

# Business performance review



Axis Bank delivered a strong performance in fiscal 2025, marked by healthy growth across core operating metrics, disciplined cost management, and continued improvements in asset quality. The Bank's balanced growth strategy, underpinned by a resilient franchise and prudent risk practices, helped it navigate market dynamics effectively. A sharp focus on customer-centricity, digital innovation, and operating efficiency contributed to steady gains in profitability and stakeholder value.



MD & CEO'S STATEMENT

# Building a customer obsessed, resilient institution



**Amitabh Chaudhry**

Managing Director and Chief Executive Officer

## Dear Shareholders,

Fiscal 2025 was a pivotal year that showcased our ability to adapt, lead, and innovate in an ever-evolving financial landscape—one that tested our resilience, sharpened our strategic focus, and reaffirmed our commitment to building a future-ready, customer-centric institution. Since the inception of our GPS strategy in 2019, we have been on a mission to reimagine Axis Bank as a stronger, more agile, and more inclusive financial institution. Through disciplined execution and focused investments in people, processes, technology, and high-impact initiatives, the Bank has evolved into a stronger and more resilient organisation towards its journey to become an “all-weather institution”.

Our unwavering focus on high RAROC businesses continues to be a key growth engine, propelling us forward with strong momentum across Small Business Banking, SME, and Mid-Corporate segments. This year, we achieved a record 500 new branches—an expansion that not only deepens our presence but also strengthens our ability to serve customers across India more meaningfully. Our deposit franchise has improved in both quality and cost parameters, and on the growth front we are focused on building a sustainable franchise through multiple initiatives taken by the Bank.

We have sustained our position among the top players in high-impact businesses such as Wealth

Management and Payments, where our customer-first approach and product innovation continue to set us apart. Our flagship digital platforms, ‘open’ and ‘neo’, have maintained their strong positions across Retail and Wholesale Banking, respectively, reinforcing our role as a frontrunner in digital transformation.

Our commitment to customer satisfaction remains steadfast, as evidenced by our #2 Net Promoter Score (NPS) ranking among large peer banks, as independently benchmarked by Kantar. This recognition is a reflection of the trust and loyalty we have earned through consistently improving service excellence.





We delivered a consolidated Return on Assets of 1.77% and Return on Equity of 16.89% for fiscal 2025, outcomes driven by disciplined execution as operating leverage aided healthy core operating profit performance. Our core operating profit grew 13% y-o-y, supported by a best-in-class fee-to-average-assets ratio, healthy NIMs of 3.98%, and a prudent 6% growth in operating expenses for fiscal 2025. Our liquidity position remains strong, with an average LCR of 119% for quarter ended March 31, 2025.

We remain deeply committed to profitable and sustainable growth, with calibrated risk management across portfolios, as we stay focussed on three core areas of execution of our GPS strategy:

- » Becoming a resilient, all-weather Franchise
- » Creating multiplicative forces to build competitive advantage
- » Building for the future with a relentless focus on driving distinctiveness

### **Becoming a resilient, all-weather Franchise**

Our journey to becoming a truly resilient, all-weather franchise has been powered by consistent execution, and strategic investments in talent, technology, and scalable initiatives. We've not only exceeded our GPS commitments but also unlocked new levers of competitive advantage.

We delivered market-leading growth across our identified focus segments, while maintaining tight control over costs. Our deposit franchise continues to strengthen in both quality and granularity, reflected in a 340 bps improvement in outflow ratio over the past three years, now similar to larger private peer banks.



**Our customer-first mindset is driving deeper engagement and premiumisation across the board. From curated offerings to award-winning wealth platforms, we are creating differentiated experiences that resonate with every segment we serve. This has not only helped in exceeding our GPS commitments but also in unlocking new levers of competitive advantage.**

Despite a challenging liquidity environment, we have demonstrated controlled increase in cost of funds over the last eight quarters, with only 7 bps increase in the last four quarters, a testament to our disciplined approach and robust acquisition engine. Our expansion strategy, product innovation, and momentum in salary credits are beginning to show early signs of traction on the deposit base.

### **Balancing Growth Ambition with Cost Prudence**

In a deposit-constrained environment which lasted mostly through fiscal 2025, we prioritised businesses with high RAROC opportunities. Our Small Business Banking, SME, and Mid-Corporate portfolios grew 14% y-o-y, now accounting for ~23% of the total loan book, up ~740 bps over the past four years, a clear indicator of our strategic shift towards more profitable growth.

Our cost performance was driven by three key factors: conscious belt tightening, the phasing out of integration-related expenses, and a contribution from volume. While the volume-related benefits may diminish as we get the right set of liabilities, the focus on belt tightening and ongoing

optimisation initiatives will persist. Operating expenses for fiscal 2025 grew just 6% y-o-y, a sharp moderation from 30% in fiscal 2024. Remarkably, despite opening a record 500 new branches, staff costs rose by 12%, with a net addition of just 121 employees—driven by digitisation and productivity gains in certain areas.

### **Deepening customer engagement with premiumisation gaining ground**

Our salaried customer franchise continues to deepen, with 18% y-o-y growth in salary uploads and a 38% y-o-y surge in premium acquisitions in the NTB Salary segment by March 31, 2025. This reflects the success of our targeted engagement strategies and product personalisation.

The premiumisation of our franchise is progressing well. Burgundy AUMs grew 10% y-o-y, and our Burgundy Private segment was recognised as India's Best for Next Gen at the Euromoney Global Private Banking Awards 2025.

We also launched differentiated offerings like the 'ARISE' savings account for women and the Doctors Banking Program, reinforcing our commitment to delivering curated experiences for every customer segment.

### Driving Scale and Sophistication in Wholesale Banking

On the Wholesale Banking front, our industry-leading **neo** platforms and bespoke solutions in payments and cash management continue to drive higher transaction flows and stronger current account balances. We further solidified our position with ~23% market share in IMPS, ~30% in NEFT for March 2025, 7% in GST Payments and 11% in foreign LC for fiscal 2025. In the Merchant Acquiring Business, we retained our stature as a top-tier player with a 20% terminal market share for March 2025.

### Fortifying Our Foundation: A Stronger Balance Sheet and Capital Position

Our balance sheet continues to be a pillar of strength, underpinned by robust capital adequacy and best in class asset quality metrics. We maintained a PCR of 75%, further complemented by non-NPA provisions of ₹11,957 crores, resulting in a standard asset coverage ratio of 1.15% as on March 31, 2025.

Our net NPA stands at just 0.33%, the lowest among large peer banks, an outcome of our prudent and conservative provisioning practices.

In the retail unsecured segment, including microfinance, we are witnessing a normalisation cycle driven by increased credit appetite and over-leverage in certain cohorts. We have proactively responded with tighter portfolio monitoring, early warning triggers, and recalibrated underwriting policies to ensure delinquencies remain within acceptable thresholds. These timely interventions reflect our commitment to maintaining asset quality while supporting responsible credit growth.

Our provisioning and recognition standards remain among the most conservative in the industry. In Q4 fiscal 2025, we further tightened our classification and upgrade criteria for select loan categories. There is no economic loss due to this conservative stance, but this may marginally impact credit costs and recoveries in fiscal 2026 over fiscal 2025. It reinforces our long-term focus on transparency and balance sheet resilience.

Our CET-1 ratio, including profits, stands at 14.67%, up 93 basis points y-o-y, even after accounting for the proposed dividend of ₹1 per share—driven largely by strong internal accruals. This capital strength gives us the confidence and flexibility to invest in future growth while staying well above regulatory thresholds.

### Strengthening the Core: Technology, Security, and Scale

We continued to invest in building a future-ready technology architecture and enhancing capabilities across cyber security, fraud control, risk, and collections. These investments are enabling us to replace fragmented legacy systems with scalable, integrated platforms that support innovation and business growth.

Our digital platforms are a testament to this transformation. **neo** for Corporates and Integrated Treasury Management are now live, offering seamless digital experiences to large enterprises. **neo** for Business, our MSME-focused platform, now serves 1.8 lakh customers, while **neo** for Corporates has been extended to over 2 lakh clients.

We also launched the UPI-ATM, an Android-based cash recycler that enables cardless cash withdrawals and deposits via UPI—an industry-first innovation. In partnership with NPCI's Bharat BillPay Limited (NBBL), we introduced Bharat Connect for Business, a comprehensive solution for managing working capital and streamlining receivables and payables.

Our Financial Crime Intelligence division now integrates advanced analytics, digital monitoring, and fraud control, significantly enhancing our security posture in an increasingly digital world.

We continue to garner several key external recognitions for the capabilities and initiatives we have undertaken successfully in the last few years as the Bank was featured on TIME's World Best Companies 2024, ranking highest among Indian financial peers. We received multiple accolades at the ICC Emerging Asia Banking Awards for profitability, risk management, asset quality, and ESG



We are laying the foundation for a future-ready bank—one that is secure, scalable, and built to innovate. Our investments in integrated platforms and digital infrastructure are enabling us to serve customers with greater speed, intelligence, and personalisation.



practices. The Axis Bank Foundation won gold at FICCI's Sustainable Agriculture Summit 2024, and we were named Best Indian Bank at the FT Bank of the Year 2024 Awards—a reflection of our winning mindset culture percolating across the Bank.

### **Creating multiplicative forces to build competitive advantage**

At Axis Bank, we believe that true competitive advantage is built not just through scale, but through synergy. Our ability to integrate capabilities across businesses, platforms, and partnerships has created powerful multiplicative forces that position us to lead India's evolving financial landscape over the next decade.

Our 'One Axis' strategy is a prime example of this. The seamless integration of the erstwhile Citi consumer business was completed in July 2024, well ahead of the schedule, thus showcasing our execution strength and digital readiness. Former Citibank customers have now fully transitioned to Axis platforms, including the 'open' by Axis mobile app and internet banking. Not only was the migration smooth, but digital engagement for Citi customers has also surged—monthly active users and transaction volumes have exceeded pre-integration levels, reflecting the strength of our digital ecosystem.

**Together with our partners, we're not just building products—we're building ecosystems that shape the future of banking.**

Our commitment to inclusive innovation is equally strong. Recently, we launched an industry-first UPI solution tailored for senior citizens, addressing a critical gap in digital accessibility. We also partnered with the International Finance Corporation (IFC) to secure a \$500 million loan,



**At Axis Bank, we believe true competitive advantage is not just built through scale, but through synergy. By integrating capabilities across businesses, platforms, and partnerships into 'One Axis', we are creating powerful multiplicative forces that position us well to support India's financial progress.**

India's first-ever blue loan, to scale up green and sustainable financing towards water and wastewater management, reduction of marine plastic pollution, restoration of marine ecosystems, sustainable shipping, eco-friendly tourism, and offshore renewable energy. This landmark partnership underscores our leadership in responsible banking.

We are also deepening our support for India's entrepreneurial ecosystem. Our collaboration with a fintech company is helping empower SMEs with digital tools and financial solutions. Meanwhile, Axis Bank has emerged as the leading UPI Payer PSP Bank in India, commanding a ~33% market share by both value and volume for March 2025. This leadership is powered by our partnerships with 15 third-party app providers and a robust UPI presence across Axis Mobile, BHIM Axis Pay, and Freecharge.

**The strength of 'One Axis' lies in the seamless collaboration between the Bank and its subsidiaries—each adding depth, agility, and innovation to our collective journey.**

Our subsidiaries continue to be the strong engines of value creation. In fiscal 2025, our domestic subsidiaries delivered a net profit of ₹1,768 crores, growing 11% y-o-y, with a 46% return on investment. Axis Finance grew its

AUM by 22%, with a 14.51% ROE and a capital adequacy ratio of 20.9%. Axis AMC posted a 21% y-o-y PAT growth to ₹501 crores, while Axis Securities delivered 39% PAT growth to ₹419 crores. Axis Capital maintained its leadership in equity capital markets, and Invoicemart has now facilitated over ₹1.8 lakh crores in MSME invoice financing since inception.

Max Life Insurance has been rebranded as Axis Max Life Insurance after receiving the corporate and regulatory approval. We believe that the integration of two trusted names, Max Life and Axis in the financial services sector, will empower Axis Max Life to achieve its long-term growth aspirations through strategic expansion beyond metros and tier 1 cities. Being India's fourth-largest life insurer, Axis Max Life Insurance continues to be among the fastest-growing in the sector.

Together, these efforts reflect the power of 'One Axis' as we continue to enhance our ability to create exponential value by connecting the dots across our ecosystem: customers, platforms, partners, and subsidiaries.

### Building for the future with a relentless focus on driving distinctiveness

Our journey to becoming a future-ready institution is guided by a sharp focus on what sets us apart—Digital banking, Bharat Banking, and Customer Obsession. These pillars are not just strategic priorities; they are the foundation of our long-term distinctiveness.

#### From GenAI to One View: Redefining Digital Banking at Scale

Our flagship app, Axis Mobile, continues to be among the top-rated mobile banking apps with a rating of 4.7 on Google Play and 4.8 on the App Store, now handling over 64% of branch service requests through 250+ DIY features. With 15 million monthly active users and another 15 million non-Axis users across Axis Mobile and Axis Pay, our digital reach is expanding rapidly.

We've launched 'One View' on Axis Mobile Banking App, **'open'** that can help customers see all their bank balances, track every transaction undertaken with any other bank, monitor borrowings, and view their entire investment portfolio—all in one seamless, intuitive dashboard. It's a complete financial world, simplified and accessible at the fingertips. Our efforts were recognised with the award from Financial Express for the Best Digital Bank (Private), reinforcing our position as a digital-first, customer-centric bank.

To drive operational efficiency, we launched Axis Deep Intelligence (ADI)—a GenAI-powered internal chatbot now live across 5,500 branches, supporting over 100,000 employees. Alongside, we continue to embed AI/ML,



We are building for the future with a relentless focus on what sets us apart. With Digital Banking, Bharat Banking, and Customer Obsession as our core pillars, we're creating a franchise that's distinctive by design and built to lead.

automation, and analytics to enhance customer engagement and workforce productivity.

Our employee platform 'Siddhi' serves as a unified interface for over 90,000 employees and partners, offering real-time insights and personalised recommendations. Built on a modern tech stack and integrated with 35+ systems, 'Siddhi' delivers advanced analytics and nudges that have led to a ~30% uplift in key metrics like TD bookings, MF transactions, and credit card sales, along with a ~10-point higher NPS for 'Siddhi'-led journeys.

Our personalisation engine, live for over three years, scans over 30 million transactions daily, powering contextual insights for the personal finance module in our mobile banking app—driving significant conversion across select products.

#### Bharat Banking: Expanding Reach, Empowering Communities

Our Bharat Banking franchise continues to deliver healthy growth, with advances and deposits rising 7% and 9% respectively from rural and

semi-urban (RuSu) markets. We expanded our distribution network to 2,736 RuSu branches, supported by a 28,000+ strong CSC Village Level Entrepreneur network. In fiscal 2025 alone, we added over 250 new branches in these markets.

#### Sparsh 2.0: Redefining Customer Experience

Sparsh 2.0 is redefining customer engagement—simplifying experiences through automation and digitisation to drive loyalty and growth. With tools like ADI (our GenAI platform) and Kaleidoscope (a unified customer view), we're empowering employees to deliver faster, smarter service. Our Retail Bank NPS has jumped from 100 to 159 in three years, while rising brand consideration reflects the deeper emotional connect we're building with customers.

#### Empowering People, Enabling Progress

At Axis Bank, we believe that our people are our greatest strength. We continue to nurture an engaging, inclusive, and high-performance culture through bold, future-forward initiatives. Programs like Thrive and GIG-A, both industry-firsts, are redefining how we attract, retain, and empower talent.



These efforts are reflected in our consistently high employee advocacy scores and the many recognitions we've earned—including being certified as a Great Place to Work, ranked among the Top 50 Companies in BFSI, and securing the #5 spot in Fortune India's Future Ready Workplaces.

We've significantly scaled up our campus and academia partnerships, building a strong talent pipeline for the future. This year, we also achieved a milestone in our Diversity, Equity and Inclusion journey by hiring a record number of women—affirming our commitment to building a more balanced and representative workforce.

#### **Axis for Good: Strengthening Communities, Sustaining Futures**

We remain deeply committed to advancing a model of banking that promotes inclusivity, equity, and environmental stewardship. Through our responsible corporate practices, we strive to uplift communities and contribute to a more sustainable future. Our efforts have positively impacted over 2 million individuals, broadened educational opportunities, and nurtured athletic talent from grassroots to Olympic levels. These initiatives reflect our ongoing dedication to inclusive growth and a robust ESG framework across the organisation.

The Bank has significantly scaled up the integration of ESG into its overall business strategy and agenda. Some of the ESG commitments include, scaling down exposure to carbon-intensive sectors, including Coal and Thermal Power, reaching 30% female representation in our workforce by fiscal 2027 with 27.7% diversity ratio achieved by the end of fiscal 2025. Incremental financing of ₹60,000 crores under corporate banking to sectors with positive social and environmental outcomes, by fiscal 2030 with ~₹48,412 crores sanctioned by the end of fiscal 2025. Our commitment to sustainability continues to be recognised on global platforms. Axis Bank was on the FTSE4Good Index for the eighth consecutive year. The Bank maintains an 'A' Rating by MSCI ESG Ratings and has improved its S&P Global ESG (DJSI) score by 10 points. It has an improved ESG Risk Rating of 19.4 as of last full update - March 2025 by Sustainalytics.

#### **Staying the Course, Building for the Future**

In fiscal 2025, we made bold and deliberate choices, prioritising profitability over growth as we navigated a complex macroeconomic and liquidity landscape with discipline and foresight. Even as we exercised

prudence, we continued to invest meaningfully in building a more sustainable, future-ready Axis Bank.

As we step into fiscal 2026, we are optimistic. With improving liquidity conditions and a supportive regulatory environment, the operating landscape is turning more favourable. We believe that large, well-capitalised banks like Axis with strong digital capabilities, innovative product suites, are best suited to seize the opportunity.

Our relentless focus on customer obsession, best-in-class digital platforms across Retail and Wholesale, and expanding distribution in Bharat gives us the edge to capture India's next wave of growth. Our leadership in Digital and Payments continues to unlock synergies and agility across segments.

Over the past six years, we have transformed Axis into a stronger, more consistent, and resilient franchise. With every stride in technology, service, and culture, we are building not just a bank—but an all-weather institution, ready to thrive in every season.

Warm regards,

**Amitabh Chaudhry**

Managing Director and  
Chief Executive Officer



**We are leading with purpose—empowering communities, enabling livelihoods, and embedding sustainability into every facet of our business.**



EXTERNAL ENVIRONMENT

# Navigating a shifting world order

We remain agile and responsive to the risks posed by a challenging global environment while also capitalising on the opportunities presented by a strong and resilient Indian economy. We have raised our compliance thresholds to ensure the best interests of our stakeholders and customers, even as we aim for industry-beating growth.



## Economic Environment

The slowdown in India's economic growth during fiscal 2025 was primarily due to unintended fiscal and monetary tightening. Two main fiscal challenges emerged: the union government's fiscal deficit decreased by 80 basis points of GDP in both fiscal 2024 and fiscal 2025. Additionally, while spending was front-loaded in fiscal 2024, it was backloaded in fiscal 2025 due to general elections, leading to a prolonged lull in government activity. Fortunately, these challenges are now easing, with the deficit in fiscal 2026 expected to decrease by only 40 basis points of GDP as spending patterns stabilise.

On the monetary side, after accounting for a significant merger in the banking sector during fiscal 2024, non-food credit growth declined from 16.3% in March 2024 to 10.9% y-o-y in March 2025. This considerable drop was widespread, not limited to the unsecured loans segment, and was primarily driven by supply factors. It was prompted by regulatory concerns over high loan-to-deposit ratios (LDR) at certain banks. Consequently,

as banks reduced credit growth, they also slowed down deposit creation, exacerbating the weak liquidity injections from the RBI. Moreover, the central bank's foreign exchange interventions (\$ sales) resulted in a liquidity drain of about ₹5 lakh crores, further increasing liquidity stress.

However, actions taken by the RBI, such as cutting the cash reserve ratio (CRR), injecting durable liquidity through bond purchases and buy-sell foreign exchange swaps, reducing repo rates, rolling back risk weights on lending to non-banking financial companies (NBFCs) and microfinance institutions (MFIs), and implementing looser liquidity coverage ratio (LCR) regulations, have fostered a more favourable environment for growth. With inflation now falling below 4%, the policy focus has shifted firmly to stimulating growth. The banking system remains well-capitalised to support a growing economy, showing early indications of a rebound in private investments, while credit risks appear to be under control.



## Global Economic Outlook

The global economic system that has functioned since World War II is now undergoing a reset.

The Trump administration views its political role as addressing the significant rise in income and wealth inequality in the US, the decline of its manufacturing sector, and what it considers to be the misuse of the multilateral institutions it has supported for the last 80 years. Consequently, it has initiated structural changes in areas such as trade, taxes, regulations, immigration, currency, and energy markets, among others. Negotiations around these issues and the development of new engagement models are expected to be contentious, potentially resulting in an extended policy vacuum. The only limit on the speed of this transition appears to be market volatility.

When uncertainty reaches a certain threshold, markets can become chaotic. Fear of such chaos has led to a retreat from excessively disruptive actions on several occasions. Despite some tariff rollbacks and ongoing

discussions to further reduce them, the prevailing uncertainty is likely to hinder global growth as:

- » Investment decisions will be deferred until there is more clarity regarding tariffs and exchange rates.
- » Higher tariffs result in fiscal tightening, among other factors, which will lead to reduced consumption.
- » Financial conditions will tighten due to uncertainty.

### Relevant Risks



Credit Risk



Liquidity Risk



Market Risk



Business Risk

### Opportunities Identified

The Indian economy is expected to maintain strong growth despite challenges from abroad. It is among the least affected globally, with minimal direct impacts from initial US tariffs. There is also potential for shared gains due to the increasing momentum of the 'China + 1' trend. Enhancements in competitive areas, such as infrastructure and the electronics value chain, are anticipated to contribute positively. India's service exports, especially from global capability centres, remain strong. The underlying factors driving this include the disaggregation of global service value chains, a rapid boost in global cross-border telecom capacity, and a rise in remote working, all of which are expected to continue. The recovery in the domestic real estate market, along with the alleviation of various challenges that hindered economic growth last year, is likely to bolster credit demand. With improving liquidity conditions and the implementation of rate cuts, credit growth should rise from its current state. However, the significant uncertainty from US trade policies and fluctuations in financial markets may delay corporate investments and weaken their demand for loans.

### Our Strategic Response

The Bank navigates the global economic reset with a calibrated strategy that balances prudence and opportunity. As uncertainties around trade, tariffs, and capital flows persist, we are strengthening our risk management systems to address liquidity, market, and credit risks. At the same time, we are capitalising on India's relative insulation from global disruptions by deepening support for sectors aligned with the 'China + 1' strategy, such as infrastructure, electronics, and services exports. Our focused lending to global capability centres, SMEs, and real estate segments allows us to capture the revival of domestic demand. We are also enhancing agility through diversified credit portfolios and dynamic liquidity management.



## Technology Evolution and Artificial Intelligence

The rapid evolution of technology, led by advancements in Artificial Intelligence (AI), machine learning, cloud computing, and blockchain, fundamentally reshapes the global financial ecosystem. Generative AI is paving the way for enhanced productivity by improving decision-making, personalising engagement on a large scale, streamlining operations, and driving innovation growth. Financial institutions worldwide are integrating AI into essential functions such as credit assessment, fraud detection, and customer engagement, as digital adoption accelerates across various regions, driven by mobile banking, UPI transactions, and cohesive digital ecosystems.

An emerging trend in this transformation is the rise of **AI-first app experiences**, where applications are designed from the ground up with AI at their core. These applications leverage real-time data, predictive intelligence, and conversational

interfaces to deliver hyper-personalised, intuitive, and proactive financial services, redefining how users interact with digital platforms. In India, the momentum of digital transformation remains unparalleled. Initiatives such as the Jan Dhan-Aadhaar-Mobile (JAM) trinity, DigiLocker, and the Unified Payments Interface (UPI) have revolutionised access to financial services, promoting significant financial inclusion and facilitating over 150 billion transactions in fiscal 2025. Scheduled Commercial Banks (SCBs) increasingly leverage artificial intelligence, predictive analytics, customer service automation, and cloud-native architectures to enhance innovation and operational resilience. Notable milestones, including the scaling up of the Central Bank Digital Currency (CBDC) pilot and the 24/7 availability of payment systems, reaffirm India's commitment to establishing a resilient, customer-centric digital economy governed by robust ethical and regulatory frameworks.

### Relevant Risks

-  Information and Cyber Security Risks
-  Technology Risk
-  Regulatory and Compliance Risk
-  Operational Risk

### Opportunities Identified

- » Scale digital lending, collections, and customer service through next-generation platforms.
- » Drive operational efficiency and superior customer engagement via AI-led IT operations, marketing automation, and conversational interfaces.
- » Lead in future-ready payments by leveraging advancements in UPI 2.0 and Central Bank Digital Currency (CBDC) ecosystems.

### Our Strategic Response

We are enhancing our digital lending, collections, and customer service capabilities through next-generation platforms, including SARAL for collections, Axis Digital Loans, and the expansion of 'open' by Axis Bank, our proprietary digital banking platform. Leveraging AI innovations like Adi (our Generative AI chatbot) and the Kaleidoscope real-time CXM platform, we improve operational efficiency, enable real-time query resolutions, and deliver hyper-personalised customer journeys. Concurrently, the Bank is at the forefront of India's payment revolution by reinforcing its leadership in UPI 2.0, introducing new offerings such as Gold on UPI, and engaging in the Central Bank Digital Currency (CBDC) pilot initiatives.



## Climate Resilience and ESG Integration

In fiscal 2025, the imperative to build climate resilience and embed ESG principles into core business strategies gained unprecedented momentum. Globally, regulatory focus on climate-related financial risks intensified, with the Basel Committee on Banking Supervision (BCBS) advancing efforts to integrate climate risks into prudential standards.

In India, the government's 'Amrit Kaal' vision catalysed transformative investments in renewable energy, digital innovation, and sustainable infrastructure, reinforcing the country's leadership in green development. Regulatory momentum continued to build, such as SEBI mandating reasonable assurance on select BRSR Core KPIs to enhance the credibility of sustainability reporting.

At the same time, the RBI introduced its final framework for Climate-related Financial Disclosures, laying the groundwork for a more systematic approach to managing climate risks within the financial sector. Our key priorities include implementing climate risk stress testing frameworks, enhancing transparency through robust ESG disclosures, and scaling financing solutions supporting positive environmental and social outcomes.

### Relevant Risks



Impact of Climate  
Risk-related aspects on  
Credit Risk



Operational Risk

### Opportunities Identified

- » Tap into the growing demand for green bonds, transition finance, renewable energy lending, and sustainability-linked loans.
- » Leverage rising ESG-focused investor pools and green capital inflows to strengthen funding diversity and enhance brand equity.
- » Offer differentiated customer solutions across Retail and Corporate banking in sectors such as electric mobility, clean power generation, rooftop solar for MSMEs, and green home loans.

### Our Strategic Response

The Bank is capitalising on sustainable finance by expanding its portfolio in ESG-aligned sectors and activities, actively raising green capital and piloting new green initiatives in both retail and wholesale banking. We engage with ESG-focused investors and leverage green capital to diversify funding, enhance balance sheet resilience, and reaffirm our role as a responsible institution. Simultaneously, we provide tailored financial solutions for sectors like electric mobility, solar energy, clean infrastructure, and sustainable MSMEs.

Our ESG governance framework has been strengthened through Board-level oversight, cross-functional integration, and incorporation of climate risk into credit, investment, and risk assessment processes. We refine sectoral exposure assessments to identify climate-sensitive portfolios and have introduced environmental risk screens for high-impact industries. We deepen client partnerships by co-developing transition finance pathways and helping borrowers align with India's climate objectives. With ongoing investment in capacity building, ESG data digitisation, and collaborations, Axis Bank is addressing climate risks and promoting a low-carbon financial future. These actions are vital to our long-term vision of creating sustainable, purpose-driven value that meets stakeholder expectations.





## Cyber Security and Data Privacy

In fiscal 2025, the cyber security and data privacy landscape became increasingly complex, shaped by the accelerating pace of digital adoption, the rise of sophisticated threat actors, and heightened regulatory scrutiny. Financial institutions worldwide faced growing demands to strengthen digital resilience, protect sensitive customer information, and ensure uninterrupted service delivery amid evolving threat environments.

Regulatory developments, including enhanced incident reporting norms, stricter cloud security protocols, India's Digital Personal Data Protection Act (DPDPA), and SEBI's Cyber security and Cyber Resilience Framework (CSCRF), reinforced the criticality of robust, end-

to-end cyber security frameworks that are proactive, adaptive, and resilient. Investment in multi-layered defence architectures, AI-driven threat intelligence, cloud security certifications, and employee cyber security awareness programs has become essential to mitigating emerging risks and safeguarding stakeholder trust.

### Relevant Risks



Information and Cyber security Risk



Technology Risk



Regulatory and Compliance Risk



Operational Risk

### Opportunities Identified

- » Enhance digital trust and brand equity by delivering secure, privacy-first banking experiences aligned with rising regulatory expectations.
- » Strengthen cyber resilience by leveraging centralised threat intelligence frameworks, such as Sectoral Security Operations Centre (SSOC), for proactive risk management and industry leadership.

### Our Strategic Response

We have invested significantly in building a robust, multi-layered security architecture powered by AI-driven threat detection, real-time monitoring, and cloud security enhancements. Our ISO certifications for AWS and Azure cloud security, as well as our best-in-class BitSight security ratings, reaffirm our leadership in digital trust. Leveraging sectoral initiatives like the SSOC, we are enhancing threat intelligence sharing and strengthening our ability to respond swiftly to evolving cyber risks.



## Talent and the Future of Work

The cultivation of talent, the promotion of inclusion, and the provision of future-ready career paths have emerged as fundamental components in the creation of sustainable stakeholder value. As the dynamics of the work environment progress, the necessity to establish dynamic, empowered, and diverse workforces has never been more pronounced. In fiscal 2025, the labour landscape in India experienced rapid acceleration, propelled by the increasing demand for digital fluency, readiness for artificial intelligence, hybrid and flexible working models, and a heightened emphasis on employee wellbeing.

The Banking, Financial Services, and Insurance (BFSI) sector encountered significant competition for specialised talent in technology, risk and compliance, environmental,

social, and governance (ESG) factors, cyber security, and data analytics. Organisations responded by expanding their digital learning ecosystems, integrating artificial intelligence and future skills into employee development initiatives, enhancing internal mobility programs, and making substantial investments in frontline leadership development. Initiatives designed to promote mental health, workplace resilience, diversity, equity, and inclusion (DE&I) were prioritised as essential pillars of organisational strategy.

### Relevant Risks



Operational Risk



Human Capital Risk



Conduct Risk

### Opportunities Identified

- » Reimagine roles and workflows by deploying AI-assisted productivity tools to enhance efficiency, innovation, and customer responsiveness.
- » Deepen employee engagement and organisational agility through learning-led internal mobility and inclusive leadership development.
- » Attract and retain future-ready talent by building a culture anchored in trust, purposeful growth, and digital empowerment.

### Our Strategic Response

At Axis Bank, we are committed to shaping the future of work through innovation, inclusion, and agility. By leveraging AI-powered tools across the employee lifecycle, from talent acquisition and assessments to HR query resolution and employee listening, we are enhancing decision-making, reducing turnaround time, and improving employee experience at scale.

Internal career growth is a key pillar of our talent strategy. Platforms like Catalyst under the 'Thrive' program have fortified our mobility framework, resulting in increased internal movements and cross-functional transitions. Coupled with leadership development programs such as 1000 Change Leaders, High-performing Leaders, and BetterUp Coaching, we are nurturing a pipeline of future-ready leaders.

Our flexible work model, including GIG-A Opportunities and hybrid schedules, empowers remote associates and freelancers to join the workforce and contribute. Through these initiatives, we have broadened our talent reach, enhanced diversity, and supported work-life balance without compromising on productivity.

We have also reimaged learning through role-based, digital-first platforms that focus on future skills in areas such as ESG finance, compliance, and digital banking, delivered through a unified HCM suite across all subsidiaries.

By combining advanced technology with inclusive and human-centric practices, Axis Bank is building a resilient, future-ready workforce equipped to lead through change and deliver sustained value.



## Regulatory and Policy Landscape

In fiscal 2025, the regulatory and policy landscape for the banking sector underwent substantial evolution, reflecting an intensified focus on financial stability, digital innovation, climate resilience, and consumer protection. The Reserve Bank of India (RBI) introduced key measures, including enhanced cyber security, outsourcing of IT services, and IT governance risk, controls, and assurance guidelines. The RBI also finalised the framework for climate-related financial disclosures, tightened macroprudential norms around unsecured lending, and reinforced liquidity management standards to mitigate emerging systemic risks. In early 2025, the Ministry of Electronics and Information Technology (MeitY) released the Draft Digital Personal Data Protection (DPDP) Rules, 2025, for public consultation. These rules are intended to provide detailed guidelines for implementing the DPDP Act, covering data fiduciary

obligations, consent mechanisms, data principal rights, and establishing the Data Protection Board of India.

In parallel, the Securities and Exchange Board of India (SEBI) operationalised reasonable assurance requirements for select Business Responsibility and Sustainability Report (BRSR) Core metrics for the top 150 listed entities, significantly strengthening the credibility of corporate sustainability disclosures. Internationally, regulatory momentum on AI governance, sustainable finance, and digital assets continued to influence policy thinking in India, reinforcing the need for integrated risk management and responsible innovation across the sector.

### Relevant Risks



Regulatory and Compliance Risk

### Opportunities Identified

- » Lead responsible digital innovation by embedding compliance-by-design across products, services, and operations.
- » Strengthen investor and stakeholder trust through transparent, high-quality ESG and cyber security disclosures.

### Our Strategic Response

The Bank employs a compliance-by-design approach across its products, services, and operations to lead in responsible digital innovation. By integrating regulatory requirements, the bank guarantees that its new offerings in digital banking, artificial intelligence, payment solutions, and open banking are developed with strong security, privacy, and governance frameworks. At the same time, the Bank is building investor and stakeholder trust by enhancing the quality and transparency of its environmental, social, and governance (ESG) and cyber security disclosures. This includes proactive alignment with the SEBI's updated BRSR assurance norms, the RBI's new Outsourcing of IT Services and IT Governance Risk, Control, and Assurance guidelines, and global best practices in climate and data reporting.



## Making a Positive Change in Society

In fiscal 2025, India's social landscape was shaped by accelerated digital adoption, rising aspirations across rural and semi-urban markets, and a heightened focus on financial inclusion, education, healthcare, and sustainability. The rapid expansion of mobile connectivity, digital payment ecosystems, and government-led social welfare programs continued to drive broader economic empowerment, particularly among underserved communities. Concurrently, societal expectations regarding corporate responsibility, community engagement, and advancing diversity, equity, and inclusion (DE&I) intensified, influencing how businesses engage with stakeholders and contribute to social development.

Against this backdrop, the financial services sector fosters inclusive growth. Institutions are expanding their reach into Bharat markets, empowering small businesses and rural entrepreneurs, promoting digital financial literacy, and designing products tailored to underserved segments. In parallel, industry-led initiatives focused on livelihood generation, women's empowerment, education, healthcare access, and sustainable development are becoming central to corporate citizenship strategies.

### Relevant Risks



Business Risk



Operational Risk



Reputation Risk

### Opportunities Identified

- » Expand financial services access by tapping into rural, semi-urban, and underbanked markets.
- » Promote inclusive growth by providing targeted support to women entrepreneurs, small businesses, and community development initiatives.
- » Strengthen brand trust and loyalty by aligning with societal expectations of sustainability, diversity, equity, and inclusion.

### Our Strategic Response

The Bank strategically enhances its presence across the Bharat markets through its dedicated Bharat Banking franchise, which offers customised financial solutions for rural and semi-urban customers. We persist in empowering women entrepreneurs and Micro, Small, and Medium Enterprises (MSMEs) by augmenting access to affordable credit, skill development, and financial literacy initiatives. We implement expansive livelihood, education, and healthcare programs aligned with national development priorities under our CSR focus. Moreover, by profoundly integrating sustainability, diversity, and community engagement into our corporate ethos, we strengthen stakeholder trust and cultivate a socially responsible, future-ready institution.



STRATEGY IN ACTION

# Strengthening our House of GPS

Rooted in our core philosophy of Growth, Profitability and Sustainability, the House of GPS has evolved into a powerful engine that drives us forward. In fiscal 2025, we continued to enrich this strategic framework, enabling us to deliver with distinctiveness while strengthening our digital leadership and execution excellence.



In 2019, we launched our 'Growth Profitability and Sustainability' strategy, also known as the 'House of GPS', to provide a unifying framework to our versatile team, who serve as a cornerstone of our strength and adaptability.

The overall strategy of the Bank and that of its specific businesses and functions are aligned with our core philosophy – Growth, Profitability, and Sustainability.

As part of our annual review of the House of GPS in 2021, we added two elements of distinctiveness – 'Sparsh' (Deliver world-class customer experience) and 'Bharat' (Build India's most profitable Bharat banking franchise), with an overarching focus on 'Digital' (Leadership in digital and technology).

Then, in 2023 we bolstered our Sustainability pillar by including

four key themes for the Bank – 'Deposit Mobilisation', 'People Proposition', 'Operational Risk & Compliance Culture', and 'Execution Excellence'.

In 2024, we added 'Leveraging Emerging Technologies', which includes Generative AI and Intelligent Automation, as one of the key enablers for the Bank.

To build on the 'Execution Excellence' theme as part of the Sustainability pillar, the Bank has set up a dedicated project management team that has started deploying appropriate execution frameworks to improve the pace and efficiency of project execution.

The House of GPS, as it stands today, continues to reflect our aspirations and remains relevant. We have a responsibility to propel our business towards success by prioritising the GPS strategy and the key themes, as well as focusing on our values.

We have strengthened our '**House of GPS**' with distinctiveness and identified focus themes to taking charge

## GPS strategy

### Sustained, Consistent Financial Outperformance

- » Deliver world class customer experience led by project 'Sparsh'
- » Build India's most profitable Bharat Banking franchise
- » Leadership in Digital with best-in-class capabilities

Identified areas of distinctiveness with focus on **Customer Obsession 'SPARSH'** and serving the high growth potential RuSu markets as part of **Bharat Banking**

**Leadership in Digital and Technology** to drive productivity, scale and profitability



### Growth

- » Deposit Mobilisation to drive loan growth
- » Driving higher growth in high RAROC focus segments
- » Creating multiplicative forces to build competitive advantage



### Profitability

Structural improvement in quality of earnings with consistent delivery positions us well for the future



### Sustainability

- » Strengthened Governance and Culture across operational risk, audit and compliance
- » Strong balance sheet with best-in-class asset quality metrics and self-sustaining capital structure to fund growth
- » Our cutting-edge data analytics capabilities and leadership in technology continue to accelerate our distinctiveness journey
- » Enhancing People Proposition and Executional Excellence

Bolstered the Sustainability elements with focus on **Executional Excellence, People Proposition, and Operational Risk and Compliance**

### Our Core Values



**Customer Centricity**



**Ethics**



**Ownership**



**Transparency**



**Teamwork**



## Growth

- » Led by our focus on building granularity across businesses and strong focus on execution, we have delivered strong growth across our focused segments
- » We saw a 10% y-o-y increase in overall deposits and 14% y-o-y increase in term deposits; this growth was complemented by an adequate liquidity buffer, with an average LCR of 119% for the quarter ended on March 31, 2025
- » Amongst our focus segments, SBB (Small Business Banking) + SME

(Small and Medium Enterprises) + MC (Mid Corporate) have collectively scaled up significantly, delivering a CAGR of 26% (from fiscal 2021 to fiscal 2025) despite the tightening of our risk standards; focus segments (SBB+SME+MC) of the Bank has seen improvement in contribution mix from 15.3% to 22.7% of overall book over the last four years

- » We are now the 4<sup>th</sup> largest credit card player, issued 3.47 million credit cards in fiscal 2025 and attained CIF (Cards in force) market share of 13.7%

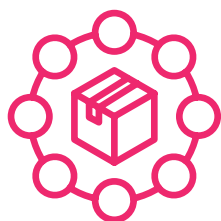
- » The Bank's wealth management business is among the largest in India with AUM of ₹5.92 trillion as at end of March 31, 2025 that grew 10% y-o-y
- » With a rating of 4.7 on Google Play Store and 4.8 on iOS App Store, **'open'** by Axis Bank ranks among the world's highest rated mobile banking app, doubling up as our largest branch
- » Created multiplicative forces through the unification under 'One Axis', partnerships and new age tech platforms to win across businesses

22.7%

Contribution of focus segments to the overall book

14%

Increase in term deposits y-o-y in fiscal 2025



## Profitability

- » We delivered a healthy operating performance, with Net interest income growing by 9% y-o-y and Operating profit growing by 13% y-o-y
- » Our cost-to-assets ratio remained stable at 2.46% fiscal 2025 as we continued to focus on building cost-consciousness across the Bank

- » We continued to build granularity in our fee income with granular fee (Retail, Transaction banking, Trade, Forex and Financial institutional payments-related fee) constituting 89% of overall fees, with overall fee income growing by 11% y-o-y
- » Total PAT of operating subsidiaries grew by 11% y-o-y and return on investments in domestic subsidiaries stood at 46%



8.93%

Growth in Net Interest Income (NII) in fiscal 2025

2.46%

Costs-to-assets ratio in fiscal 2025



## Sustainability

- » We have bolstered our risk frameworks and institutionalised culture changes, which gives us confidence that the franchise will remain resilient through cycles
- » We added a layer between our 1<sup>st</sup> line of defence (CAROs) and assurance functions – OH&C (Operational Health & Compliance) team and Financial Crime Intelligence Unit
- » Best-in-class digital and analytics capabilities, coupled with our strategy to leverage new emerging technologies such as GenAI, puts us on a path to become India's

best tech bank; we became the 1<sup>st</sup> Indian Bank to be ISO certified for AWS and Azure Cloud security, and roll-out of MS GenAI Co-pilot

- » 100% Agile adoption for all relevant systems, thereby driving business value through agile transformation
- » Inherent strengths in Bharat Banking give us the right to win in RuSu (Rural and Semi-urban markets) – 2,736 Bharat Banking branches (as on March 31, 2025), 7% y-o-y growth in rural advances in fiscal 2025
- » Our tools to set us apart in the next decade:

### Sparsh

Our customer obsession program has yielded results; our Retail Net Promoter Score (NPS) of 159 (as on March 31, 2025) has moved up by 59 points since the baseline score in Q1FY23

### Siddhi

Our super app, which empowers Axis colleagues to engage seamlessly with customers, has 90,000+ active users and 30+ product journeys

- » We have a distinctive people proposition, 'Thrive', which helps us retain high quality talent to 'run'/'change' the Bank

Our five core values viz. Customer Centricity, Ethics, Ownership, Transparency and Teamwork continue to underpin all activities of the Bank.

7%

Growth in Bharat Banking Advances in fiscal 2025

90,000+

Active users of 'Siddhi' app, which has 30+ product journeys

## Our ESG Progress and Aspirations

### Governance

1<sup>st</sup> Indian Bank

To constitute an ESG Committee of the Board

61.54%

Independent Directors on the Board

98%+

Of eligible employees trained in AML & related laws

### Social

2.8 Million

Women participants in microfinance rural lending

387,467

Households positively impacted in fiscal 2025 under the Bank's flagship Sustainable Livelihoods program

27.7%

Workforce diversity

### Green Operations

~18,732 tCO<sub>2</sub>e

GHG emissions avoided annually by various operational eco-efficiency initiatives

34.48 Metric Tons

Of Battery waste recycled (through authorised vendors)

2 MW

Captive solar power plant, reducing our carbon emissions

### Sustainable Financing

~₹22,160 crores

Green lending portfolio

~51,000 crores

Total value of proposals reviewed under the ESG policy for lending in fiscal 2025

₹500 million

raised by partnering with IFC to scale up green and blue financing in India – IFC's first-ever blue investment in India and the India's first blue loan issued by a financial institution

Above are standalone figures as on/for year ended March 31, 2025 unless otherwise mentioned



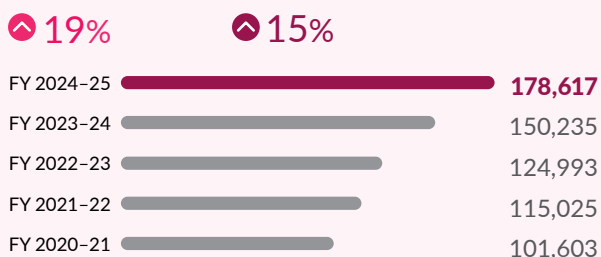
## KEY PERFORMANCE INDICATORS

# Sustained momentum, strong fundamentals

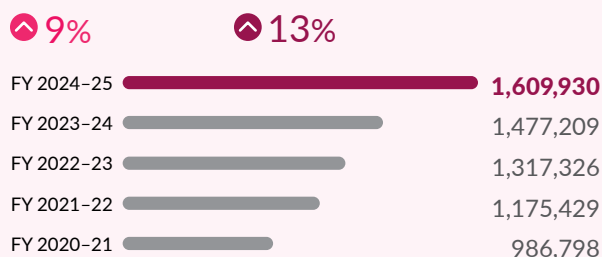
Axis Bank delivered steady growth in fiscal 2025, with a five-year market share gain of 5.5% in deposits and 5.7% in advances. A 46% return on domestic subsidiaries, robust provision buffers, and 1.15% standard asset coverage ratio reflect our consistent performance and sharp execution.

## Balance Sheet

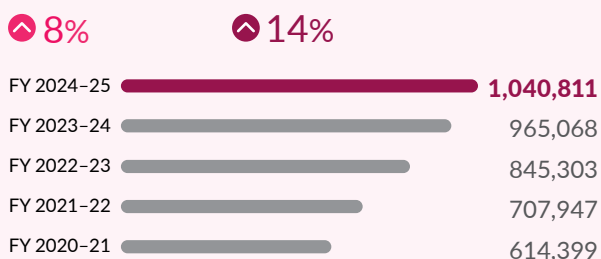
### Capital & Reserves and Surplus (₹ in crores)



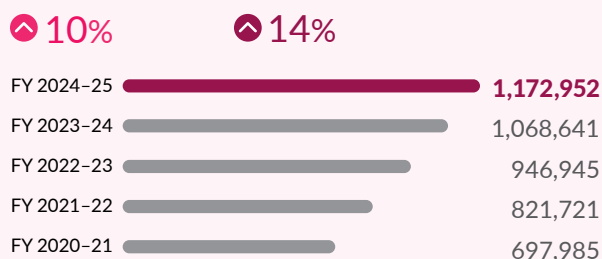
### Total Assets (₹ in crores)



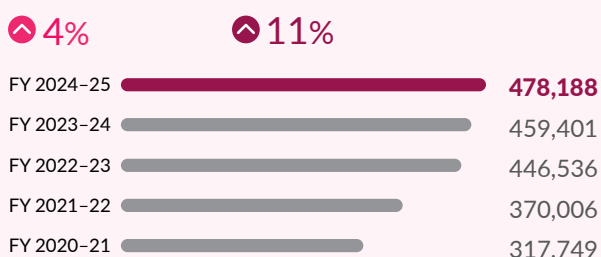
### Total Advances (₹ in crores)



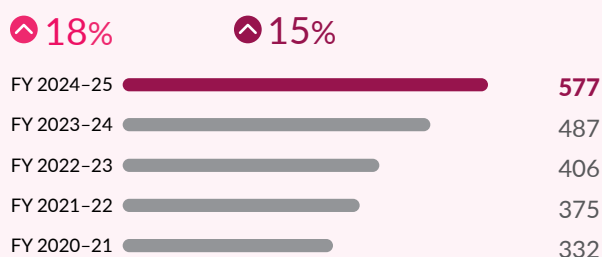
### Total Deposits (₹ in crores)



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



### Book Value Per Share (₹)



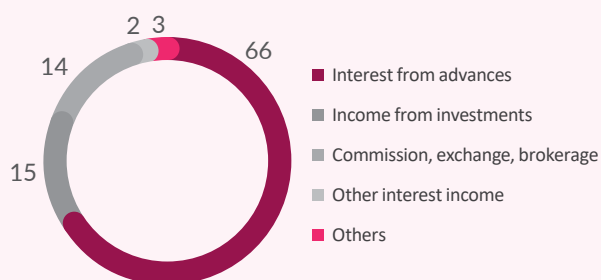
▲ y-o-y growth

▲ 4 year CAGR

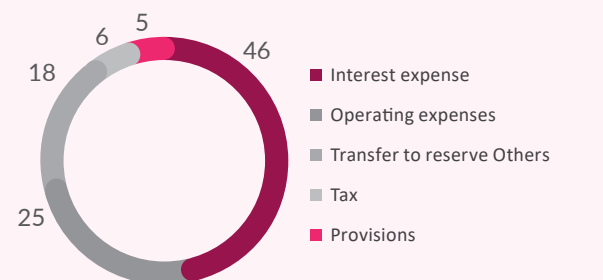


## Profit and Loss

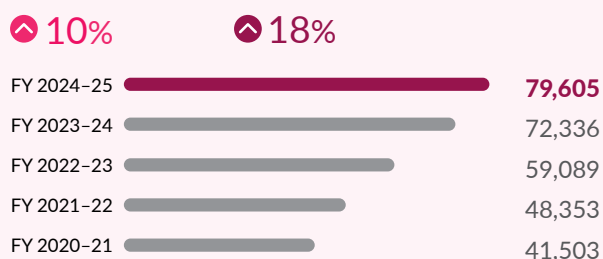
### Rupee Earned (%)



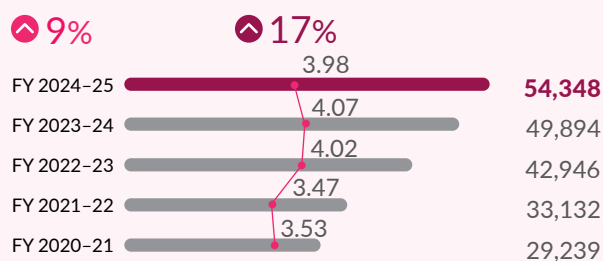
### Rupee Spent (%)



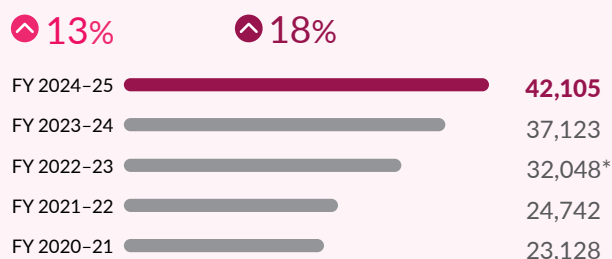
### Operating Revenue (₹ in crores)



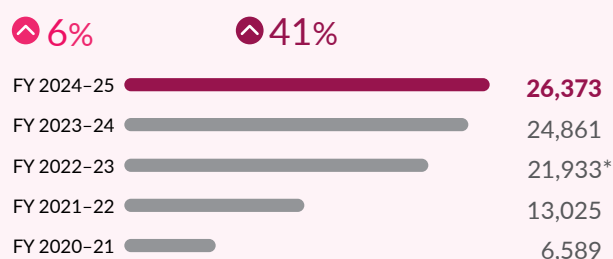
### Net Interest Income (NII) (₹ in crores) Net Interest Margin (NIM) (%)



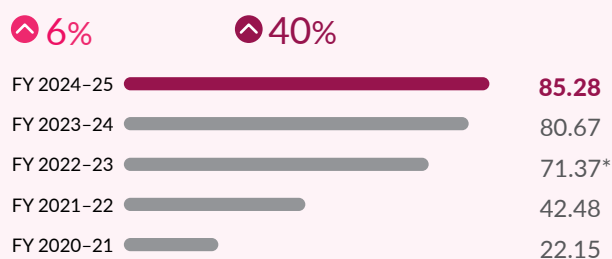
### Operating Profit (₹ in crores)



### Net Profit (₹ in crores)



### Earnings Per Share (Basic) (₹)



↑ y-o-y growth      ↑ 4 year CAGR

\*Excluding exceptional items

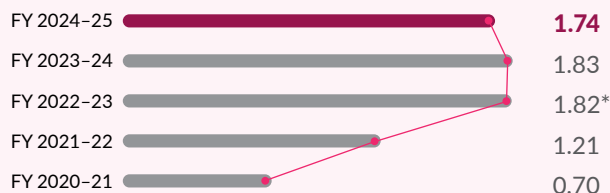
Above are standalone figures as on/for year ended March 31, 2025 unless otherwise mentioned

## Key Ratios

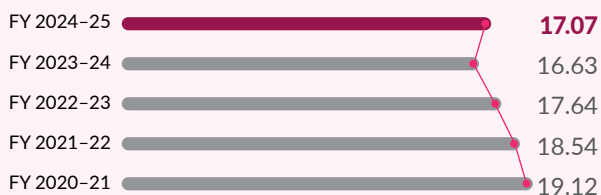
### Return on Equity (ROE) (%)



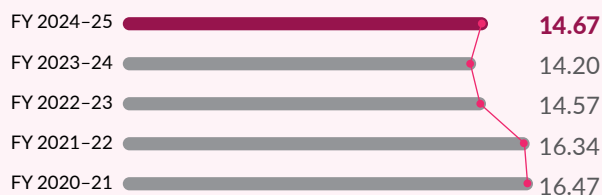
### Return on Assets (ROA) (%)



### Capital Adequacy Ratio (%)



### Tier 1 Capital (%)



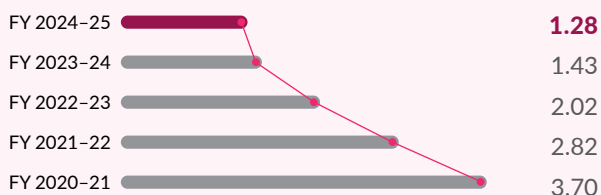
### Cost to Asset Ratio (%)



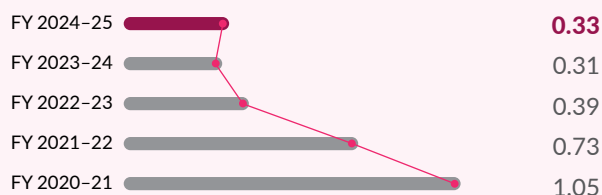
### Provision Coverage Ratio (%)



### Gross NPA (%)



### Net NPA (%)



## Highlights of Subsidiaries^

**11% ↑**

in PAT of domestic subsidiaries

**11% ↑**

in Axis Finance PAT

**45% ↑**

in Axis Securities Broking Revenue

**33% ↑**

in Axis Capital Revenue from operations

**9% ↑**

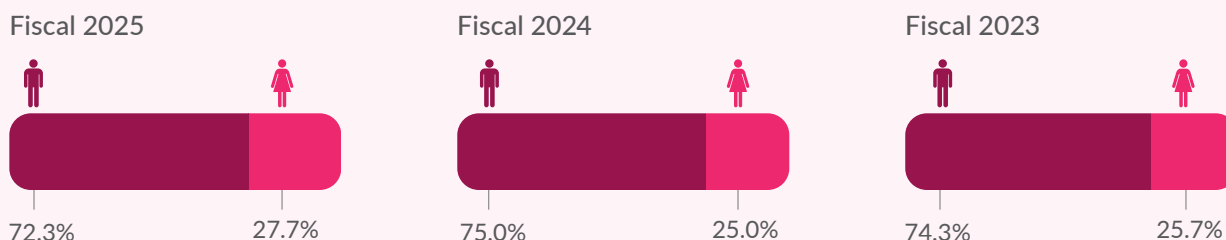
in Axis AMC Equity QAAUM

\*Excluding exceptional items  
^y-o-y growth

## People

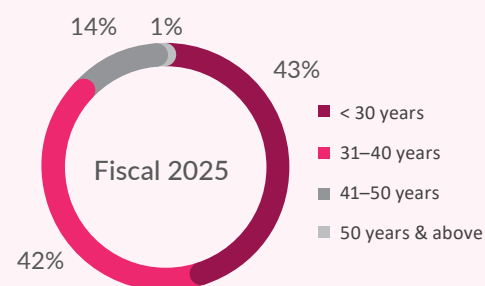
### Gender Diversity

(%)



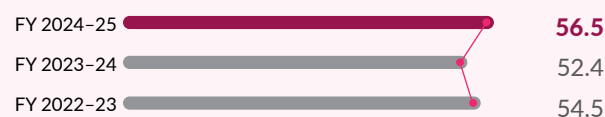
### Workforce by Age

(%)



### Women in frontline staff<sup>^</sup>

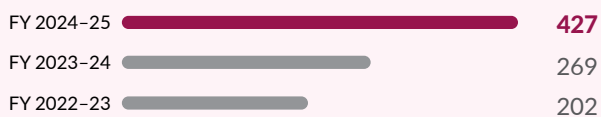
(%)



## Community

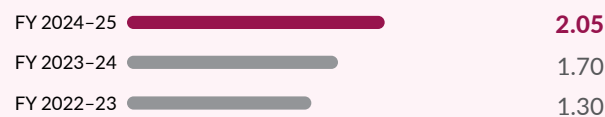
### CSR Spend\*

(₹ in crores)



### Lives Impacted<sup>#</sup>

(No. in million)



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

<sup>#</sup>Cumulatively under the Sustainable Livelihoods Program

Above are standalone figures as on/for year ended March 31, 2025 unless otherwise mentioned

<sup>^</sup>Out of total women in workforce



MESSAGE FROM THE MANAGEMENT - RETAIL BANKING

# Delivering sustainable and profitable growth



**Munish Sharda**

Executive Director  
(Retail Liabilities, Branch Banking,  
Bharat Banking, Commercial  
Banking Group, and Retail  
Portfolio Management Group)



**Arjun Chowdhry**

Group Executive  
(Affluent Banking,  
Retail Lending, Cards &  
Payments)

## Dear Shareholders,

Fiscal 2025 has been a year marked by strategic discipline and thoughtful navigation through a complex operating environment. Amidst a backdrop of subdued systemic deposit growth and emerging challenges in select areas of the retail unsecured segment, we remained focused on improving deposit quality and portfolio resilience driving long-term value creation.

Our Retail Banking business continues to anchor our GPS strategy, delivering balanced, risk-adjusted growth. We have taken deliberate steps toward building a high-quality, premium Retail Banking franchise—defined by an improved deposit base, strong progress in our wealth management

business, and the prudent expansion of our loan portfolio. This segment remains a key engine of our growth, driven by a sharp customer-first mindset, a suite of innovative and differentiated products, and one of the most extensive distribution networks in the country having 5,876 branches with a record 500 branches opened in fiscal 2025. These pillars empower us to meet the evolving financial aspirations of millions across India.

The quality of our deposit franchise is getting stronger with further granularisation and we continue to witness sustained growth across our priority business segments like SBB and Rural Banking. We've maintained

dominant position in cards, payments, and wealth management, while adopting a calibrated growth approach in the unsecured retail segment. On the digital payment front, we continue to lead with distinction holding a dominant position in the UPI Payer PSP space and credit cards.

Customer satisfaction continues to be our true north. Through our forward-looking Customer Experience program, we're creating 'wow' moments at every touchpoint—empowering our employees to deliver truly memorable interaction for our customers. This has translated into stronger customer engagement, deeper loyalty, and growing advocacy. Our sharp focus on experience has



propelled a significant improvement in our Retail Net Promoter Score (NPS). The seamless integration of the Citi consumer businesses has positioned us across the spectrum, turbocharging our journey towards becoming a premium retail banking powerhouse.

### Reimagining Deposits: Building a Stronger, Smarter Franchise

At Axis Bank, our deposit journey is anchored in three strategic pillars—quality, cost, and growth.

We've sharpened the quality of our deposit book by improving granularity and focusing on LCR accretive deposits. Consequently, over the past three years, we've improved our outflow ratio by 340 basis points, now aligning with the best in class among large peer banks.

On the cost front, our disciplined approach has kept the increase in cost of funds to just 7 basis points over the last four quarters, despite a tight liquidity environment.

Our deposit growth engine is gaining momentum as the Bank gained an incremental market share of 5.5% in total deposits over the last five years. With a healthy pipeline of acquisitions, strategic expansion, innovative product launches, and improving performance in salary credits and Burgundy AUMs, we're beginning to see early signs of sustained deposit growth. As liquidity conditions ease and key portfolios stabilise, our efforts should translate into tangible outcomes.

The New-to-Bank (NTB) savings account franchise is a standout performer—NTB deposits grew 19% y-o-y despite granular balances per account rising 17% y-o-y, reflecting deeper customer engagement.



**Our deposit franchise is being reimagined on the pillars of quality, cost, and growth—creating a stronger, smarter foundation for sustainable value creation.**

While fiscal 2025 posed challenges for Existing-to-Bank (ETB) deposits due to tight liquidity and reduced government flows, we are now seeing early signs of recovery. Our overarching focus is on deepening relationships, controlling attrition, and becoming the primary bank of choice as we see a powerful opportunity in our existing customer base—not just to grow balances, but to drive sustainable value. Through smart, contextual journeys and timely solutions, we are creating a seamless banking experience that grows with our customers and strengthens long-term engagement. In fiscal 2025, systemic deposit growth remained subdued, primarily constrained by the persistent tightness in durable liquidity, muted government spending, and enhanced efficiency in the management of government balances. However, with liquidity conditions having considerably improved post the RBI action, the macro environment is poised to become more conducive for deposit mobilisation. These tailwinds, coupled with more accommodative monetary policy stance could result in a better deposit growth trajectory in fiscal 2026.

### Blending ambition with expertise to create a new era of aspirational banking.

Premiumisation of the deposits franchise continues to be an important imperative for the Bank. We are accelerating our premiumisation journey with a sharp focus on high-value customer segments. Our Burgundy franchise continues to thrive, with assets under management (AUM) growing 10% y-o-y. Burgundy Private, the private banking franchise of the Bank catering to the UHNI segment, continues to grow strongly with coverage expanding to 44 cities managing an AUM of ₹2.13 trillion (up 16% y-o-y) across ~13,400 families (up 26% y-o-y), which includes 35 of the Forbes 100 richest Indians. This momentum has been recognised on the global stage, with our Burgundy Private offering being named India's Best for Next Gen at the Euromoney Global Private Banking Awards 2025. The Bank also won FT\_PWM Wealth Tech Awards 2025 for best CRM for Private Banking in Asia.

A key milestone in this transformation was the successful integration of Citi's consumer business in July 2024, redefining the scale and scope for Axis Bank in the premium segment.

During the year, the Bank introduced several new product propositions, including the 'ARISE' savings account for women and the Doctors Banking Program, to offer the best banking services and life experiences under one bouquet.

## Driving Quality Loan Growth with Precision and Purpose

Our SBB portfolio grew a strong 17% y-o-y, while our Rural portfolio expanded by 7% as we continue to pursue balanced, RAROC-led growth in our retail segment. Notably, nearly 72% of our retail book remains secured, underscoring the strength and resilience of our portfolio.

Retail continues to be the engine of the Bank's granular performance—contributing 60% of total advances, and 72% of the Bank's fee income in fiscal 2025. By leveraging our robust digital infrastructure and advanced data analytics, we are enhancing operational efficiency and decision-making.

The unsecured retail segment is exhibiting industry-wide stress, driven by increased credit appetite and signs of over-leverage in certain pockets, particularly in personal loans (PL), cards and micro-finance segment MFI portfolio is only ~1.2% of the Bank's total retail loans. We are navigating this evolving credit landscape with agility.

In the unsecured retail segment, including MFI, we are seeing a normalisation cycle. Proactive risk management framework—anchored in real-time portfolio monitoring, early warning triggers, and dynamic policy recalibration—has ensured that delinquencies in new cohorts remain well within our guardrails.

We continue to strengthen the core pillars of our risk architecture—scorecards, policy, and underwriting—while tightening standards through deliberate business mix choices. Our focus on quality is evident: 100% of our personal loan portfolio and 79% of our credit card book is with salaried customers. Existing to bank (ETB) mix stands at 79% for personal loans

and 47% for credit cards, reflecting our disciplined approach to customer selection and portfolio construction. ~20% of credit cards acquired in fiscal 2025 were through Known to Bank (KTB) channel.

## Powering Progress Across Bharat: Banking that Builds Communities

Our Bharat Banking franchise continues to be a powerful engine of inclusive growth, delivering healthy performance PSL assets and expanding our footprint across rural and semi-urban India. In fiscal 2025, our rural advances and deposits grew by 7% and 9%, respectively. Our distribution network now spans 2,736 branches, supported by a formidable 28,000+ CSC Village Level Entrepreneurs network. With 250+ new branches added this year and over 25 strategic partnerships across Agri-tech, Fintech, NBFCs, and corporates, we are reaching deeper into the heart of Bharat.



**Retail remains the engine of the Bank's granular performance, contributing 60% of advances and 72% of fee income. With 72% of our book secured and 100% of personal loans with salaried customers, we are building a franchise that is both high-performing and high-quality.**

This growth is underpinned by a digital-first approach—e-KYC, e-NACH, e-Sign, and e-Stamp are now integral to our customer journeys. We've gone fully digital in our MFI-retail, Farm Mechanisation verticals and are set to onboard key segments like Bharat Enterprise B2B Retail, Farmer Funding (KCC), and Micro-LAP in fiscal 2026. We are also enhancing operational risk controls and launching instant digital CASA journeys to further accelerate deposit growth.

With deep distribution, a robust digital backbone, a thriving partnership ecosystem, and proven expertise in rural lending, we are poised to become a dominant force in Bharat. Our focus remains on deepening engagement, enhancing profitability, scaling alternate revenue streams, and driving sustainable, inclusive growth across India.

## Redefining Payments: Scaling Innovation, Deepening Impact

India's payments landscape is undergoing a paradigm shift—and Axis Bank is at the forefront of this transformation. As customer preferences evolve and digital adoption accelerates, we are seizing the moment to lead with innovation, scale, and precision. In fiscal 2025, our payments business continued to be a cornerstone of our Retail strategy, driving engagement and growth.

With ~15 million credit cards in force and a 14% market share at the end of fiscal 2025, having 20% share of KTB sourcing in total card issuances in fiscal 2025, our credit card business achieved 12% growth in spends with a spends market share of ~11% in fiscal 2025.



Axis Bank is redefining digital banking in India—leading the payments space with a 33% UPI market share, 15 million credit cards, and a merchant acquiring business with ~20% terminal share. Our top-rated mobile app, with 4.7+ ratings on Android and iOS, is the gateway to a seamless, secure, and smart banking experience.

Our co-branded partnerships, include the Flipkart Axis Bank Credit Card with ~4 million cards.

Our merchant acquiring business remains a market leader with ~20% terminal share. In UPI, we've cemented our leadership with a 33% market share as Payer PSP, maintaining a leading position since August 2024. Strategic partnerships with fintechs and tech giants have fuelled this growth, alongside innovations like Credit on UPI and UPI Circle.

Backed by a resilient tech stack, real-time decisioning, and among the lowest decline rates, we are not just participating in the digital payments revolution—we are shaping it.

## Leading with Innovation: Elevating Digital Banking

Axis Bank's digital banking momentum continues to accelerate, driven by innovation, security, and customer-first design. In fiscal 2025, we introduced industry-first features like in-app mobile OTP—enhancing fraud protection while eliminating reliance on telecom networks. Our new Safety Centre on the Axis '**open**' app empowers customers with granular control over their digital channels, reinforcing trust and transparency.

We launched My Money, a pioneering personal finance tool that allows customers to view investments across brokers—another industry-first. New journeys like FD via UPI and enhancements to **neo** for Corporates and **neo** for Businesses are redefining digital experiences for individuals and enterprises alike. We continue to build long-term competitive advantage with investment in technology and analytics with some cutting-edge use case in Gen AI and Financial Crime intelligence.

We are building a resilient, industrial-grade tech backbone through our Salesforce journey's, standardizing 40+ capabilities across 20+ retail lending products. This is powering a pioneering end-to-end omnichannel model, setting the stage for scalable, sustainable growth ahead.

The growing adoption of our '**Siddhi**' App, along with intuitive cross-sell journeys and intelligent nudges, made doing business smoother and smarter for both customers and employees.

Our efforts have not gone unnoticed—Axis Bank was named Best Digital Bank (Private) by Financial Express, a testament to our leadership in digital excellence.

With top-rated apps and a relentless focus on innovation, we are setting new benchmarks in digital banking for India's evolving financial landscape.

## Next-Level Growth, Built on Trust and Technology

As we look ahead, the next phase of our journey will be defined by deeper customer connections, sharper execution, and smarter engagement. By enhancing contactability, driving cross-sell through co-origination journeys, and strengthening our digital capabilities with platforms like '**Siddhi**', we are building a more connected and responsive franchise well-positioned to move forward in our retail banking journey.

Warm regards,

### Munish Sharda

Executive Director  
(Retail Liabilities, Branch Banking, Bharat Banking, Commercial Banking Group, and Retail Portfolio Management Group)

### Arjun Chowdhry

Group Executive  
(Affluent Banking, Retail Lending, Cards & Payments)



## BUSINESS SEGMENT PERFORMANCE – RETAIL BANKING

# Promoting open, accessible, and inclusive banking

Powered by our deep customer engagement, continued digital expansion, and a sharper premiumisation strategy, our Retail Banking segment delivered resilient growth across deposits, lending, and payments during the year, reinforcing our position as a trusted financial partner for our customers.



## Material Issues Linkage

M1

M2

M6

M7

M9

## Capital Linkage



## SDGs Impacted



Our Retail Banking segment aims to promote accessibility and a seamless banking experience. With a robust branch network, digital-first solutions, and customer-centric products, we have expanded our reach across urban, semi-urban, and rural India, thus driving meaningful progress towards financial inclusion. Our focus on premiumisation, digital transformation, and strategic partnerships has helped us drive strong performance across deposits, lending, payments, and wealth management.

## Retail Deposits

Our retail deposits strategy, driven by our customer-centricity, resulted in 10% y-o-y growth in Total Deposits MEB. The CASA ratio remained strong at 41%, reflecting stable, low-cost deposits.

We have improved the granularisation in our deposit book, which positively impacts the quality of LCR deposits. Consequently, improving the outflow ratio by 340 bps over the last 3 years. The quality and strength of our deposit franchise continues to improve. Our acquisition engine, expansion plans, product launches, salary credits,





and Burgundy AUMs remain healthy. We advanced premiumisation with targeted offerings such as the ARISE savings account for women, which caters to diverse financial goals—from ensuring the family's financial security to supporting entrepreneurial ambitions. The Doctors Banking Program aimed to meet healthcare professionals' unique needs while enhancing cross-selling opportunities.

We enhanced the customer experience with a Lean Savings Onboarding journey and early adoption of UIDAI's facial recognition KYC, making account activation simple and easy. The upgraded Salary Suvudha enabled effortless digital onboarding and reimbursements. Strategic brand partnerships and

virtual masterclasses further strengthened corporate engagement.

Savings Account New to Bank (NTB) deposits up 13% y-o-y and granular balances per account up 17% y-o-y. The Bank has made focused interventions to ensure better engagements with its salaried customers and continue to see healthy trends 18% y-o-y growth in Salary Uploads in the NTB Salary book and 38% y-o-y growth in Premium acquisitions in NTB Salary book in fiscal 2025.

*neo* platforms along with customised solutions across liquidity management, payments and collections continue to drive higher transaction banking flows leading to better current account balances.

Total term deposits grew 14% y-o-y in fiscal 2025, driven by seamless digital journeys such as FD booking via WhatsApp, while the ease of onboarding, better compliance, and security reinforced customer trust.

The Bank remains committed to premiumisation, digital innovation, and delivering exceptional value across all customer segments.

14%

↑ Growth of term deposits in fiscal 2025 (y-o-y)



## Retail Lending

Deeply connected with our GPS strategy, our retail lending franchise aims to consistently deliver high-risk-adjusted returns. Over the last year, we have driven volumes while improving profit metrics and leveraging data-driven insights to optimise our portfolio, enhance efficiency, and seize new opportunities to strengthen our competitive position in the market.



### KEY RETAIL LENDING PRODUCTS



Home loans



Overdraft against salary



Personal loans



Commercial equipment loans



Overdraft against FDs



Lease rent discounting



Commercial vehicle loans



Affordable housing loans



Supply chain finance



Loan against securities



Loan against property



Vehicle loans



Education loans



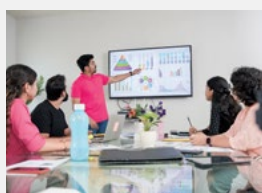
Credit cards

## Progress across Five Pillars



### Digital-first, Always

- » We have seen increased coverage of digital loans in our high growth businesses and have launched a best-in-class Digital Home Loan journey.
- » From Key Fact Statement documents to end-to-end digitisation roadmaps, our goal is clear: to deliver a frictionless, future-ready lending experience.



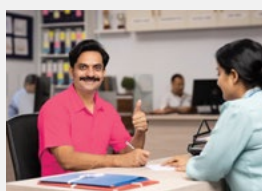
### Smart Distribution, Deeper Penetration

- » We have designed lending strategies tailored to the potential of each market segment, fully leveraging the expansive and optimised branch network.
- » Bharat Banking continues to penetrate rural and semi-urban markets while building scalable partnerships with fintechs, dealers, DSAs, and OEMs.



### Sales with Insight, Powered by Data

- » Our flagship app, 'Siddhi', is transforming frontline productivity — from 360° customer views and AI-led recommendations to portfolio KPIs and coaching tools.
- » Teams across regions are already seeing improved outcomes and stronger performance metrics.



### 'One Axis' Approach: From Product to Customer

- » Integrating lending into ecosystems such as property, education, and health, and collaborating across Axis group entities, we are emerging as the preferred banking partner throughout the customer lifecycle.
- » Our ETB-led strategies are further increasing stickiness and deepening wallet share.



### Risk-ready and Resilient

- » We are embedding governance and control at every stage — from credit and operations to business lines.
- » With real-time risk monitoring, proactive fraud prevention, and risk-based pricing, our approach ensures resilience, compliance, and long-term value creation.

Retail lending is a primary growth driver, and we are strategically positioned to capitalise on emerging market trends given our extensive network, comprehensive product propositions, strong brand, and robust processes. We will continue to invest in the business to optimise our offering, strengthen the risk framework, drive deeper market penetration, and enhance customer experience.

**₹6,229 billion**

Retail advances book

↑ 7% y-o-y



## Credit Cards

The Bank continued strengthening its cards and payments business, expanding its portfolio through strong organic growth and successfully integrating Citibank's high-value consumer portfolio. The Bank's co-branded Flipkart Axis Bank Credit Card reached a remarkable



4 million active cards, signifying customer engagement and growing market adoption.

Innovation remained at the forefront with the launch of Credit Cards on UPI (RuPay) for instant digital transactions. This significantly boosted month-on-month spending, accelerating digital adoption and enhancing customer convenience.

The Bank ranks at 2<sup>nd</sup> position in the merchant acquisition space with a ~20% terminal market share and ~17% industry throughput share. The year saw the introduction of innovative solutions like NFC Soundbox, UniPG for online payments, *neo* for Merchants app, streamlining digital payment acceptance and driving business growth for merchants.

**~15 million**  
Total credit cards in force

**~14%**  
Market share of cards in force

**₹2,266 billion**  
Highest-ever Annual Card Spends

**~20%**  
Merchant Acquiring Terminal Market Share

## Forex Cards & Remittances

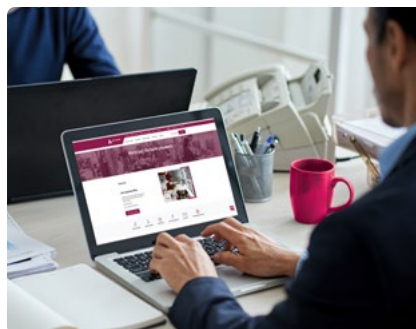
We continue strengthening our cross-border banking offerings through a Forex Cards and Remittance Services suite, delivering seamless, secure, and convenient experiences across digital and branch channels. Anchored in our digital-first strategy, we introduced innovative features such as automated reloads, bulk corporate recharging, and personalised customer discounts, resulting in over 90% digital issuance.

Forex cards curated offerings were introduced for travellers across Southeast Asia and the Middle East, with a sharper focus on student, business, and leisure travel segments.

In remittances, the Bank enabled same-day credit (T-day) for inward transfers and enhanced processing by expanding STP limits from ₹15 lakhs to ₹25 lakhs and increasing the number of purpose codes from 5 to 41 to facilitate quicker, paperless settlements.

We have implemented NSDL PAN validations, and the RBI-integrated Liberalised Remittance Scheme (LRS) monitoring project is in progress.

In outward remittances, the launch of digital GIFT City transfers, partnerships with fintech and online brokers, and the rise in digitally processed transactions from 45% to 64% were key milestones. Regulatory readiness remained central, with proactive implementation of PAN validations, LRS monitoring, and compliance with revised LRS limits as per the Union Budget 2025-26.



USD-INR self-transfers up to  
**\$30,000**  
supported on the Remit Money online portal

**64%**  
Outward remittance digitisation  
↑ from 45% y-o-y

Digital outward remittances to Gift City enabled, thus requiring no visits to branch

**\$5.4 billion**  
Retail forex volume, with 4 lakhs active customers

**90%+**  
Fresh Digital Issuances of Forex Cards

Above are standalone figures as on/for year ended March 31, 2025 unless otherwise mentioned

## Digital Currency (CBDC)

The Bank has been a pioneer in driving adoption of the Central Bank Digital Currency (CBDC), becoming the only bank to roll out Dynamic QR based non-50paise handling. This was a game changer and motivated our CBDC users to use the App for their day to day transactions. We were One of the few banks to launch Entity programmable CBDC use cases and User Level programmability in collaboration with RBI & NPCI. These initiatives underscore our commitment to financial inclusion, secure digital innovation, and transparent value delivery.

On an average we managed 18,500 transactions daily and also hold the record of the single day highest CBDC transactions of 3.2 lakhs. We earned our place as the **top private bank** to credit maximum number of beneficiaries during the Odisha government's Subhadra scheme.

We secured this top private bank spot 3 times in a row. We were also one of the few banks invited to represent RBI Pavilion for CBDC during Maha Kumbh 2025, Global Fintech Festival 2024, and IITF Trade Fair 2024 at the Bharat Mandapam, New Delhi.

6.4 lakhs

CBDC customer base, among the highest active customers

~18,500

Daily average transactions

~45,000

CBDC Merchants onboarded



## Digital Initiatives

We actively working to digitise our journeys to provide best in class customer experience. Last year, we went live with the digital journey for Home loans, digitise the key fact statement document, and seeing increasing digital coverage in auto, and personal loans. We have a roadmap to digitise customer journey across all high growth products in the coming future.

The Axis Mobile Banking App '**open**', which has a 4.7 rating on the Google Play Store with over 3 million reviews, continued to be a key driver of customer engagement, with over 1 million daily visits. Digital innovations like Digital Unboxing, with an ~80% activation rate, and the Benefits Dashboard, which attracted 2.7 million monthly views,

enhanced customer experiences by offering seamless access to card features, rewards, and spending insights.

Further, to aid seamless customer experience; 86% of the cards portfolio requests are handled via the Axis Bank mobile banking app, '**open**'. This includes Upgrades, Credit limit enhancements, Instant Loans and EMIs, among other services. We recently rolled out industry-leading capabilities like 'Pay With Rewards'. To facilitate higher card engagement, we launched hyper personalised 'spend and get' offers which had targeted offerings basis each customer's past spend behaviour

and witnessed huge adoption by Axis Bank credit cardholders.

Through initiatives like **dil se open** celebrations, customers enjoyed up to 25% discount on categories such as lifestyle, travel, dining, electronics mobile and consumer durables. The bank also launched Travel fest to further enhance customer experience by catering to seasonal needs.

~80%

Of customers' Digital Activation done via Digital Unboxing



## UPI & Strategic Partnerships

The Bank continues to expand its UPI ecosystem and strengthen strategic partnerships, leveraging technology to drive seamless digital transactions. By deepening collaborations across UPI, acquiring, and issuance, we are improving our market presence and building first-mover advantages in digital payments.

With the broadest range of co-branded cards, we have solidified our position through partnerships across e-commerce, airlines, fintech, telecom, fuel, retail, and consumer durables, offering differentiated solutions for diverse customer segments.

We work closely with PhonePe, Google Pay, Amazon, and emerging digital players to increase UPI adoption. The year saw the launch of Credit on UPI for issuance and acquisition, further accelerating organic UPI transaction growth.

**~183 crores**  
UPI IDs registered as on  
March 31, 2025

**33.3%**  
UPI Market Share  
(Payer PSP)



## Wealth Management

In less than a decade, the Bank's Wealth Management franchise has emerged as the third largest in India, leveraging a full-stack product suite, extensive distribution, and integration of Citibank's wealth business. Our commitment to growing and preserving client wealth is at the heart of our holistic approach that seamlessly integrates investments, banking, and advisory services. 'One Axis' unites expertise across Axis Securities, Axis AMC, Axis Capital, Axis Finance, and Axis Trustee Services, enabling us to cater to every financial need.

### People, Technology & Service

Our dedicated Burgundy Private Partners, Relationship Managers, and Wealth Specialists provide personalised, high-touch advisory services across 44 cities and 350+ branches.

Backed by our award-winning digital innovations, including the Axis Mobile App '**open**' (rated 4.8 on Apple App Store and 4.7 on Google Play Store), clients enjoy a seamless, omnichannel wealth experience, efficiently investing across asset classes like mutual funds, insurance, NPS, and sovereign bonds.

### Driving Digital Transformation & Innovation

With an upgraded wealth management platform integrated into our core banking system, we continue to invest in AI-driven insights, automation, and risk management, enhancing client experience and operational efficiency. As the industry evolves with growing competition from fintechs and independent advisors, we remain positioned to lead with scalability, superior digital capabilities, and cost-efficient acquisition channels.

### Awards Won

- » 'India's Best for Next-Gen' at the Euromoney Global Private Banking Awards 2025
- » Best CRM for Private Banking in Asia – PWM WealthTech Awards 2025

**18.5+ lakhs**  
Clients and families  
served through Wealth  
Management platform

**₹7.4 trillion<sup>#</sup>**  
Financial assets managed,  
with a strong Products per  
Family (PPF) ratio

<sup>#</sup>Including advisory assets under management/promoter holding but excluding loans



MESSAGE FROM THE MANAGEMENT -  
WHOLESALE BANKING

# A trusted banking partner of corporate India



**Rajiv Anand**  
Deputy Managing Director

Fiscal 2025 stood out for our Wholesale Banking franchise—one that showcased our ability to lead with client centric innovation and scale with purpose. Our Wholesale Banking franchise is now more agile, digital, and future-ready than ever before.

At the heart of our Wholesale Banking success lies a strong, relationship-led franchise—one that thrives on deep client engagement and seamless collaboration across the 'One Axis' ecosystem. Over the last 7 years, we've transformed into a true 'one-stop shop' for the banking needs of Indian corporates, offering integrated solutions that span the entire business lifecycle—from growth-stage enterprises to large conglomerates.

This evolution is more than structural—it's cultural. It reflects our commitment to execution excellence, powered by collaboration, innovation, and a unified vision to deliver value at every touchpoint.

## Scaling up and Strengthening our Wholesale Banking Franchise

Axis Bank's leadership in Wholesale Banking was further cemented through its strategic engagement and integrated

'One Axis' approach, delivering end-to-end solutions to Large Corporates & Conglomerates, Mid & Small Enterprises, MNCs, New Economy group, Infra & Real estate, and Institutional & Government entities. The focus remained on enhancing relationship RAROC across these segments. Mid corporate including Small Business Banking and SME—expanded ~14% y-o-y, now representing ~23% of the total loan book, a remarkable rise of ~740 basis points over four years. The SME segment stood out for its robustness, with Gross NPA at just 0.77%, Net NPA at 0.25%, and 88% PSL compliance.

The Bank also deepened its footprint in the start-up ecosystem, forging partnerships with unicorns and Series A+ ventures. Tailored offerings like the Axis Start-Up Card and neo APIs showcased its commitment to innovation. As a leader in domestic payment gateways, the Bank expanded into cross-border payments, while the Real Economy Group focused on Infrastructure & Real Estate doubled its business, contributing 50% to syndication volumes and advancing Green financing. Key milestones including clinching India's first Blue Loan of \$500 million from IFC and

doubling Assets Under Custody to ₹10 lakh crore added further momentum.

The Bank sees the MSME as a transformative force for the next decade—much like Retail was in the last. This is a granular, sectorally diverse, and highly profitable business that we are deeply committed to scaling. With a strong foundation, prudent risk management, and a clear strategic vision, we are confident that our MSME franchise will continue to be a key element of our growth story.

Our Wholesale banking business continues to thrive, offering us deeper engagement opportunities through deposits, fee-based products, and cross-sell. We are making steady progress in building a profitable and sustainable Corporate Bank. Our disciplined approach to underwriting and pricing ensures that we selectively pursue opportunities that align with our risk appetite, while continuing to grow our portfolio responsibly.

In fiscal 2025, our corporate loan book grew by 8% y-o-y, with mid- corporate lending delivering a healthy 10% growth. Overseas, 91% of our standard corporate loan book remains India-linked, and 96% is rated A and above—underscoring the quality of our exposures.

Looking ahead to fiscal 2026, the Wholesale banking franchise Axis Bank is poised to accelerate its journey through strong asset growth, flow based liabilities, accelerated digital transaction activations, operational efficiency, and strategic partnerships—continuing to shape the future of Axis Bank with purpose and precision.

## Dominant market share in Transaction Banking

Our customized solutions in payments and cash management continue to drive strong transaction flows and improve current account balances as evident by the 24% y-o-y increase in new current account acquisitions in fiscal 2025. We now command 7% market share in GST payments, 8.8% in RTGS by value, ~30% y-o-y growth in NEFT by value, 23% in IMPS (by volume), and 11% in foreign LCs. Our merchant acquiring business is also seeing strong growth in current account balances.



## Leading the Way in the Corporate Bond Market

We remain exceptionally well-positioned to capitalize on the momentum of India's vibrant corporate bond market. Axis Bank continue to be recognised as the No. 1 arranger for rupee-denominated bonds, as per the Bloomberg league table—an achievement that reflects our deep market expertise and trusted relationships. Our leadership was further reinforced by top honours at the 2024 *Best of the Sell-side* survey by Asset Benchmark Research, where we were named Top Arranger – Investors' Choice for Primary Issues and Top Sell-side Firm in the Secondary Market. These accolades underscore our commitment to delivering excellence across the full spectrum of debt capital markets.

## Digital Innovation with Project *neo*

Project *neo* is redefining our digital engagement with corporate clients. With a client-centric design, *neo* offers a seamless, multi-product, multi-channel experience. In this fiscal, we've seen 1.3x growth in API integrations, 1.6x growth in throughput, and 1.7x growth in linked current account balances. *neo* for Business, our mobile-first platform for SMEs, has onboarded ~1.8 lakh customers since its launch in September 2023. *neo* for Corporates is scaling rapidly having mobile app available for payment authorisation, with onboarding underway for 2 lakhs+ clients.

Our commitment to innovation and client-centricity has been widely recognised, with Project *neo* earning multiple accolades. These include the *Best Product Innovation* awards for the *neo* API Developer Portal, *neo* for Business, and *neo* for Corporates. These honours underscore the strength of our digital strategy and reaffirm our focus on delivering cutting-edge, value-driven solutions to our clients across segments.

## Driving Innovation and Expanding Impact

Axis Bank made history as the first Indian bank to execute an aircraft financing deal through its International Banking Unit at GIFT City—funding 34 training aircraft for Air India's pilot academy. India is becoming a hotspot for aircraft manufacturers due to its growing aviation market and shifting global dynamics, thereby helping

manufacturers diversify market risk and this pioneering transaction marks a bold step in building India's aviation finance ecosystem and reinforces our leadership in cross-border innovation.

We further accelerated our innovation agenda and deepened our commitment to empowering businesses across segments. Our partnership with Marg ERP is transforming SME banking by integrating financial services directly into business workflows—enhancing agility, efficiency, and decision-making for our clients. We also expanded our global footprint with further enhancement of our International Banking Unit at GIFT City, offering a comprehensive suite of digital-first services tailored for NRIs and global customers.

In our continued push for digital leadership, we launched India's first UPI-enabled Android Cash Recycler and introduced *Bharat Connect for Business* to streamline working capital and cash flow management for enterprises. Our collaboration with Next Bharat Ventures is unlocking access to working capital for impact-driven startups and MSMEs, especially in underserved Tier 2 and Tier 3 regions—fostering inclusive economic growth.

Through our New Economy Group, we launched a Corporate Credit Card Suite designed specifically for startups, offering flexible, value-rich tools to support their evolving needs.

To further empower the merchant community, we introduced *neo* for *Merchants* in partnership with VISA and a fintech company—a mobile-first, all-in-one platform that simplifies payments, reporting, and service requests. Additionally, we enabled seamless GST payments via our Commercial Card platform, helping clients optimize working capital while enhancing operational efficiency.

## A Chapter Closes, A Legacy Continues

As I prepare to retire at the end of my term in August 2025, I reflect with immense pride on my 16-year journey with Axis Group—nearly 8 of those within Wholesale Banking. When I took the helm in 2018, the banking industry was navigating the turbulence of the corporate led NPA cycle. Today, we stand transformed being evolved from an asset-focused model to

a relationship-led franchise and redefined Transaction Banking with industry-first innovations and built a solution-led, wholesale banking ecosystem.

Through 'One Axis', we served clients across the capital structure, becoming the Transaction Bank of Choice.

We've consistently led with an industry-first mindset—executing India's first domestic trade transaction on a GOI-backed blockchain platform, pioneering SOFR-linked trade deals, being India's first bank on aircraft financing solutions, and many more. This reflects our commitment to innovation and our drive to set new benchmarks in wholesale banking. Initiatives like Project *neo* are steadily shaping our vision of a leading digital corporate bank.

Our presence at GIFT City has grown stronger, and we've deepened our engagement with government entities and financial sponsors. These efforts have contributed to steady growth in liabilities and fee income.

India's cyclical recovery is gaining momentum, with real GDP growth rebounding to 6.5% y-o-y in 2025, as several headwinds begin to ease. However, global tariff tensions and China's excess capacity risks are clouding the outlook for fiscal 2026, delaying private capex recovery—even as corporate balance sheets remain strong and well-positioned for future growth. We've undertaken a comprehensive bottom-up analysis of tariff impacts across industries and our portfolio. While the current impact appears negligible, we remain cautious given the evolving global landscape. Despite these uncertainties, our strong balance sheet, prudent risk management, and focus on relationship RAROC position us well to navigate challenges and capture profitable growth opportunities in future.

This journey has been one of purpose and transformation. As I move on, I do so knowing that Axis stands stronger, bolder, and more future-ready than ever.

Warm regards,

**Rajiv Anand**

Deputy Managing Director

## BUSINESS SEGMENT PERFORMANCE - WHOLESALE BANKING

# Ensuring every enterprise reaches its potential

Our Wholesale Banking segment supports India's thriving yet evolving enterprise ecosystem with a solutions-driven approach. Rooted in our belief in openness and collaboration, we remain dedicated to assisting businesses at every stage of their growth journey – whether expanding into new markets, transitioning to sustainable models, navigating complex challenges or supporting mature businesses stay resilient.

## Material Issues Linkage

M1

M2

M6

M7

## Capital Linkage



## SDGs Impacted



Our Wholesale Banking franchise serves diverse clients & their needs across Conglomerates, Large Corporates, Mid-sized companies, Infrastructure & Real Estate Entities, Public Sector Undertakings (PSUs), Government Institutions, Financial Intermediaries, Multi-National Companies & New Economy entities.

Through our integrated 'One Axis' approach, we offer a comprehensive suite of solutions spanning Credit, Trade, Capital markets, Advisory, Treasury, Forex & Derivatives, Transaction Banking and Digital services. Focusing on long-term relationships and sector-specific expertise, we continue to position ourselves as a Trusted Banking partner committed to enabling growth, resilience, and transformation across the enterprise landscape.



8%

Corporate advances growth (y-o-y)

9%

Corporate and Commercial Banking fee income growth (y-o-y)

6%

Current account deposits growth (y-o-y)

90%

Share of Corporate Advances to clients rated A- and above

~1.8x

Focus segment book\* growth vs overall book growth (y-o-y)

740 bps

Rise in focus segment contribution mix (from 15.3% to 22.7%) over the last 4 years

\*SBB+SME+Mid Corporate





## Strengthening Wholesale Banking in Fiscal 2025

### Building Capabilities and Empowering Bankers

In fiscal 2025, we launched a comprehensive learning and development program to equip our Relationship Managers with sharper insights, deeper customer empathy, and enhanced product knowledge. Initiatives such as the Credit Analyst Program, 1,000 Change Leaders, and Selling with Passion, supported by Coursera-based learning, ensured that our teams were not only trained but also transformed into *dil se open* bankers.

### Expanding Global Horizons through Partnerships

We forged a strategic partnership with Crédit Agricole Corporate & Investment Bank, France to unlock new opportunities for clients operating across in India and Europe to strengthen our capabilities in FI trade, renewable energy underwriting, aircraft financing, and syndication, ensuring our clients could access our global expertise delivered through a trusted local partner.

### Financing the Future with Purpose

We deepened our commitment to sustainable finance, securing India's first-ever Blue Loan of \$500 million from the International Finance Corporation (IFC). This milestone supports the financing of both green and blue projects, encompassing initiatives from renewable energy to sea and freshwater conservation. We enabled ₹19,500 crores in green funding, covering EV mobility, round-the-clock power, and sustainable infrastructure.

### Government & Ecosystem Engagement

We are a committed partner in the nation's growth journey. In fiscal 2025, we co-hosted the Defence Conclave 2025, with the theme, 'Atmanirbhar Defence – Empowering the Defence Ecosystem', to bolster the indigenous defence manufacturing in collaboration with the government, MSMEs and industry leaders. Aligned with the 'Make in India' and 'Invest in India' missions, we expanded our global

banking reach through GIFT City. We partnered with Invest India to attract investments into high-growth sectors, opening new pathways for national transformation. As the first bank to integrate with the government's Upyog platform, we have empowered over 60 local bodies with smart citizen services, ranging from QR-based tax collection to drone-enabled disaster response.

### Digital & AI-Led Transformation

We launched our e-commerce Centre of Excellence (CoE) to tap into India's booming \$400 billion D2C market in collaboration with fintech aggregators. We also advanced the use of Gen AI, driving smarter decision-making, sharper customer insights, and greater operational efficiency of the Wholesale Banking ecosystem.

#### KEY HIGHLIGHTS

**₹10 lakh crores**

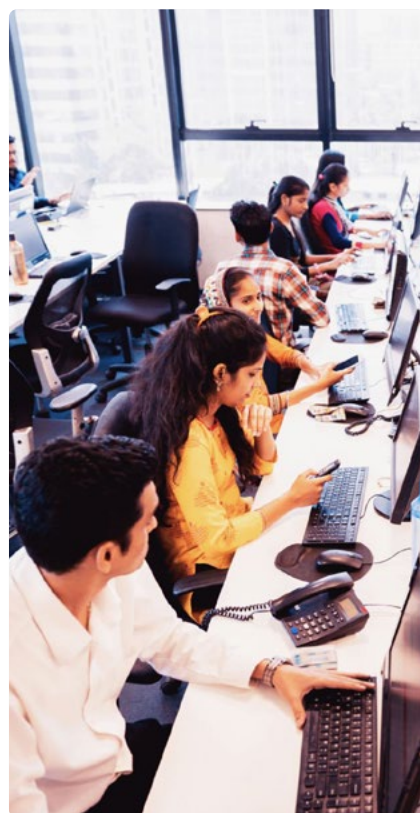
Doubled Assets under Custody (AUC) powered by the UTI Mutual Fund mandate

**₹19,500 million**

Green funding enabled during the year by the Bank

**\$500 million**

India's first-ever Blue Loan secured by the Bank from IFC in fiscal 2025



## Commercial Banking Group (CBG)

CBG is a critical and vital segment of the Bank, contributing significantly to business growth and profitability. As per the Bank's motto, '**Har raah dil se open**' – Our commitment to open every window of opportunity," CBG caters to the evolving needs of MSMEs across the entire customer value chain. This includes loans, trade/forex, liabilities, and fee-based products, providing tailored banking solutions for business owners and employees and ensuring seamless financial support at every stage of their journey.

CBG's vast network of 155 dedicated MSME centres enables the delivery of contextual, relationship-driven banking, empowering businesses with the tools and insights they need to operate more efficiently and grow confidently.

CBG's Digital-first approach and robust credit delivery framework have enhanced reach and engagement during fiscal 2025.

The advanced digital renewal journey streamlined loan servicing. Our relationship managers, equipped with real-time data through advanced digital tools, played a key role in delivering proactive, personalised service.

In fiscal 2025, the CBG segment made substantial contributions to Priority Sector Lending (PSL), aligning its efforts with national developmental goals while strengthening its liability portfolio to enhance stability and profitability.

The Bank's PSL engine generates stable and high-quality PSL for the bank.



### KEY HIGHLIGHTS OF FISCAL 2025

**₹1.19** lakh crores  
SME Advances  
(14% y-o-y growth)

**8.3%**  
Market share as % of overall Industry MSME credit

**71%**  
SME loans rated SME3 or better

**88%**  
SME loans are PSL compliant

## Medium Enterprises Group (MEG)

Medium-sized enterprises are the backbone of India's economic growth across various sectors, including trade, wholesale, retail, food processing, textiles, and steel. Our Medium Enterprises (ME) franchise continues to play a critical role in enabling these businesses to scale efficiently, expand sustainably, and thrive in a dynamic environment.

In fiscal 2025, the ME franchise delivered strong growth, led by targeted financial solutions, agile servicing, and deep relationship engagement. Our bankers work closely with enterprises to help them realise their ambitions and provide them with insightful advice, seamless onboarding, and digital-first support. This year's momentum was driven by a focus on risk-calibrated lending, proactive digital adoption, and our commitment to making banking more accessible, relevant, and responsive to the needs of growing enterprises.

### KEY HIGHLIGHTS

**18%**  
Loan book growth (y-o-y)

**56%**  
Customers digitally onboarded



## Treasury

The Bank continued to offer a broad range of treasury and market solutions, including forex, derivatives, debt capital markets, and loan syndication. Through *neo* for Markets, Treasury Sales advanced its role as a trusted provider of structured risk management solutions, while our trading desks continued to serve as active market makers. The Loan Syndication desk facilitated credit distribution and portfolio diversification across domestic and international markets. A key milestone was the early transition to the Murex Treasury System in December 2024, which enhanced risk management, efficiency, governance, and client experience.

# #1

Ranking in Bloomberg's DCM League table for calendar year 2024, reinforcing the Bank's leadership in debt capital markets

## 'One Axis'

The 'One Axis' initiative represents our commitment to providing a seamless, integrated banking experience through our diverse business segments and subsidiaries. Through this integrated platform, we offer a comprehensive suite of services, including lending, wealth management, insurance, investment banking, and transaction banking. By leveraging synergies across our ecosystem, we ensure comprehensive financial solutions tailored to our customers' needs.

### KEY HIGHLIGHTS

## A.TReDS

Partnership to streamline MSME payments

# 17

MoUs signed with state governments, including Telangana, Andhra Pradesh, Rajasthan, Gujarat, and Maharashtra, depending on engagement with government

# 60

Mandates executed by Axis Capital were with the Bank customers, thus providing end-to-end financial solutions

# 16%

Of Burgundy private relationships onboarded from Wholesale Banking clientele

# >50%

Of Axis Trustee's new business is originated through the Bank's clients reflecting strategic cross sell approach

# 1,092

Of new salary relationships originated from WBCG clients, thus enhancing value for corporate clients

## Charting the Road Ahead

### OUR GROWTH PILLARS FOR FISCAL 2026

#### Expanding Access

We are expanding our footprint in India's thriving startup ecosystem, offering entrepreneurs seamless access to banking, advisory, and capital through our hub-and-spoke model. Our efforts include contributing in the evolving fund ecosystem in collaboration with VCs, incubators, and policy platforms to support early and growth-stage ventures.

In line with our sustainability goals, we've introduced green and blue loans to finance eco-friendly and marine-focused projects, reinforcing our commitment to responsible banking and ESG-aligned growth.

#### Accelerating Digital Innovation

*neo* platform will drive innovative solutions for SaaS, AI, and fintech, focusing on real-time FX, API-led payments, and high-impact non-paytech segments, such as Insurtech, Wealthtech, and Lendingtech.

#### Delivering Seamlessly with 'One Axis'









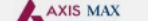


Continue to deliver a seamless, connected experience through 'One Axis', offering a comprehensive range of services from capital raising to investment, estate planning, and employee banking through a single, customer-first relationship.



'ONE AXIS' IN ACTION **S1**

# One platform, infinite financial journeys

The 'One Axis' Ecosystem brings together the full spectrum of Axis Bank's financial services spanning asset management, retail brokerage, insurance, consumer lending, fintech, investment banking, and more through a seamless, integrated platform. By uniting the strengths of its subsidiaries and business verticals, the Bank is able to offer comprehensive, end-to-end solutions to meet the evolving needs of individuals, businesses, and institutions.

 'One Axis' Group							
Asset Management	Invest Banking & Inst. Equities	Consumer focused NBFC	Retail Brokerage	Trustee	Fintech Platform	TReDS Platform	Insurance
 One of the fastest-growing MF player	 Leadership position in ECM deals segment	 AAA rated NBFC with diversified product offerings	 3 <sup>rd</sup> largest bank-led brokerage firm	 Amongst the leading trustees in India	 One of the major fintech players in India	 Leading player on TReDS platform	 4 <sup>th</sup> largest private insurance company
<b>75%</b>   <b>47%<sup>2</sup></b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>67%</b>	<b>19.02%<sup>1</sup></b> (Co-promoter), Accounting Associate

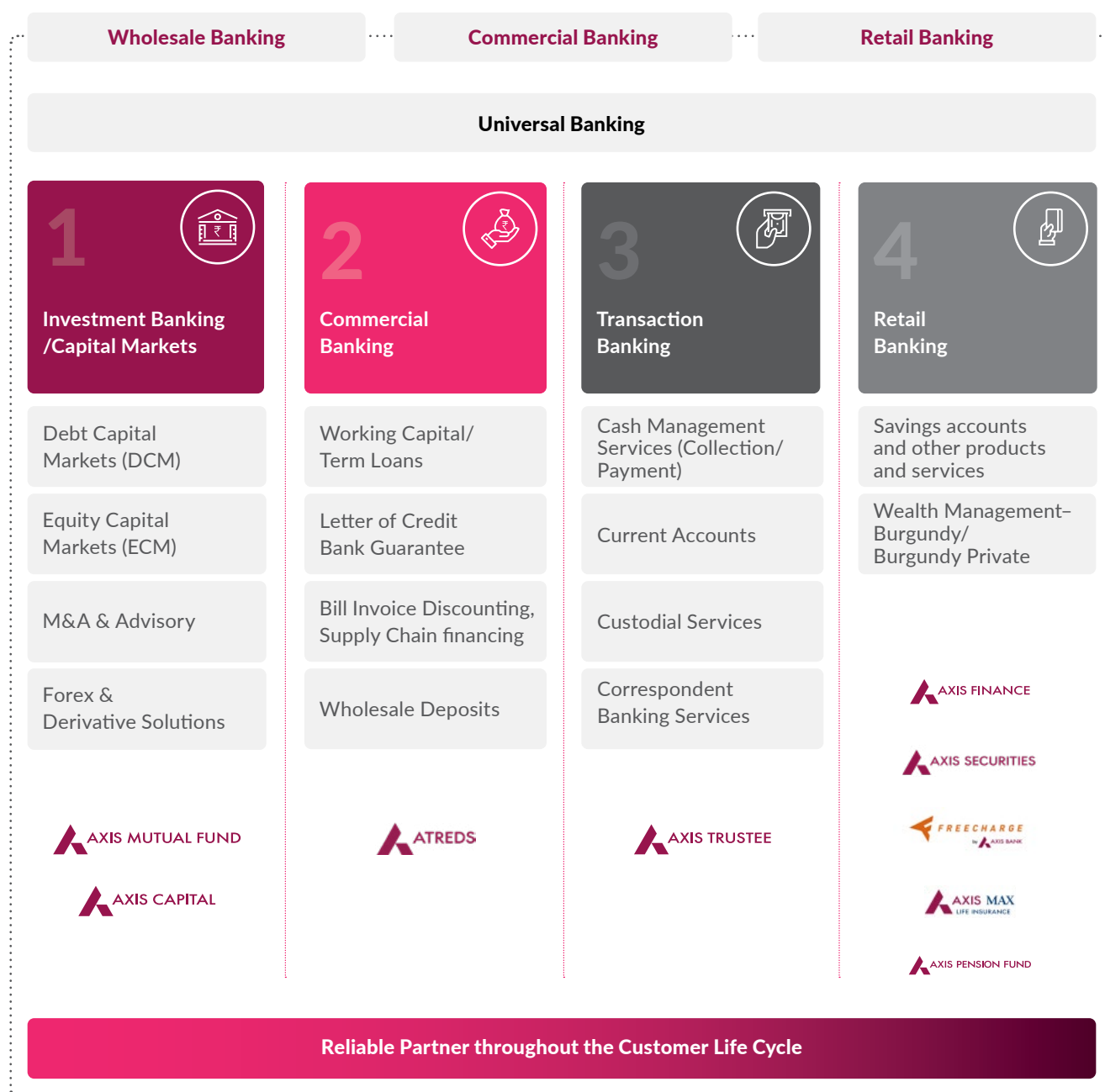
Note: 1) Position as on March 31, 2025 and including stakes owned by Axis Capital and Axis Securities

2) Effective stake held by Axis Group in step down subsidiary



## Power of One

At the heart of Axis Bank's digital strategy lies a unified, future-ready platform that enables us to serve customers seamlessly across channels. With 'One Axis', we are transforming how financial services are accessed—integrating AI, advanced analytics, and modular tech architecture to personalise experiences, optimise operations and offer a wide array of solutions under one digital umbrella.





Axis Finance, a leading NBFC, delivers a wide range of lending solutions to wholesale, MSME, and retail clients across varied sectors and geographies. With a remarkable 31% CAGR in AUF from fiscal 2022 to fiscal 2025, we remain committed to strong operational discipline and prudent risk management, enabled by advanced technology. Our offering encompasses retail lending, MSME finance, and credit solutions for mid- and large-sized corporates.

#### KEY HIGHLIGHTS OF FISCAL 2025

##### Retail Segment

Achieved **28%** y-o-y growth on book assets while maintaining resilient asset quality

##### Wholesale Segment

Recorded an **11%** y-o-y growth, supported by a high-quality portfolio and industry-leading asset quality metrics

##### MSME Segment

Delivered a **30%** y-o-y growth, with a well-diversified portfolio including theme-based lending to healthcare, hospitality, education, automobile and retail sectors

##### Expanded Distribution

Present across **225+** locations and **59** branches.

##### Digital Innovation

Continued to invest in improving digital capabilities, thus enhancing customer experience and operational efficiency

##### Funding Diversification

Successfully completed maiden External Commercial Borrowing (ECB), taking a strategic step towards our borrowing profile

#### FOCUS AREAS FOR FISCAL 2026

- » Expand focus on small and micro enterprises to enhance portfolio granularity and stability
- » Grow distribution in concentric circles to tap the immense potential of rural and semi-urban markets
- » Drive customer acquisition through direct origination, leveraging technology to optimise operational efficiency

#### PERFORMANCE IN FISCAL 2025

**28%**

Growth in Retail Loan book\*

**11%**

Growth in Wholesale Loan book\*

**30%**

Growth in MSME Loan book\*

**11%**

Growth in PAT, reaching ₹676 crores

**14.5%**

Return on Equity (RoE)

**20.90%**

Capital to Risk Weighted Assets Ratio (CRAR)

\*y-o-y growth

#### Awards & Recognition





Axis Capital continues to lead in India's investment banking landscape and institutional equity services, offering tailored solutions backed by 40+ years of proven expertise and excellence. Consistently recognised as a top-tier advisor and securities firm, our strength lies in our execution precision, client-centricity, and strong leadership. In fiscal 2025, our Investment Banking and Institutional Equities divisions delivered record topline performance, successfully executing 61 transactions across Equity Capital Markets (ECM) and non-ECM segments.

#### KEY HIGHLIGHTS OF FISCAL 2025

- » Executed marquee equity transactions, including the Vodafone Idea FPO, IPOs of Bajaj Housing, Waaree Energies, IGI, and the Motherson Sumi QIP
- » Recognised as the Most Active Technology Banker, securing landmark deals across consumer tech, enterprise tech, and fintech sectors
- » Sustained market leadership in the InvIT/REIT space, advising top-tier financial sponsors, such as KKR, I-Squared and Actis
- » Delivered strong growth in Cash & Derivatives within the Institutional Equities Division (IED), driven by an expanding domestic client base and increased global investor engagement through strategic roadshows and conferences
- » Enhanced thought leadership with a robust pipeline of thematic research and a 15%+ increase in coverage universe

#### FOCUS AREAS FOR FISCAL 2026

- » Focus on PE fundraises and InvITs/REITs to drive growth in the non-ECM segment
- » Optimise deal selection by prioritising transactions with a high closure probability and strategic relevance
- » Deepen relationships with Domestic Institutional Investors (DII) and Foreign Institutional Investors (FII) to sustain momentum in IED
- » Uphold the highest standards of compliance and ethics
- » Invest in technology, advancing the AI and automation journey
- » Build a strong pool of high-potential junior talent to develop future leaders and ensure long-term growth

#### PERFORMANCE IN FISCAL 2025

**48.6%**  
Growth in Investment  
Banking revenue

**61**  
Investment Banking deals  
executed

**#2**  
Rank by number of IPOs

**₹160.5** crores  
PAT

#### Awards & Recognition

'Best ECM House' at Finance  
Asia Awards

'Best Investment Bank and  
Best Securities House in India'  
at Euromoney Securities  
Houses Awards



Freecharge stands at the forefront of the financial services industry, offering a wide range of innovative solutions for merchants and consumers. By combining secure, compliant, and tech-driven platforms, Freecharge enables seamless payments, accessible credit, and other services, thus advancing financial inclusion for retail users and businesses alike.

#### KEY HIGHLIGHTS OF FISCAL 2025

- » Expanded the lending ecosystem to empower customers of microfinance institutions (MFIs) and MSME merchants, reaching 100+ locations
- » Upgraded the payment aggregator platform with advanced technology enhancements, setting new industry standards
- » Launched innovations in UPI, including UPI Lite, UPI Global (Android), and Aadhaar OTP-based UPI PIN setup, reinforcing leadership in the UPI ecosystem
- » Introduced Gold OD on UPI – a gold-backed overdraft product with flexible repayments options and interest charged only on the utilised amount

#### FOCUS AREAS FOR FISCAL 2026

- » Continue scaling merchant and consumer lending businesses, leveraging early signs of strong growth
- » Expand strategically into key geographies to strengthen MFI and merchant lending operations
- » Secure Payment Aggregator licence to support business scale-up
- » Continuously refine the payment aggregator platform to strengthen Freecharge's position as a top-tier industry leader

#### PERFORMANCE IN FISCAL 2025

**108%**

y-o-y increase of Freecharge Payment Gateway (FPG) Gross Merchandise Value (GMV)

**34%**

y-o-y growth of Quick Response (QR) GMV

#### Awards & Recognition

Economic Times Human Resources (ETHR) Employee Experience Award, 2024

Business World People HR Excellence Award, 2024





Axis AMC continues to strengthen its position as one of India's leading asset managers, recognised for its customer-centric innovation, disciplined investment approach, and responsible product offerings. Committed to delivering superior value to investors across segments, Axis AMC remains committed to upholding transparency, integrating technology, and offering trusted advice to drive outcomes. Fiscal 2025 was a period of significant growth and innovation for Axis AMC, marked by the successful launch of new funds, an expanded passive product suite, and strategic investments in distribution capabilities and global platforms.

#### KEY HIGHLIGHTS OF FISCAL 2025

- » Raised over ₹4,200 crores through the Axis Consumption Fund NFO, making it the second-largest offering in its category, with participation from over 9,000 Mutual Fund Distributors (MFDs) across India
- » Launched Axis Momentum Fund, garnering over ₹1,400 crores during its NFO and further expanding the differentiated equity fund portfolio through differentiated strategy
- » Strengthened the passive product suite with new index funds, including the Nifty Bank Index Fund, Nifty 500 Index Fund, and Nifty500 Value 50 Index Fund
- » Pioneered the launch of Sectoral Target Maturity Funds focused on the NBFC and Financial Services sectors, addressing emerging investor preferences
- » Advanced global footprint by establishing a branch in GIFT City IFSC, unlocking opportunities to offer global investment products to Indian investors

#### FOCUS AREAS FOR FISCAL 2026

- » Continue to launch innovative products across asset classes, including exploring opportunities under the new Specialised Investment Fund (SIF) category introduced by SEBI
- » Broaden distribution footprint by expanding branch presence in non-metro cities and strengthening partnerships across wealth management channels
- » Deepen global engagement by leveraging the GIFT City platform to offer differentiated offshore investment opportunities

#### PERFORMANCE IN FISCAL 2025

**15%**

↑ y-o-y

Assets under management at ₹3,05,717 crores as on March 31, 2025

**₹501 crores**  
Profit after tax (PAT)

**82**  
Mutual fund schemes managed

**34.5%**  
Gender diversity ratio (as on March 31, 2025)





Axis Securities, a subsidiary of Axis Bank, operates as a retail brokerage that offers a wide spectrum of financial solutions through an advisory-led model. By leveraging advanced technology and digital capabilities within the 'One Axis' ecosystem, Axis Securities delivers a seamless experience across lending, investment, and wealth-creation. Through its retail broking platform, Axis Direct, the organisation offers a comprehensive suite of solutions in equities, derivatives, mutual funds, fixed income products, and lending. With a strong focus on innovation, service excellence, and operational efficiency, Axis Securities continue to empower customers in their financial journeys.

### KEY HIGHLIGHTS OF FISCAL 2025

- » Launched two new mobile apps – Axis Direct Investor App and Axis Direct Traders App – to deliver a seamless, tailored experience for investors and traders
- » Rolled out Trade Pro, an enhanced EXE terminal designed for high-frequency traders (HFTs) and professional market participants
- » Introduced simplified and faster journeys for IPO and Mutual Fund investments across digital platforms, enabling more informed decision-making by customers

### FOCUS AREAS FOR FISCAL 2026

#### Accelerate Digital Growth

Increase digital contribution to overall business by leveraging the newly launched mobile platforms and enhancing adoption across customer segments

#### AI-Driven Predictive Servicing

Deploy AI and Big Data-powered bots to proactively identify customer needs, offer tailored solutions, and enhance customer satisfaction

#### Innovative Self-service Platforms

Simplify customer reporting and support through intuitive, self-help solutions, including expanded service delivery via WhatsApp and other conversational interfaces

#### Strengthen Risk Management and Compliance

Maintain a sharp focus on operational risk mitigation, adherence to compliance, and robust information security to safeguard customer trust

### PERFORMANCE IN FISCAL 2025

**45%**

Growth in total income (y-o-y)

**38%**

Growth in total customer acquisitions

**53%**

Of clients traded through the mobile app

**39%**

Growth in profit after tax (y-o-y)

### Awards & Recognition

Certified as a Great Place to Work® 2024

'Best Digital Transformation Award' at the e4m CX India Awards 2024





Invoicemart, India's largest Trade Receivables Discounting System (TReDS) platform, addresses MSME credit gaps by enabling early payments through a transparent digital marketplace. It connects MSME sellers with buyers, including Central Public Sector Enterprises (CPSEs), State PSUs, corporates, and a network of financiers, through a transparent bidding process, unlocking working capital efficiently. Since its launch, Invoicemart has scaled significantly, achieving a base of over 44,300 registered MSMEs, more than 2,980 buyers, and 71 financiers—the highest on any TReDS platform. Invoicemart has completed dual ISO certifications for Information Security (ISO 27001:2022) and Cloud Security (ISO 27017:2015), and celebrates a milestone in diversity and inclusion. The Company has reached a remarkable 45% representation of women in its workforce showcasing its dedication to creating a more inclusive and equitable work environment.

#### PERFORMANCE FROM JULY 2017 TO MARCH 2025

**₹1,80,000+** crores  
Throughput

**47,300+**  
Participants onboarded

**40 lakhs+**  
Invoices discounted



Axis Pension Fund Management (PFM) Ltd. commenced operations on October 21, 2022, with a mandate to manage National Pension System (NPS) funds for retail subscribers, corporate NPS subscribers, and government employees under the NPS. Since then, it has solidified its presence as one of the key Pension Fund Managers in the industry.

#### PERFORMANCE FROM OCTOBER 2022 TO MARCH 2025

**₹8,854** crores  
AUM

**3.3%**  
In AUM

**4.8%**  
In subscriber base

**303%**  
y-o-y AUM growth



Axis Trustee Services Ltd. reinforced its leadership in fiduciary and debt transactions in fiscal 2025, delivering strong performance across a broad spectrum of mandates. As a trusted partner in REITs, InvITs, securitisation, and alternate investments, Axis Trustee continues to drive innovation and set industry benchmarks. Our Facility Agency business experienced notable growth, especially in multi-currency debt transactions in GIFT City. Axis Trustee also enhanced its presence in the Alternative Investment Fund (AIF) space and led several first-of-its-kind transactions in India, including roles in aircraft leasing and Small and Medium (SM) REITs.

#### PERFORMANCE IN FISCAL 2025 (Y-O-Y GROWTH IN TERMS OF NUMBER OF MANDATES)

**50%**  
Facility Agent

**17%**  
Debenture Trustee

**117%**  
Securitisation

**15%**  
Alternate Investment Fund (AIF)

MESSAGE FROM THE MANAGEMENT –  
OPERATIONS AND TRANSFORMATION

# Raising the bar with each success



**Subrat Mohanty**

Executive Director (Banking  
Operations & Transformation)

## Dear Shareholders,

Fiscal 2025 marked an important chapter in our growth as we advanced towards becoming a stronger, more resilient franchise. Anchored by our GPS strategy, we achieved sustained growth and profitability, while simultaneously reimagining and reinforcing the foundation of our organisation.

In previous updates, I highlighted three strategic priorities that continue to shape our long-term readiness:

- » Strengthening and Modernising our core systems and processes to navigate increasing complexity and shifting business dynamics.
- » Developing future-focused capabilities that leverage technological advancements and respond to evolving customer expectations.
- » Championing responsible business practices and setting benchmarks in corporate citizenship.

We have made meaningful headway in each of these areas.

## Strengthening our core

### Enhancing customer experience and operational efficiency with pioneering technology

We remain steadfast in our commitment to leverage technology-driven initiatives that simplify and elevate the banking experience for our customers. In fiscal 2025, we continued to invest in building future-ready infrastructure by embracing continuous innovation and rapid adoption of emerging technologies. Our focus areas included lending transformation, generative AI (GenAI), hyper-personalisation, digital payments, and seamless cloud integration—all aimed at enhancing resilience and delivering superior customer experiences.

From an infrastructure perspective, we operate from two strategically located primary data centres in different seismic zones—Mumbai and Bengaluru—along with a near-DR data centre in Bengaluru. These facilities are equipped with high-performance wide-area network connectivity

comprising of leased lines and Multiprotocol Label Switching, ensuring seamless application delivery across domestic and international operations.

Our Cloud-first and Cloud-native strategy has led to the creation of three enterprise-grade landing zones and the deployment of over 150 applications on the cloud. We have adopted Continuous Integration/ Continuous Delivery practices for more than 100 applications and became the first Indian bank to receive ISO certification for cloud security on both AWS and Azure platforms.

Fiscal 2025, we also made significant strides in Central Bank Digital Currency (CBDC) initiatives. We became the first bank in our cohort to go live with both Android and iOS apps, surpassing key adoption milestones with over 0.65 million registered customers and more than 6 million transactions. We are also the RBI's preferred partner for the Government-led Programmable CBDC initiative, collaborating with various ministries and organisations.

## Driving operational excellence

To enhance operational efficiency, we launched Axis Deep Intelligence (ADI), a GenAI-powered internal chatbot now deployed over 5,500 branches and supporting over 100,000 employees. We are actively integrating AI/ML, automation, and data analytics to improve customer engagement, streamline operations, and boost workforce productivity through AI-assisted tools. Additionally, we have empowered departments with Co-pilot capabilities, deploying over 4,500 bots across 1,850+ automated processes.

## Investing in capabilities

### Empowering employees

Delivering on our customer service promises hinges on the ability of our employees to engage with customers in a meaningful and contextual manner. Our employee platform 'Siddhi' provides single point access to our frontline staff on all products, customer engagement and service journeys. Today 90,000+ Bank's employees and partners utilise 'Siddhi' to gain real-time insights and personalised



recommendations, thus enabling every interaction to be insightful, meaningful, and rewarding. 'Siddhi' has been built using modern technical architecture and data stack and is integrated with 35+ systems including core banking, CRM origination systems, data lakes and learning systems. We use advanced analytics to deliver personalised nudges for customer conversations, driving higher impact and customer satisfaction. ~ 30% uplift on key metrics like Term Deposit (TD) booking, Mutual Fund (MF) transactions, credit card sales has been observed and ~10 points Higher Net Promoter Score (NPS) of 'Siddhi' journeys, leading to increased customer satisfaction.

### Customer obsession

Sparsh, our Customer Obsession program, is a Bank-wide priority and a core area of distinctiveness for us, the tenets of which are now ingrained across all our 5,800+ branches, every customer touchpoint, and amongst all our 1,05,000+ colleagues. It aims to link initiatives to enhance customer satisfaction, leading to improved NPS and better business outcomes. We have been improving our institutional capabilities by empowering our employees with Adi (Our Gen AI Platform) and Kaleidoscope (a single chronological view of customer footprint, across various channels to improve first-contact resolution).

We have gained 59 (159 on indexed baseline of 100) points on retail NPS in fiscal 2025 and retained Rank 2 in India in the external benchmarking study undertaken by independent agency Kantar for Axis Bank.

### Analytics for delivering customer delight

Customer delight is an outcome achieved by consistently delivering the right service at the Moments of Truths of customer need. Using our personalisation engine which has been live for over three years now, we have seen significant lift in the conversions for select products. The engine also helps us scan over

30 million transactions daily and create meaningful insights for personal finance module live in our mobile banking application.

We are live with 100+ machine learning models across diverse domains – credit risk, financial crime, marketing recommendation engine and collections, demonstrating data driven decision making across the bank. We are also building Machine Learning Operations capabilities to ensure scalable and efficient development and deployment of models and strategies with 4,000+ customer features and proprietary continuous live monitoring toolkits. Our modern data stack integrates cloud native tools, real-time data pipelines and manage 3+ Peta Byte to enable faster analytics.

### Premiumisation of our franchise

We had completed an important step on our premiumisation agenda with acquisition of Citibank India consumer businesses in March 2023 (Legal Day1) and added diverse talent pool of 3200+ Citi employees as part of the acquisition. As the second leg of the acquisition, we completed the migration of customer data from Citibank systems to Axis Bank systems in July 2024 (Legal Day2). This marks full integration of ~2.4 mn customers with their multiple products migrating into Axis Bank's platform. Customers are now able to access the comprehensive suite of Axis's financial solutions.

### Fortifying our defences

Digitisation of banking services continues to create both newer opportunities and threats in many areas. One such interesting area is fraud prevention, where digitisation is both a threat and an opportunity. At Axis Bank, we are committed to making banking safe and trustworthy for our customers. We continue to invest in real time transaction and stakeholder monitoring, dynamic onboarding checks, use of analytics and technology across our businesses to not just mitigate fraud risk but also build fraud prevention as our formidable strength and competitive advantage by investing

in it for the long term. By fostering a risk-first culture coupled with customer centricity, analytics and technology, the bank is building a robust defence against fraud thereby proactively protecting our customers' trust and ensuring a safer and more secure financial landscape. Our award winning initiative on "Sanskrit Password" is an innovative blend of tradition and technology—to enhance digital security while reconnecting individuals with India's rich linguistic heritage.

### Being a responsible corporate citizen

We remain committed to the model of banking that fosters a more inclusive and equitable economy, empowers thriving communities and support a healthier planet. Over the year, we continued to build a strong, stakeholder-focused ESG culture at the Bank. Our CSR interventions now reach millions of participants in all corners of India. Our flagship program – 'Sustainable Livelihoods', achieved a significant milestone by impacting 2.05 million participants in 300 districts in 32 states and union territories as of March 31, 2025. Under the Axis 'DilSe' umbrella, our programs in Education reach thousands of children especially in the North-east and eastern India. This year, the Bank introduced sports as a new thematic area and is supporting interventions from the grassroots to the Olympics and Paralympics level.

We are beginning to see the tangible outcomes of our steadfast commitment to the GPS strategy and transformation agenda. With each milestone we reach, expectations grow — and so does our resolve. We remain deeply motivated to sustain this momentum and continue delivering against the ever-rising aspirations of our stakeholders.

Warm regards,

**Subrat Mohanty**

Executive Director – Banking Operations & Transformation