkat Nagar branch and told them that I want to open a senior citizen FD. They said that they will arrange it. But even after 6-8 months, there was no call from them. They did not send a person to collect the money. Sir, this is the situation of the shareholders, so what would have happen to general public. I can't say, you can presume. You take some decision about this.

And all these shareholders are telling so many things please take care of this and particularly if any shareholder visits to the Bank's branch, then, he should get additional treatment. Thank you.

**Moderator:** Thank you very much. Sir, that was the last question. Over to you for further proceedings.

**Rakesh Makhija:** So, thank you for all the questions that you have posed. We will respond to these questions. I am going to ask the Amitabh Chaudhry, our MD & CEO to respond to specifically the question that you have raised and we go one by one. Thank you. Amitabh, over to you.

**Amitabh Chaudhry:** Thank you, Chairman. I will try to answer all the questions in the serial. If there is an overlap in the questions, then we will cover them once and obviously we will not repeat it again.

Mr. Bakshi, we are starting with you. Thank you so much for being an account holder of the Bank and a shareholder. I think you do a lot of business with the Bank. We thank you on behalf of the management team for doing business with us. Your first question

was around various loans, especially the SME loans. SME loans increased by 23% year-on-year in first quarter financial year 2024. The accounts put 11% of total advances. Our small business banking, SME what we call the CBG side and mid corporate book grew at a CAGR of 27% in the last three years. We today have 8.4% market share in the overall industry MSE credit. Also, you would note that our small business banking SME and the mid corporate book accounts close to 20% of the overall advances of the Bank.

You asked about data centers, the two data centers in Mumbai and Bangalore. Four data centers are located in different seismic zones. They are connected through redundant, wide area network, connected to all branches and offices. We have setup a refresh near DR also for critical applications. We conduct regular DR drills, it's not a one day drills, they are drills which last for many days and we conduct them on a regular basis. These reports are submitted to the regulator also. We are continuing to evaluate our data center strategy and we might add more data centers as we move along.

As far as digital business is concerned, 70% of the new savings account acquisition is coming through digital means, 72% of individual retail term deposits are being booked through digital means, 55% of our personal loans are being disbursed through digital means. As the Chairman highlighted in the speech, digital bank and digital banking is an important initiative for the Bank and we are pushing ourselves into the digital domains to what we are calling Axis digital tool strategy.

Our idea there is to create a digital bank where all liabilities and assets are sourced end-to-end digitally, that business is growing rapidly. And we believe that that could be the future of banking in India and Axis will play an important role in it. You talked about energy initiatives. We have initiatives around green building, around daily recycling, around rainwater harvesting, the replacement of conventional lights, and so on and so forth. Some of these initiatives have been highlighted quite clearly in our Annual Report. You'll be delighted to know that we are the first bank to actually have a separate ESG committee of the Board, and the Board committee is driving a lot of the ESG agenda in the Bank.

You talked about CSR spent in 2022-23, this was Rs. 201.92 crores. We have a clear plan for NPA reduction. We have some of the steps that we have taken for minimizing NPAs in future and changes in loan sanctioning process, a lot of you have asked the question. So, we firstly continue to review our underwriting policies and processes to ensure origination level checks are duly implemented. On board, good quality borrowers, both on the wholesale and the retail side.

Internal rating forms the core of the risk management process for wholesale lending business with internal ratings determining the severability of risk, maximum exposure ceiling, sanctioning authority, pricing decisions and review frequency. The Bank also monitors the performance of borrowers through a mix of internal and external sources, alerts for potential weakening and fraud, etc. And we have a lot of parameters being monitored to ensure that we are on top of the situation at all times.

Also, finally, the Bank has specialized collections and resolution teams in retail, as well as wholesale banking. These teams engage with mutual borrowers or corporates to explore multiple alternatives to resolve and avoid shortages.

You had a question on tech spends, 8.6% of our total spend in financial year 2023 was tech spends. It is growing at 24% year-on-year and was Rs. 2,355 crores last year. Marketing spends was Rs. 144 crores last year, which is all about building our brand and pushing our agenda on some specific solutions which we are offering to our customers. But those are the questions asked by Mr. Bakshi.

Mr. Sunil Modak, again, thank you for being a customer of the Bank. Sincerely appreciate it. You asked a question on trading profit as to why it is negative. There was increase in interest rates in the market. There is no economic loss because of the change in interest rates and how they move. We have to revalue the securities on an ongoing basis. Just as an example, against a loss last year, the first quarter of this financial year, our trading side of the business has generated a profit. So, it is something which goes up and down. You also asked a question on the employee strength as on 30<sup>th</sup> June, 2023, we have 94,824 employees on rolls of the Bank. We have added 8,366 staff in the last one year. 3,200 employees joined from Citi.

People have asked a lot of questions on diversity. As of 31<sup>st</sup> March, 2023, our 25.7% of employees are women. This ratio has changed over the last two years by more than two percentage points. So, that's an important ESG agenda of the Bank and we are pushing ourselves and there is a clear plan outlined to the board which is being monitored quite closely as to how we continue to push our diversity ratio as an institution. We have signed up for a target of 30% by 2027.

We have on a temporary side, 200+ freelancers who work for the Bank and there are 3,500+ what we call gig -A employee, who work offline for a limited period of time on a daily basis with the Bank. You asked about number of branches in India, we have today 4,910 branches and 15,953 ATMs.

Mr. Golla, again thanks for being an account holder. We insist on minimum balance because a lot of free services are provided. We have tried the zero balance strategy in

the past, not very successfully. You asked questions, I think they have already been answered.

Mr. Rajendra Prasad Joshi, again thank you so much for being an account holder. You talked about the physical copy of the Annual Report not being received. We will ensure that it gets to you as quickly as possible. As per our data, you requested for this report on 27<sup>th</sup> July, 2023 at 7.35 p.m. We will send it today.

Number of branches we propose to open in 2023-2024 is 500. We expect to close that activity by somewhere in January-February, 2024 of this financial year. There is a clear plan in place, branches and the locations that we identified. The work is on in many of those branches and as and when the work gets completed, we will open the branches. We opened 186 branches last year and as required by the RBI, 25% of those branches will be in the rural area.

As far as CASA ratio improvements are concerned, our deposit franchise continues to grow faster than industry with improvement in both quality and composition. We are very focused on granular retained deposits. We have great incremental market share of 6.3% in the last one year. Our focus also is on productivity and micro-market strategy, premiumization and we are obviously coming up with curated product propositions that we can attract to the specific customer segments.

Ms. Elija Devi, though you had someone speaking on your behalf, you have no questions. I do want to thank you for being an account holder and sincerely appreciate you using our services.

Mr. Sanghavi, you talked to us about, asked us a question on ESG and CSR initiatives. As far as CSR activities are concerned, what we have is a flagship livelihoods program managed by Axis Bank Foundation, which has reached close to 1.3 million households as of March, 2023. The Bank has also, as the Chairman highlighted, entered into a partnership with Indian Institute of Science, Bangalore, to establish the Axis Bank Center for Mathematics and Computing at the campus.

Under Axis Dil Se, the Bank's flagship program in education, the Bank has expanded its partnership with the Indian Army and Assam Rifles to establish centers of excellence in the Northeast. The Bank is supporting the CM Rise program, focusing on the personal development of over one lakh government primary teachers covering the entire state of MP. We also have a flagship program under the theme of environment. Our mission is two million trees, where it has committed to planting these trees by 2027.

As far as exposure to Adani Group is concerned, let me assure you we extend credit basis comfort on cash flow security and the payment capability of the obligor as per banks credit assessment framework. We remain comfortable with our exposure to Adani Group this is the same. We have sent a notice to the stock exchange around our exposure, approximately six months back. Right now it constitutes, the overall exposure constitute less than 1% of the net advances of the Bank. So, we believe that we are in a comfortable situation.

A question was on the benefits from the Citi acquisition. We believe this acquisition positions Axis Bank very strongly for accelerated premium market share growth and this is in line with Axis Bank's growth ambitions. This has given us an access to large pool of affluent customers and a franchise of more than 9 lakh customers. Our CASA ratios improved by 150 basis points and has consolidated our position in the card business with addition of 1.8 million cards. We have already 43% growth in card advances.

We have already identified more than 60+ initiatives across revenue and cost aspects more than 60 plus initiatives across revenue and cost aspects and the work is already going on. This acquisition will become ROE accretive from financial year 2025 onwards. Let me assure you we are encouraging young talent and a lot of young talent, for example Subrat Mohanty who has just been appointed as the Executive Director of the Bank, his age is 46. Since you asked a specific question about our CFO, I'm delighted to tell you his age is 48, which is below 50. A large number of presidents are at the age of sub 50. So that is again, something which is monitored on an ongoing basis in the Bank and we are promoting a lot of young talent.

Mr. Dewan, again, thank you so much for being an account holder and doing business with us. You talked about the bonus issue. Issuance of bonus shares obviously requires consideration of various factors like adherence to capital adequacy requirements, regulatory guidelines, immunity of the Bank to service increased capital, impact on future profits available for being retained for planned growth, direction earnings per share, etc. We will continue to do what is in the best interest of the Bank and the shareholders and please be assured that when we are in a position to declare bonus shares, we will definitely do so. You also talked about some specific issues with regard to your Burgundy account. I will ensure that someone reaches out to you in the next 24 hours.

Continuing with the questions, Mrs. Dakwe, I think the mother spoke, Sandeep will be in touch with you in regard to your issues on changing from physical to demat. I have already addressed your issue, sort of branches in the rural side.



Mr. Limaye, again, thanks for being an account holder and a Burgundy customer. As far as you talked about the buyback offer, there is no such offer given by the Bank. You talked about some loss. We will ensure that again someone reaches out to you to fully understand what your issue is. You talked about plans to hive off any subsidiary. We have been quite categorical that we firstly want to push a One Axis strategy within the Bank so that we benefit from the Bank and all the subsidiaries coming together in front of the customers, so that we can provide a one stop shop to our customers and all the Bank and the subsidiaries can benefit from it. We will continue to invest and grow our subsidiaries unless it is required by the regulators to divest some of our shareholding. Let us see as to how this plans out, but right now at this point in time there is no work afoot which will lead to any dilution of our stake in any of the subsidiaries. You will actually see us and continue to infuse capital in some of the subsidiaries if that is required for the growth purposes.

Mr. Subrata Dutta, again thank you so much for being our Burgundy customer. You talked about a serious issue. Take your feedback on board. We will have relevant officers come back to you for all the personal issues you have highlighted. I think as far as the TCS is concerned, in some cases the deduction of TCS has not happened. Tax collection at source is something which has to come from the customer's concern, but we will immediately have a conversation with you and try to close it as quickly as possible. You have raised issue around some reward points also, so we will take care of it.

Shah sir you had raised some questions, you said that you had faced a lot of difficulty in registering. Some other people have also talked about registration. Whatever questions you have raised about the subsidiary financials, we will try to answer all the questions within 24 hours. You have raised questions about Axis Mutual Fund Trustees, Axis Capital and Freecharge. You have also talked about frauds. I would like to tell you that as far as frauds are concerned, the fines of RBI have been imposed received, in most of the cases, those fines are either on process related issues or they have received some shortcomings in the currency chests. One fraud that you have referred for Rs. 31 crores, that fraud which I think you are referring to, that was a fraud that an employee of our subsidiary has committed by front running and a SEBI report has come out about it. The Bank or other subsidiary has not suffered any loss in that. This fraud has definitely happened, and we have taken a lot of steps and actions regarding that fraud and if we see any such thing that we have any shortcomings, we will continue to take action. You have spoken about Rs. 130 crores fraud, I am not aware of any such fraud.

You have said about two directors that they have resigned because they are not happy. This is not right. Mr. Vishvanathan, he finished his term of 8 years. That's why he had to step off from the Board because he could not serve beyond that. As far as Mrs. Vasantha Govindan is concerned, UTI withdrew the nomination after it ceased to be a promoter of the Bank. So, no Board member has resigned.

Mr. Mandal and Ms. Meena Agarwal has raised the question why is dividend only Rs.1? Bank has formed a dividend distribution policy and in line with the SEBI requirements of the regulations of 2015, this policy lays down the principles and objectives to be considered and also the regulatory requirements in relation to the declaration of dividend. In view of the overall performance of the Bank and while retaining capital to support future growth, the dividend of Rs.1 has been recommended.

The Bank's philosophy is very simple. On one hand, we cannot go to the market and take capital and on the other hand, we give dividends. We will definitely, as per the dividend policy, see whether the dividend amount can be increased or not.

Saraf sir, you spoke about fraud detection and you said that we use AI. I want to assure you that we have very strong analytical and data capabilities which we use extensively in our fraud detection. We are also taking a very strong step to create a center of excellence on AI. We are looking at use cases and we will definitely see one of the elements in it that how we can become more capable in catching fraud.

Mr. Dileep Jain, you talked about NPA recovery that how much NPA does the Bank have and how much recovery does we have. So, our addition to gross NPA during 2022-23 amounted to Rs. 14,249 crores as compared to Rs. 20,110 crores in 2021-22. NPA attributing to corporate was Rs. 2,306 crores, CBG was Rs. 892 crores and retail was Rs. 11,051 crores. Net slippages during 2022-23 amounted to Rs. 3,680 crores as compared to Rs. 5,760 crores in 2021-22. Bank has taken steps for improving the credit quality of loan registration by focusing on sanction of high proportion of loans and credit facilities to better rated corporates.

The Bank's gross NPA ratio declined to 2.02% as of March, 2023 from 2.82% as of March, 2022 and the net NPA ratio also declined to 0.39% as of March, 2023 from 0.73% as on March, 2022. I'm delighted to tell you that these numbers are perhaps the best in the banking industry. So, please be rest assured that we are firstly watching the gross NPA, net NPA and the slippages very, very closely and over time we have been successful in bringing these numbers down to a point where we think we are one of the best in the industry. Recoveries and written-off accounts was Rs. 2,885 crores, which increased by 22% year-on-year and financial year 2022-23.

Jain sir, you had raised a question that in CDSL, the shareholders were not able to register. We did not find any such issue with other shareholders. However, since you have raised this issue, we will recheck this matter with the NSDL. A quite a few people have raised the issue of registration. It's a feedback we'll take to heart and we'll ensure that in future, some of these issues are brought down. We had no intention of somehow trying to restrict the number of shareholders who could register and ask questions and that is absolutely not the intention. It is the desire of the Board and the management team that every shareholder has a chance to come to these meetings and ask as many questions as they want.

Many shareholders have asked the question on reduction in profit in 2023 in comparison to the fact that we were on a certain run rate. The reduction in reported profits and reported shareholder ratio is mainly on account of full amortization of goodwill intangibles to P&L from acquisitions of Citibank India consumer business.

The amount which we have amortized on intangibles and goodwill is Rs. 11,949 crores. We also harmonize our policies, which caused an impact of Rs. 232 crores and the harmonization of policies and operating expense had an impact of Rs. 129 crores. We also incurred a one-time acquisition cost of Rs.179 crores, total impact of Rs. 12,489 crores.

Someone asked, where is the Bank's CSR activities is focused on? They're focused on four thematic areas, lives and livelihoods, education, financial literacy and financial inclusion, and environmental sustainability.

Modak Sir, you had also asked a question on physically challenged employees. Today, we have about close to 50 physically challenged employees in the Bank. I think with this, we come to the end of all the questions that has been asked. In case, if you have missed out on any questions, please do write a mail to us. We will ensure that we come back to you as quickly as possible. All the shareholders who raised issues, specific issues with regards to servicing and some specific customer issues they have, let me assure you that in the next 24 hours someone will reach out to you and try to close it. Thank you so much. Thank you Chairman.

**Rakesh Makhija:**

Thank you, Amitabh. Thank you for responding to the questions. Ladies and gentlemen, I thank you for your participation. On behalf of the Board, I really – I am grateful that you took your time out and I'm pleased to announce the conclusion of the 29<sup>th</sup> AGM. Please note that the e-Voting will remain open for the next 15 minutes. Thank you very much.