

Axis Bank Limited

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AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(₹ in lacs)

PARTICULARS	FOR THE QUARTER ENDED 31.03.2021	FOR THE QUARTER ENDED 31.12.2020	FOR THE QUARTER ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
	(Audited refer note 2)	(Unaudited)	(Audited refer note 2)	(Audited)	(Audited)
1. Interest earned (a)+(b)+(c)+(d)	15,545,16	15,498,35	16,234,11	63,645,29	62,635,16
(a) Interest/discount on advances/bills	11,598,23	11,544,26	12,633,82	47,918,86	48,302,97
(b) Income on Investments	3,293,45	3,189,83	2,609,57	12,558,21	11,246,03
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	222,39	116,47	422,57	1,037,88	1,095,26
(d) Others	431,09	647,79	568,15	2,130,34	1,990,90
2. Other Income (Refer note 3)	4,668,30	3,776,04	3,985,46	14,838,20	15,536,56
3. TOTAL INCOME (1+2)	20,213,46	19,274,39	20,219,57	78,483,49	78,171,72
4. Interest Expended	7,990,18	8,125,59	9,426,37	34,406,17	37,428,96
5. Operating expenses (i)+(ii)	5,358,63	5,053,29	4,942,09	18,375,15	17,304,62
(i) Employees cost	1,667,60	1,677,35	1,373,97	6,164,01	5,321,00
(ii) Other operating expenses	3,691,03	3,375,94	3,568,12	12,211,14	11,983,62
6. TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)	13,348,81	13,178,88	14,368,46	52,781,32	54,733,58
7. OPERATING PROFIT (3-6) (Profit before Provisions and Contingencies)	6,864,65	6,095,51	5,851,11	25,702,17	23,438,14
8. Provisions (other than tax) and Contingencies (Net)	3,294,98	4,604,28	7,730,02	16,896,33	18,533,91
9. Exceptional Items	-	-	-	-	-
10. Profit/(Loss) from Ordinary Activities before Tax (7-8-9)	3,569,67	1,491,23	(1,878,91)	8,805,84	4,904,23
11. Tax expense	892,61	374,63	(491,13)	2,217,34	3,277,01
12. Net Profit/(Loss) from Ordinary Activities after Tax (10-11)	2,677,06	1,116,60	(1,387,78)	6,588,50	1,627,22
13. Extraordinary Items (net of tax expense)	-	-	-	-	-
14. Net Profit/(Loss) for the period (12-13)	2,677,06	1,116,60	(1,387,78)	6,588,50	1,627,22
15. Paid-up equity share capital (Face value ₹2/- per share)	612,75	612,29	564,34	612,75	564,34
16. Reserves excluding revaluation reserves				1,00,990,26	84,383,51
17. Analytical Ratios					
(i) Percentage of Shares held by Government of India	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio - Basel III	19.12%	18.68%	17.53%	19.12%	17.53%
(iii) Earnings per Share (EPS) for the period/year (before and after extraordinary items)					
- Basic	8.74	3.65	(4.92)	22.15	5.99
- Diluted	8.72	3.65	(4.92)	22.09	5.97
(iv) NPA Ratios					
(a) Amount of Gross Non Performing assets	25,314,84	21,997,90	30,233,82	25,314,84	30,233,82
(b) Amount of Net Non Performing assets	6,993,52	4,609,83	9,360,41	6,993,52	9,360,41
(c) % of Gross NPAs	3.70	3.44	4.86	3.70	4.86
(d) % of Net NPAs	1.05	0.74	1.56	1.05	1.56
(v) Return on Assets (annualized)	1.11	0.48	(0.62)	0.70	0.20

Notes:

1. Statement of Assets and Liabilities as on 31st March, 2021 is given below.

Particulars	(₹ in lacs)	
	As on 31.03.2021 (Audited)	As on 31.03.2020 (Audited)
CAPITAL AND LIABILITIES		
Capital	612,75	564,34
Reserves and Surplus	1,00,990,26	84,383,51
Deposits	7,07,306,08	6,40,104,94
Borrowings	1,42,873,16	1,47,954,13
Other Liabilities and Provisions	44,336,17	42,157,90
TOTAL	9,96,118,42	9,15,164,82
ASSETS		
Cash and Balances with Reserve Bank of India	51,808,56	84,959,24
Balances with Banks and Money at Call and Short Notice	9,921,26	12,309,04
Investments	2,26,119,62	1,56,734,32
Advances	6,23,720,19	5,71,424,16
Fixed Assets	4,245,03	4,312,90
Other Assets	80,303,76	85,425,16
TOTAL	9,96,118,42	9,15,164,82

2. The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.
3. 'Other income' includes gains from securities' transactions, commission earned from guarantees/letters of credit, fees earned from providing services to customers, selling of third party products, ATM sharing fees, recoveries from written off accounts etc.
4. RBI, through its notification dated 4th December 2020 stated that in view of the ongoing stress and heightened uncertainty on account of COVID-19, banks should continue to conserve capital to support the economy and absorb losses. The notification also stated that in order to further strengthen the banks' balance sheets, while at the same time support lending to the real economy, banks shall not make any dividend payment on equity shares from the profits pertaining to the financial year ended 31st March, 2020. The Bank did not declare final dividend for the year ended 31st March, 2020.
- The Board of Directors of the Bank at their meeting held today have considered it prudent to not propose any dividend for the year ended 31st March, 2021, in light of the situation developing around COVID-19 in the country and related uncertainty that it creates.
5. During the quarter ended 31st March, 2021, the Bank allotted 2,283,570 equity shares pursuant to the exercise of options under its Employee Stock Option Scheme.
6. In accordance with RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated 1st July, 2015 on 'Basel III Capital Regulations' and RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments', banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. The Bank has made these disclosures which are available on its website at the following link: <https://www.axisbank.com/shareholders-corner/regulatory-disclosure/basel-III-disclosures>. The disclosures have not been subjected to audit or limited review by the statutory auditors of the Bank.
7. During the quarter ended 31st March, 2021, the Bank has changed its provisioning norms in respect of loans granted to Commercial Banking Segment (erstwhile SME) to rates which are higher than those prescribed by RBI and followed hitherto. As a result, provisions and contingencies for the quarter and year ended 31st March, 2021 are higher by ₹803 crores with a consequent reduction to the profit before tax.
8. COVID-19 virus, a global pandemic has affected the world economy including India. The extent to which the COVID-19 pandemic including the current second wave witnessed in the country, will impact the Bank's operations and asset quality will depend on the future developments, which are highly uncertain.

In accordance with the RBI guidelines on 'COVID-19 Regulatory Package' of 27th March, 2020, 17th April, 2020 and 23rd May, 2020, the Bank granted a moratorium on the repayment of all installments and/or interest, as applicable, due between 1st March, 2020 and 31st August, 2020 to all eligible borrowers. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

The Bank holds provisions of ₹5,012 crores as at 31st March, 2021 against the potential impact of COVID-19 (other than provisions held for restructuring under COVID 19 norms) based on the information available at this point in time. The provisions held by the Bank are in excess of the RBI prescribed norms.

The disclosure as required by RBI circular dated 17th April, 2020 for the year ended 31st March, 2021 is given below:

Particulars	(₹ in crores)
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended *\$	31,751.42
Respective amount where asset classification benefit is extended (net of NPAs) *@	6,264.23
Provisions made as on 31.03.2021#	3,130.18
Provisions adjusted against slippages (NPA & restructuring)	-
Residual provisions as on 31.03.2021	3,130.18

* represents outstanding balance of accounts as on 31.03.2021

\$ amounts covered relate to cases where asset classification benefit would have been availed over moratorium period

@ determined based on position as at the end of moratorium period

Total provision held for COVID-19 as on 31.03.2021 amounts to ₹5,012 crores, of which ₹1,882 crores represents prudent provision over and above regulatory requirement and balance ₹3,130 crores is provision for loans under moratorium

9. The disclosures as required under RBI circular DOR.No.BP.BC.62/21.04.048/2019-20 dated 17th April, 2020 with respect to the number of accounts and the amount involved in those accounts where the resolution period was extended is given below for the year ended as on 31st March, 2021:

Particulars	As on 31.03.2021
No. of accounts in which Resolution Period was extended	1
Amount Involved (Fund based outstanding) (₹ in crores)	130.04

10. On 6th August 2020, the RBI has issued guidelines on 'Resolution Framework for COVID-19-related Stress' which enable lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, and personal loans, while classifying such exposures as Standard, subject to specified conditions. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 are given below.

Type of borrower	(₹ in crores except number of accounts)				
	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan*	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution**
Personal Loans	8,021	503.71	-	4.01	50.37
Corporate persons	12	340.89	-	2.00	34.09
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	8,033	844.60	-	6.01	84.46

* represents fund based outstanding of accounts at the end of the month before the date of implementation of resolution plan

** the Bank holds provision of ₹234 crores on all accounts where resolution plan is implemented at 31st March 2021 as per Resolution Framework for Covid-19 related stress

11. The Honourable Supreme Court of India (Hon'ble SC) in a writ petition by Gajendra Sharma Vs Union of India & Anr vide its interim order dated 3rd September, 2020 has directed banks that the accounts which were not declared Non-Performing Asset (NPA) till 31st August, 2020 shall not be declared NPA till further orders, pending disposal of the case by Supreme Court. Pursuant to the said order, the Bank did not declare any account as NPA, which was not declared as NPA till 31st August, 2020 as per the RBI's Prudential Norms on Income Recognition, Asset Classification, and Provisioning pertaining to advances. However, as a prudent measure the Bank had created provisions for interest reversal and loan loss on the said accounts, per its extant policies as applicable to NPA's.

However, if the Bank had classified such borrower accounts as NPA after 31st August, 2020, the Bank's Gross NPA Ratio and Net NPA ratio at 31st December, 2020 would have been 4.55% and 1.19% respectively.

On 23rd March 2021, the Hon'ble SC vide its judgment in the matter of Small Scale Industrial Manufacturers Association vs. UOI & Ors. and other connected matters directed that the interim relief granted earlier not to declare the accounts of respective borrowers as NPA stands vacated. Accordingly, in accordance with the instructions in Para 5 of the RBI circular dated 7th April, 2021 issued in this connection, the Bank has followed the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms.

12. In accordance with the instructions in RBI circular dated 7th April 2021 on 'Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package', the Bank shall refund / adjust 'interest on interest' charged to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. As required by the RBI notification, the methodology for calculation of such interest on interest has recently been circulated by the Indian Banks' Association. The Bank is in the process of suitably implementing this methodology.

As on 31st March 2021, the Bank holds a specific liability of ₹163 crores, which was created by debiting interest income, to meet its obligation towards refund of interest on interest to eligible borrowers as prescribed by the RBI. In addition to this specific liability of ₹163 crores, the Bank holds provisions towards Covid-19 risks. The management is of the opinion that the provisions held for Covid-19 risks, are adequate for meeting obligations arising from a shortfall, if any, in the specific liability.

13. Effective 1st April 2020, the Bank has carried out the following changes in its accounting policies:
- a) The Bank had a practice of recognizing fees on issuance of Letters of Credit and annual fees on Debit Cards on an upfront basis. The Bank changed this practice, from upfront recognition to amortization over the service period. As a result, other income for the year ended 31st March, 2021 is lower by ₹184 crores with a consequent reduction to the profit before tax.
 - b) The Bank continues to classify exposures as 'Red Flagged Accounts' in accordance with its prevailing internal framework. The Bank has introduced incremental provisioning on such exposures based on a time scale and on occurrence of predefined events. As a result, provisions and contingencies for the year ended 31st March, 2021 are higher by ₹32 crores with a consequent reduction to the profit before tax.
 - c) The Bank was recognizing net depreciation and ignoring net appreciation within class of investments in the Profit and Loss Account in accordance with RBI guidelines. The Bank has made two changes to its practice of recognizing depreciation on investments: (i) The Bank has elected to recognize the net depreciation on each class of investments under the residual category of 'Others' (i.e. mutual funds, PTCs, security receipts etc.), without availing the benefit of offset against gain in another class of investment within the 'Others' category. (ii) For standard investments classified as weak based on the Bank's internal framework, the Bank has elected to recognize the net depreciation on such investments without availing the benefit of set-off against appreciation within the same class of investments that is permitted by RBI. As a result, provisions and contingencies for the year ended 31st March, 2021 are higher by ₹13 crores with a consequent reduction to the profit before tax.
14. The above results have been approved by the Board of Directors of the Bank at its meeting held at Mumbai today.
15. Previous period figures have been regrouped and reclassified, where necessary, to make them comparable with current period figures.

AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in lacs)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
	(Audited)	(Audited)
Cash flow from operating activities		
Net profit before taxes	8,805,84	4,904,23
Adjustments for:		
Depreciation on fixed assets	948,15	772,95
Depreciation on investments	1,329,08	135,99
Amortisation of premium on Held to Maturity investments	592,12	353,88
Provision for Non Performing Assets (including bad debts)/restructured assets	12,191,10	12,753,72
Provision on standard assets and other contingencies	3,383,01	5,648,69
Dividend from Subsidiaries	(58,35)	(240,26)
Adjustments for:		
(Increase)/Decrease in investments	(18,968,46)	24,264,28
(Increase)/Decrease in advances	(63,548,54)	(86,949,22)
Increase /(Decrease) in deposits	67,201,14	91,633,60
(Increase)/Decrease in other assets	4,698,00	(25,799,44)
Increase/(Decrease) in other liabilities & provisions	(1,196,50)	4,970,24
Direct taxes paid	(1,793,94)	(2,835,38)
Net cash flow from operating activities	13,582,65	29,613,28
Cash flow from investing activities		
Purchase of fixed assets	(901,66)	(1,071,97)
(Increase)/Decrease in Held to Maturity investments	(53,269,93)	(8,945,59)
Increase in Investment in Subsidiaries	(6,70)	(6,70)
Proceeds from sale of fixed assets	13,14	16,96
Dividend from Subsidiaries	58,35	240,26
Net cash used in investing activities	(54,106,80)	(9,767,04)
Cash flow from financing activities		
Proceeds/(Repayment) from issue of subordinated debt, perpetual debt & upper Tier II instruments (net)	-	(2,000,00)
Increase/(Decrease) in borrowings (excluding subordinated debt, perpetual debt & upper Tier II instruments) (net)	(5,080,97)	(2,821,65)
Proceeds from issue of share capital	48,41	50,01
Proceeds from share premium (net of share issue expenses)	10,091,18	15,178,47
Payment of dividend (including dividend distribution tax)	-	(288,86)
Net cash generated/(used) from financing activities	5,058,62	10,117,97
Effect of exchange fluctuation translation reserve	(72,93)	99,44
Net increase/(decrease) in cash and cash equivalents	(35,538,46)	30,063,65
Cash and cash equivalents at the beginning of the year	97,268,28	67,204,63
Cash and cash equivalents at the end of the year	61,729,82	97,268,28

**Axis Bank Limited
Segmental Results**

(₹ in lacs)

		FOR THE QUARTER ENDED 31.03.2021	FOR THE QUARTER ENDED 31.12.2020	FOR THE QUARTER ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
		(Audited refer note 2)	(Unaudited)	(Audited refer note 2)	(Audited)	(Audited)
1	Segment Revenue					
A	Treasury	5,032,05	4,713,86	5,035,45	20,508,41	23,375,42
B	Corporate/Wholesale Banking	6,452,28	6,695,03	7,613,85	27,006,46	28,915,34
C	Retail Banking	16,357,69	15,626,80	16,219,73	63,273,41	61,299,26
D	Other Banking Business	527,11	521,83	394,31	1,617,01	1,242,37
E	Unallocated	-	-	-	-	-
	Total	28,369,13	27,557,52	29,263,34	1,12,405,29	1,14,832,39
	Less : Inter segment revenue	8,155,67	8,283,13	9,043,77	33,921,80	36,660,67
	Income from Operations	20,213,46	19,274,39	20,219,57	78,483,49	78,171,72
2	Segment Results After Provisions & Before Tax					
A	Treasury	553,33	855,74	(937,93)	3,464,92	1,828,42
B	Corporate/Wholesale Banking	1,783,02	419,33	(77,08)	1,693,18	(930,38)
C	Retail Banking	826,52	(2,077,61)	716,97	2,438,26	4,968,33
D	Other Banking Business	406,80	429,77	301,41	1,209,48	920,14
E	Unallocated	-	1,864,00	(1,882,28)	-	(1,882,28)
	Total Profit Before Tax	3,569,67	1,491,23	(1,878,91)	8,805,84	4,904,23
3	Segment Assets					
A	Treasury	3,48,716,95	3,32,245,93	3,20,153,31	3,48,716,95	3,20,153,31
B	Corporate/Wholesale Banking	2,81,270,28	2,57,565,28	2,57,557,11	2,81,270,28	2,57,557,11
C	Retail Banking	3,57,256,83	3,39,341,44	3,28,156,61	3,57,256,83	3,28,156,61
D	Other Banking Business	277,25	251,18	283,88	277,25	283,88
E	Unallocated	8,597,11	8,645,37	9,013,91	8,597,11	9,013,91
	Total	9,96,118,42	9,38,049,20	9,15,164,82	9,96,118,42	9,15,164,82
4	Segment Liabilities					
A	Treasury	2,62,476,41	2,43,362,89	2,91,911,84	2,62,476,41	2,91,911,84
B	Corporate/Wholesale Banking	1,66,570,97	1,36,368,64	1,32,443,67	1,66,570,97	1,32,443,67
C	Retail Banking	4,63,395,24	4,57,427,74	4,03,812,82	4,63,395,24	4,03,812,82
D	Other Banking Business	82,09	73,75	63,49	82,09	63,49
E	Unallocated	1,990,70	1,999,48	1,985,15	1,990,70	1,985,15
	Total	8,94,515,41	8,39,232,50	8,30,216,97	8,94,515,41	8,30,216,97
5	Capital and Other Reserves	1,01,603,01	98,816,70	84,947,85	1,01,603,01	84,947,85
6	Total (4 + 5)	9,96,118,42	9,38,049,20	9,15,164,82	9,96,118,42	9,15,164,82

Axis Bank Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(₹ in lacs)

PARTICULARS	FOR THE QUARTER ENDED 31.03.2021	FOR THE QUARTER ENDED 31.12.2020	FOR THE QUARTER ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
	(Audited refer note 4)	(Unaudited)	(Audited refer note 4)	(Audited)	(Audited)
1. Interest earned (a)+(b)+(c)+(d)	15,840,48	15,756,99	16,503,10	64,696,42	63,715,68
(a) Interest/discount on advances/bills	11,867,21	11,788,55	12,889,52	48,903,22	49,323,30
(b) Income on Investments	3,289,67	3,200,94	2,607,24	12,584,88	11,279,34
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	222,62	117,01	423,37	1,039,78	1,098,71
(d) Others	460,98	650,49	582,97	2,168,54	2,014,33
2. Other Income	5,187,97	4,153,94	4,283,13	16,151,52	16,341,99
3. TOTAL INCOME (1+2)	21,028,45	19,910,93	20,786,23	80,847,94	80,057,67
4. Interest Expended	8,127,74	8,251,90	9,557,36	34,926,44	37,995,94
5. Operating expenses (i)+(ii)	5,619,52	5,248,94	5,152,21	19,174,88	18,065,76
(i) Employees cost	1,889,38	1,817,37	1,519,23	6,768,94	5,819,96
(ii) Other operating expenses	3,730,14	3,431,57	3,632,98	12,405,94	12,245,80
6. TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)	13,747,26	13,500,84	14,709,57	54,101,32	56,061,70
7. OPERATING PROFIT (3-6) (Profit before Provisions and Contingencies)	7,281,19	6,410,09	6,076,66	26,746,62	23,995,97
8. Provisions (other than tax) and Contingencies (Net)	3,323,99	4,625,68	7,834,24	16,996,54	18,715,93
9. Exceptional Items	-	-	-	-	-
10. Profit/(Loss) from Ordinary Activities before Tax (7-8-9)	3,957,20	1,784,41	(1,757,58)	9,750,08	5,280,04
11. Tax expense	996,80	449,57	(507,49)	2,497,69	3,401,29
12. Net Profit/(Loss) from Ordinary Activities after Tax (10-11)	2,960,40	1,334,84	(1,250,09)	7,252,39	1,878,75
13. Extraordinary Items (net of tax expense)	-	-	-	-	-
14. Net Profit/(Loss) for the period (12-13)	2,960,40	1,334,84	(1,250,09)	7,252,39	1,878,75
15. Share in Profit/(Loss) of Associate	-	-	-	-	-
16. Share of (Profit)/Loss of Minority Shareholders	(18,99)	(16,93)	(12,34)	(56,89)	(25,64)
17. Consolidated Net Profit/(Loss) for the Group (14+15+16)	2,941,41	1,317,91	(1,262,43)	7,195,50	1,853,11
18. Paid-up equity share capital (Face value ₹2/- per share)	612,75	612,29	564,34	612,75	564,34
19. Reserves excluding revaluation reserves				1,02,980,95	85,776,09
20. Analytical Ratios					
(i) Percentage of Shares held by Government of India	Nil	Nil	Nil	Nil	Nil
(ii) Earnings per Share (EPS) for the year (before and after extraordinary items)					
- Basic	9.60	4.31	(4.48)	24.19	6.83
- Diluted	9.58	4.30	(4.48)	24.13	6.80

Notes:

1. Consolidated Statement of Assets and Liabilities of the group as on 31st March, 2021 is given below.

Particulars	As on 31.03.2021	As on 31.03.2020
	(Audited)	(Audited)
CAPITAL AND LIABILITIES		
Capital	612,75	564,34
Reserves and Surplus	1,02,980,95	85,776,09
Minority Interest	173,75	113,56
Deposits	7,07,623,42	6,42,157,21
Borrowings	1,52,248,72	1,55,180,17
Other Liabilities and Provisions	46,685,74	44,080,44
TOTAL	10,10,325,33	9,27,871,81
ASSETS		
Cash and Balances with Reserve Bank of India	51,808,57	84,959,27
Balances with Banks and Money at Call and Short Notice	11,615,79	12,840,50
Investments	2,25,335,77	1,55,281,64
Advances	6,35,070,69	5,82,958,84
Fixed Assets	4,329,69	4,394,34
Other Assets	82,164,82	87,437,22
TOTAL	10,10,325,33	9,27,871,81

2. The above results represent the consolidated financial results of Axis Bank Limited and its subsidiaries.
3. The above results are prepared in accordance with the principle set out in Accounting Standard 21 - Consolidated Financial Statements as prescribed by The Institute of Chartered Accountants of India.
4. The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published/ unaudited year to date figures upto the end of the third quarter of the respective financial year.
5. The financial statements of certain subsidiaries have been prepared in accordance with notified Indian Accounting Standards ('Ind-AS') with effect from 1 April, 2018. The financial statements of such subsidiaries used for consolidation of the consolidated financial results are special purpose financial statements prepared in accordance with Generally Accepted Accounting Principles in India ('GAAP') specified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
6. RBI, through its notification dated 4th December 2020 stated that in view of the ongoing stress and heightened uncertainty on account of COVID-19, banks should continue to conserve capital to support the economy and absorb losses. The notification also stated that in order to further strengthen the banks' balance sheets, while at the same time support lending to the real economy, banks shall not make any dividend payment on equity shares from the profits pertaining to the financial year ended 31st March, 2020. The Bank did not declare final dividend for the year ended 31st March, 2020.
- The Board of Directors of the Bank at their meeting held today have considered it prudent to not propose any dividend for the year ended 31st March, 2021, in light of the situation developing around COVID-19 in the country and related uncertainty that it creates.
7. In accordance with RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated 1st July, 2015 on 'Basel III Capital Regulations' and RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments', banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. The Bank has made these disclosures which are available on its website at the following link: <https://www.axisbank.com/shareholders-corner/regulatory-disclosure/basel-III-disclosures>. The disclosures have not been subjected to audit or limited review by the statutory auditors of the Bank.
8. During the quarter ended 31st March, 2021, the Bank has changed its provisioning norms in respect of loans granted to Commercial Banking Segment (erstwhile SME) to rates which are higher than those prescribed by RBI and followed hitherto. As a result, provisions and contingencies for the quarter and year ended 31st March, 2021 are higher by ₹803 crores with a consequent reduction to the profit before tax.
9. COVID-19 virus, a global pandemic has affected the world economy including India. The extent to which the COVID-19 pandemic including the current second wave witnessed in the country, will impact the Bank's operations and asset quality will depend on the future developments, which are highly uncertain.

In accordance with the RBI guidelines on 'COVID-19 Regulatory Package' of 27th March, 2020, 17th April, 2020 and 23rd May, 2020, the Bank granted a moratorium on the repayment of all installments and/or interest, as applicable, due between 1st March, 2020 and 31st August, 2020 to all eligible borrowers. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

The Bank holds provisions of ₹5,012 crores as at 31st March, 2021 against the potential impact of COVID-19 (other than provisions held for restructuring under COVID 19 norms) based on the information available at this point in time. The provisions held by the Bank are in excess of the RBI prescribed norms.

The disclosure as required by RBI circular dated 17th April, 2020 for the year ended 31st March, 2021 is given below:

Particulars	(₹ in crores)
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended *\$	31,751.42
Respective amount where asset classification benefit is extended (net of NPAs) *@	6,264.23
Provisions made as on 31.03.2021 #	3,130.18
Provisions adjusted against slippages (NPA & restructuring)	-
Residual provisions as on 31.03.2021	3,130.18

* represents outstanding balance of accounts as on 31.03.2021

\$ amounts covered relate to cases where asset classification benefit would have been availed over moratorium period

@ determined based on position as at the end of moratorium period

Total provision held for COVID-19 as on 31.03.2021 amounts to ₹5,012 crores, of which ₹1,882 crores represents prudent provision over and above regulatory requirement and balance ₹3,130 crores is provision for loans under moratorium

10. The disclosures as required under RBI circular DOR.No.BP.BC.62/21.04.048/2019-20 dated 17th April, 2020 with respect to the number of accounts and the amount involved in those accounts where the resolution period was extended is given below for the year ended as on 31st March, 2021:

Particulars	As on 31.03.2021
No. of accounts in which Resolution Period was extended	1
Amount Involved (Fund based outstanding) (₹ in crores)	130.04

11. On 6th August 2020, the RBI has issued guidelines on 'Resolution Framework for COVID-19-related Stress' which enable lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, and personal loans, while classifying such exposures as Standard, subject to specified conditions. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 are given below.

Type of borrower	(₹ in crores except number of accounts)				
	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan*	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution**
Personal Loans	8,021	503.71	-	4.01	50.37
Corporate persons	12	340.89	-	2.00	34.09
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	8,033	844.60	-	6.01	84.46

*represents fund based outstanding of accounts at the end of the month before the date of implementation of resolution plan

** the Bank holds provision of ₹ 234 crores on all accounts where resolution plan is implemented at 31st March 2021 as per Resolution Framework for Covid-19 related stress

12. The Honourable Supreme Court of India (Hon'ble SC) in a writ petition by Gajendra Sharma Vs Union of India & Anr vide its interim order dated 3rd September, 2020 has directed banks that the accounts which were not declared Non-Performing Asset (NPA) till 31st August, 2020 shall not be declared NPA till further orders, pending disposal of the case by Supreme Court. Pursuant to the said order, the Bank did not declare any account as NPA, which was not declared as NPA till 31st August, 2020 as per the RBI's Prudential Norms on Income Recognition, Asset Classification, and Provisioning pertaining to advances. However, as a prudent measure the Bank had created provisions for interest reversal and loan loss on the said accounts, per its extant policies as applicable to NPA's.

However, if the Bank had classified such borrower accounts as NPA after 31st August, 2020, the Bank's Gross NPA Ratio and Net NPA ratio at 31st December, 2020 would have been 4.55% and 1.19% respectively.

On 23rd March 2021, the Hon'ble SC vide its judgment in the matter of Small Scale Industrial Manufacturers Association vs. UOI & Ors. and other connected matters directed that the interim relief granted earlier not to declare the accounts of respective borrowers as NPA stands vacated. Accordingly, in accordance with the instructions in Para 5 of the RBI circular dated 7th April, 2021 issued in this connection, the Bank has followed the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms.

13. In accordance with the instructions in RBI circular dated 7th April 2021 on 'Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package', the Bank shall refund / adjust 'interest on interest' charged to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. As required by the RBI notification, the methodology for calculation of such interest on interest has recently been circulated by the Indian Banks' Association. The Bank is in the process of suitably implementing this methodology.

As on 31st March 2021, the Bank holds a specific liability of ₹163 crores, which was created by debiting interest income, to meet its obligation towards refund of interest on interest to eligible borrowers as prescribed by the RBI. In addition to this specific liability of ₹163 crores, the Bank holds provisions towards Covid-19 risks. The management is of the opinion that the provisions held for Covid-19 risks, are adequate for meeting obligations arising from a shortfall, if any, in the specific liability.

14. During the current quarter, pursuant to receipt of regulatory approvals, Accelyst Solutions Pvt. Ltd. a wholly-owned subsidiary of the Bank has been amalgamated with Freecharge Payment Technologies Pvt. Ltd. another wholly-owned subsidiary of the Bank with the appointed date being 7th October, 2017.
15. Effective 1st April 2020, the Bank has carried out the following changes in its accounting policies:
- a) The Bank had a practice of recognizing fees on issuance of Letters of Credit and annual fees on Debit Cards on an upfront basis. The Bank changed this practice, from upfront recognition to amortization over the service period. As a result, other income for the year ended 31st March, 2021 is lower by ₹184 crores with a consequent reduction to the profit before tax.
 - b) The Bank continues to classify exposures as 'Red Flagged Accounts' in accordance with its prevailing internal framework. The Bank has introduced incremental provisioning on such exposures based on a time scale and on occurrence of predefined events. As a result, provisions and contingencies for the year ended 31st March, 2021 are higher by ₹32 crores with a consequent reduction to the profit before tax.
 - c) The Bank was recognizing net depreciation and ignoring net appreciation within class of investments in the Profit and Loss Account in accordance with RBI guidelines. The Bank has made two changes to its practice of recognizing depreciation on investments: (i) The Bank has elected to recognize the net depreciation on each class of investments under the residual category of 'Others' (i.e. mutual funds, PTCs, security receipts etc.), without availing the benefit of offset against gain in another class of investment within the 'Others' category. (ii) For standard investments classified as weak based on the Bank's internal framework, the Bank has elected to recognize the net depreciation on such investments without availing the benefit of set-off against appreciation within the same class of investments that is permitted by RBI. As a result, provisions and contingencies for the year ended 31st March, 2021 are higher by ₹13 crores with a consequent reduction to the profit before tax.
16. The above results have been approved by the Board of Directors of the Bank at its meeting held at Mumbai today.
17. Previous period figures have been regrouped and reclassified, where necessary, to make them comparable with current period figures.

Axis Bank Limited

AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in lacs)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021 (Audited)	FOR THE YEAR ENDED 31.03.2020 (Audited)
Cash flow from operating activities		
Net profit before taxes	9,693,19	5,254,40
Adjustments for:		
Depreciation on fixed assets	979,39	806,07
Depreciation on investments	1,329,08	135,99
Amortisation of premium on Held to Maturity investments	592,12	354,62
Provision for Non-Performing Assets (including bad debts)/restructured assets	12,344,85	12,833,48
Provision on standard assets and other contingencies	3,331,38	5,751,54
Adjustments for:		
(Increase)/Decrease in investments	(19,644,00)	24,432,47
(Increase)/Decrease in advances	(63,518,12)	(86,703,11)
Increase /(Decrease) in deposits	65,466,21	91,411,27
(Increase)/Decrease in other assets	4,801,71	(26,522,35)
Increase/(Decrease) in other liabilities & provisions	(715,93)	5,698,28
Direct taxes paid	(2,027,00)	(3,037,03)
Net cash flow from operating activities	12,632,88	30,415,63
Cash flow from investing activities		
Purchase of fixed assets	(938,44)	(1,104,27)
(Increase)/Decrease in Held to Maturity investments	(53,269,92)	(8,581,93)
Proceeds from sale of fixed assets	13,54	27,34
Net cash used in investing activities	(54,194,82)	(9,658,86)
Cash flow from financing activities		
Proceeds/(Repayment) from issue of subordinated debt, perpetual debt & upper Tier II instruments (net)	-	(2,000,00)
Increase/(Decrease) in borrowings (excluding subordinated debt, perpetual debt & upper Tier II instruments) (net)	(2,931,44)	(4,069,66)
Proceeds from issue of share capital	48,41	50,01
Proceeds from share premium (net of share issue expenses)	10,102,17	15,187,70
Payment of dividend (including dividend distribution tax)	-	(331,86)
Increase in minority interest	60,19	28,94
Net cash generated/(used) from financing activities	7,279,33	8,865,13
Effect of exchange fluctuation translation reserve	(92,80)	173,56
Net increase/(decrease) in cash and cash equivalents	(34,375,42)	29,795,46
Cash and cash equivalents at the beginning of the year	97,799,77	68,004,31
Cash and cash equivalents at the end of the year	63,424,36	97,799,77

**Axis Bank Limited
Segmental Results**

(₹ in lacs)

	FOR THE QUARTER ENDED 31.03.2021	FOR THE QUARTER ENDED 31.12.2020	FOR THE QUARTER ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
	(Audited refer note 4)	(Unaudited)	(Audited refer note 4)	(Audited)	(Audited)
1 Segment Revenue					
A Treasury	5,032,19	4,715,76	5,021,50	20,448,74	23,166,66
B Corporate/Wholesale Banking	6,939,39	7,046,95	7,977,11	28,369,45	30,297,73
C Retail Banking	16,491,97	15,737,66	16,277,99	63,705,45	61,491,25
D Other Banking Business	720,57	693,69	553,40	2,246,10	1,762,70
E Unallocated	-	-	-	-	-
Total	29,184,12	28,194,06	29,830,00	1,14,769,74	1,16,718,34
Less : Inter segment revenue	8,155,67	8,283,13	9,043,77	33,921,80	36,660,67
Income from Operations	21,028,45	19,910,93	20,786,23	80,847,94	80,057,67
2 Segment Results After Provisions & Before Tax					
A Treasury	566,87	855,60	(966,34)	3,406,49	1,553,27
B Corporate/Wholesale Banking	1,970,03	545,20	(33,46)	2,102,68	(507,82)
C Retail Banking	904,17	(2,010,35)	740,13	2,679,25	4,948,97
D Other Banking Business	516,13	529,96	384,37	1,561,66	1,167,90
E Unallocated	-	1,864,00	(1,882,28)	-	(1,882,28)
Total Profit Before Tax	3,957,20	1,784,41	(1,757,58)	9,750,08	5,280,04
3 Segment Assets					
A Treasury	3,47,303,30	3,31,088,32	3,18,397,82	3,47,303,30	3,18,397,82
B Corporate/Wholesale Banking	2,94,460,96	2,68,828,47	2,70,594,74	2,94,460,96	2,70,594,74
C Retail Banking	3,58,891,16	3,40,815,94	3,29,047,96	3,58,891,16	3,29,047,96
D Other Banking Business	1,058,11	925,63	803,57	1,058,11	803,57
E Unallocated	8,611,80	8,659,59	9,027,72	8,611,80	9,027,72
Total	10,10,325,33	9,50,317,95	9,27,871,81	10,10,325,33	9,27,871,81
4 Segment Liabilities					
A Treasury	2,62,815,72	2,43,734,30	2,93,396,41	2,62,815,72	2,93,396,41
B Corporate/Wholesale Banking	1,76,523,57	1,44,513,68	1,39,537,68	1,76,523,57	1,39,537,68
C Retail Banking	4,65,002,71	4,59,183,44	4,06,283,36	4,65,002,71	4,06,283,36
D Other Banking Business	219,95	186,71	214,92	219,95	214,92
E Unallocated	2,169,68	2,157,16	2,099,01	2,169,68	2,099,01
Total	9,06,731,63	8,49,775,29	8,41,531,38	9,06,731,63	8,41,531,38
5 Capital and Other Reserves	1,03,593,70	1,00,542,66	86,340,43	1,03,593,70	86,340,43
6 Total (4 + 5)	10,10,325,33	9,50,317,95	9,27,871,81	10,10,325,33	9,27,871,81

For and on behalf of the Board

Place: Mumbai
Date: 27th April, 2021

www.axisbank.com

**AMITABH CHAUDHRY
MD & CEO**