Independent Auditor's Report

To The Members of Axis Bank Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Axis Bank Limited ('the Bank'), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Profit And Loss Account, and the Standalone Cash Flow Statement for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information ('the Standalone Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Banking Regulation Act, 1949, as well as the Companies Act, 2013 ('the Act') and circulars and guidelines issued by the Reserve Bank of India ('the RBI'), in the manner so required for banking companies and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 ('AS') and other accounting principles generally accepted in India, of the State of Affairs of the Bank as at 31 March 2025, and its profit and its Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters:

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Information Technology (IT) Systems and controls over financial reporting**	
	As the Bank operates on Core Banking Solution across its branches and asset centres, the reliability and security of Information Technology ("IT") systems plays a key role in the business operations. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. IT infrastructure is critical for smooth functioning and accurate accounting and financial reporting process. Due to the pervasive nature and complexity of the IT environment, we have ascertained key IT systems used in financial reporting process and its related controls as a key audit matter.	In assessing the controls over the IT systems of the Bank, we involved our specialists to understand the IT control environment, IT infrastructure and IT systems. We conducted an assessment and identified key IT systems that are critical for accounting and financial reporting process and are relevant for our audit and tested their internal controls. In particular: • We obtained an understanding of the Bank's IT control environment and key changes during the audit period that may be relevant to the audit;

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Information Technology (IT) Systems and controls over financial reporting**	
		• We tested the design, implementation and operating effectiveness of the Bank's General IT controls over the key IT systems that are critical to accounting and financial reporting. This included evaluation of Bank's controls for user access management, program change management, database management, network operations, incident management and other IT operations performed by the Bank during the period of audit; • We tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit; and • We also tested compensating controls and performed alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements.
2	**Income Recognition, Asset Classification and Provisioning on Advances (IRAC) as per the regulatory requirements.** Total Loans and Advances (Net of Provision) as at 31 March 2025: INR 1,040,811 crore Provision for Non-Performing Advances as at 31 March 2025: INR 10,272.49 crore Refer Schedule 9, Schedule 17(5.3) and Schedule 18(1)- Note 1.4	
	The Bank is required to comply with the Master Circular issued by the Reserve Bank of India ('RBI') on 'Prudential Norms for Income Recognition, Asset Classification and Provisioning pertaining to Advances' (the' IRAC norms') and amendments thereto ("RBI guidelines") which prescribes the norms for identification and classification of Non-Performing Assets ('NPAs') and the minimum provision required for such assets. The Bank is also required to apply its judgement to determine the identification and provision required against NPAs considering various quantitative as well as qualitative factors. As the identification of and provisioning against NPAs requires considerable level of management estimation, application of various regulatory requirements and its significance to the overall audit due to stakeholder and regulatory focus, we have identified this as a key audit matter.	• Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular: • We have evaluated and understood the Bank's internal control system in adhering to the RBI guidelines; • We have analysed and understood key IT systems/ applications used and tested the design and implementation and operational effectiveness of relevant controls in relation to income recognition, asset classification, viz., standard, sub-standard, doubtful and loss with reference to RBI guidelines and provisioning pertaining to advances; and • We test checked advances to examine the validity and accuracy of the recorded amounts, provision for NPAs, and compliance with IRAC norms. • Assessed appropriateness & the adequacy of disclosures as per RBI guidelines relating to NPAs.

Other Information

5. The Bank's Board of Directors are responsible for the other information. The other information comprises the information included in the Bank's Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The Other Information included is expected to be made available to us after the date of this auditor's report.

6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

8. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

9. The Bank's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the State of Affairs, Profit and Cash Flows of the Bank in accordance with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, and other accounting principles generally accepted in India and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines and issued by the RBI from time to time ('RBI Guidelines'). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act and the RBI Guidelines for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

11. The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    13.1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    13.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to Standalone Financial Statements and the operating effectiveness of such controls.

    13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

    13.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

13.5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. Attention is drawn to the fact that the Standalone Financial Statements of the Bank for the year ended 31 March 2024 were audited by predecessor auditors whose report dated 24 April 2024 expressed an unmodified opinion on those Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

17. The Standalone Balance Sheet and the Standalone Profit and Loss account have been drawn up in accordance with the provisions of section 29 of the Banking Regulation Act, 1949 and section 133 of the Act and relevant rules issued thereunder.

18. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, based on our audit we report that:

18.1. We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

18.2. The transactions of the Bank, which have come to our notice during the course of our audit, have been within the powers of the Bank; and

18.3. Since the key operations of the Bank are automated with the key applications integrated to the core banking system, the audit is carried out centrally, as all the necessary records and data required for the purposes of our audit are available therein. We have visited 92 branches (including credit units) to examine the records maintained at such branches for the purpose of our audit.

19. Further, as required by Section 143(3) of the Act based on our audit we report, to the extent applicable, that:

19.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

19.2. In our opinion, proper books of accounts as required by law have been kept by the Bank, so far as it appears from our examination of those books.

19.3. The Standalone Balance Sheet, the Standalone Profit And Loss Account, and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

19.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with the relevant rules thereunder to the extent they are not inconsistent with the accounting policies prescribed by the RBI.

19.5. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

19.6. With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.

19.7. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended; the Bank is a Banking Company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under Section 197 of the Act, do not apply.

20. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

20.1. The Bank has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Schedule 12 – Contingent Liabilities to the Standalone Financial Statements;

20.2. The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Schedule 5 and 12 read with Note No. 2.14 of Schedule 18 to the Standalone Financial Statements;

20.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank.

20.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under para 20.4 and 20.5 contain any material misstatement.

20.7. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year by the Bank is in compliance with Section 123 of the Act.

20.8. Based on our examination which included test checks, the Bank has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Bank as per the statutory requirements for record retention.

For M M Nissim & Co LLP
Chartered Accountants
Firm Registration Number: 107122W/W100672

Sanjay Khemani
Partner
ICAI Membership No: 044577
UDIN: 25044577BMOBDU8496

Place: Mumbai
Date: 24 April 2025

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Gautam Shah
Partner
ICAI Membership No: 117348
UDIN: 25117348BMOBBU3174

Place: Mumbai
Date: 24 April 2025

Annexure 'A' to the Independent Auditors' report on the Standalone Financial Statements of Axis Bank Limited for the year ended 31 March 2025

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Axis Bank Limited ('the Bank') as at 31 March 2025 in conjunction with our audit of the Standalone Financial Statements of the Bank for the year ended on that date.

2. In our opinion, the Bank has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal controls over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Bank's Management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Bank's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A bank's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A bank's internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorisations of Management and Directors of the Bank; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Bank's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M M Nissim & Co LLP
Chartered Accountants
Firm Registration Number: 107122W/W100672

Sanjay Khemani
Partner
ICAI Membership No: 044577
UDIN: 25044577BMOBDU8496

Place: Mumbai
Date: 24 April 2025

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Gautam Shah
Partner
ICAI Membership No: 117348
UDIN: 25117348BMOBBU3174

Place: Mumbai
Date: 24 April 2025

Standalone Balance Sheet

As on 31 March, 2025

(₹ in Thousands)

	Schedule No.	As on 31-03-2025	As on 31-03-2024
Capital and Liabilities			
Capital	1	6,194,738	6,173,141
Employees' Stock Options Outstanding	1A	11,081,826	8,265,768
Reserves & Surplus	2	1,779,974,715	1,496,176,849
Deposits	3	11,729,520,224	10,686,413,920
Borrowings	4	1,841,465,165	1,968,117,504
Other Liabilities and Provisions	5	731,062,125	606,938,824
Total capital and liabilities		**16,099,298,793**	**14,772,086,006**
Assets			
Cash and Balances with Reserve Bank of India	6	736,384,369	860,774,849
Balances with Banks and Money at Call and Short Notice	7	260,936,555	283,769,025
Investments	8	3,961,417,941	3,315,272,496
Advances	9	10,408,113,203	9,650,683,843
Fixed Assets	10	62,916,985	56,845,750
Other Assets	11	669,529,740	604,740,043
Total Assets		**16,099,298,793**	**14,772,086,006**
Contingent Liabilities	12	28,756,480,920	19,088,924,573
Bills for Collection		769,311,985	736,251,008
Significant Accounting Policies and Notes to Accounts	17 & 18		

Schedules referred to above form an integral part of the Standalone Balance Sheet

In terms of our report attached.

For M M Nissim & Co LLP
ICAI Firm Registration No.: 107122W/W100672
Chartered Accountants

Sanjay Khemani
Partner
Membership No.: 044577

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.: 105146W/W100621
Chartered Accountants

Gautam Shah
Partner
Membership No.: 117348

Date : 24 April, 2025
Place: Mumbai

For Axis Bank Ltd.

N. S. Vishwanathan
Chairman

Girish Paranjpe
Director

Rajiv Anand
Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

Pranam Wahi
Director

Meena Ganesh
Director

Mini Ipe
Director

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

Standalone Profit and Loss Account

For the year ended 31 March, 2025

(₹ in Thousands)

		Schedule No.	Year ended 31-03-2025	Year ended 31-03-2024
I	**Income**			
	Interest earned	13	1,226,770,401	1,093,686,327
	Other income	14	252,570,562	224,419,552
	Total Income		**1,479,340,963**	**1,318,105,879**
II	**Expenditure**			
	Interest expended	15	683,292,212	594,741,459
	Operating expenses	16	374,999,428	352,132,840
	Provisions and contingencies	18 (1.14)(e)	157,314,504	122,617,248
	Total Expenditure		**1,215,606,144**	**1,069,491,547**
III	**Net Profit For The Year (I - II)**		**263,734,819**	**248,614,332**
	Balance In Profit & Loss Account Brought Forward		602,540,556	441,449,302
IV	**Amount Available For Appropriation/Transfers**		**866,275,375**	**690,063,634**
V	**Appropriations/Transfers:**			
	Transfer to Statutory Reserve		65,933,705	62,153,583
	Transfer to Capital Reserve	18 (1.1)(b)(iii)	2,143,457	1,395,512
	Transfer to Special Reserve	18 (1.1)(b)(iv)	10,247,300	9,681,300
	Transfer to Investment Reserve	18 (1.1)(b)(v)	-	2,422,869
	Transfer to Investment Fluctuation Reserve	18 (1.1)(b)(vii)	2,480,000	8,790,000
	Dividend paid during the year	18 (2.3)	3,090,898	3,079,814
	Balance carried over to Balance Sheet		782,380,015	602,540,556
	Total		**866,275,375**	**690,063,634**
VI	**Earnings Per Equity Share (Face Value ₹2/- Per Share)**	18 (2.1)		
	Basic (In ₹)		85.28	80.67
	Diluted (In ₹)		84.77	80.10
	Significant Accounting Policies And Notes To Accounts	17 & 18		

Schedules referred to above form an integral part of the Standalone Profit and Loss Account

In terms of our report attached.

For Axis Bank Ltd.

For M M Nissim & Co LLP
ICAI Firm Registration No.: 107122W/W100672
Chartered Accountants

N. S. Vishwanathan
Chairman

Sanjay Khemani
Partner
Membership No.: 044577

Girish Paranjpe
Director

Rajiv Anand
Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.: 105146W/W100621
Chartered Accountants

Pranam Wahi
Director

Meena Ganesh
Director

Mini Ipe
Director

Gautam Shah
Partner
Membership No.: 117348

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

Date : 24 April, 2025
Place: Mumbai

Standalone Cash Flow Statement

For the year ended 31 March, 2025

(₹ in Thousands)

		Year ended 31-03-2025	Year ended 31-03-2024
Cash flow from/(used in) operating activities			
Net profit before taxes		343,465,780	330,600,676
Adjustments for:			
Depreciation and amortisation on fixed assets, intangibles and goodwill		16,991,363	13,337,492
Mark-to-Market (gain)/loss on investments		(7,005,061)	(4,313,367)
Amortisation of premium/discount on investments		6,516,018	8,941,824
Provision for Non Performing Assets (including bad debts)/Restructured assets		113,552,817	64,528,147
Provision on standard assets and other contingencies		2,123,792	3,828,497
Profit/(Loss) on sale of land, buildings and other assets (net)		94,480	37,163
Dividend from Subsidiaries		(245,813)	(413,788)
Employee stock options/units expense		4,239,758	4,543,315
	(i)	479,733,134	421,089,959
Adjustments for:			
(Increase)/Decrease in investments		(128,697,328)	(363,503,427)
(Increase)/Decrease in advances		(873,215,213)	(1,263,610,900)
Increase /(Decrease) in deposits		1,043,106,304	1,216,961,816
(Increase)/Decrease in other assets		(63,156,749)	105,546,634
Increase/(Decrease) in other liabilities & provisions		111,223,567	14,623,700
	(ii)	89,260,581	(289,982,177)
Direct taxes paid (net of refunds)	(iii)	(74,871,691)	(66,500,956)
Net cash flow from/(used in) operating activities (i)+(ii)+(iii)	**(A)**	**494,122,024**	**64,606,826**
Cash flow from/(used in) investing activities			
Purchase of fixed assets		(23,281,607)	(22,945,641)
Purchase consideration for acquistion of Citibank India consumer business		-	(3,298,509)
(Increase)/Decrease in Held to Maturity investments		(471,701,030)	(63,819,720)
Increase in investment in Subsidiaries/Associate		(28,755,602)	(3,008,741)
Decrease in investment in Subsidiaries		3,292,773	-
Proceeds from sale of fixed assets		112,141	79,138
Dividend from Subsidiaries		245,813	413,788
Net cash from/(used in) investing activities	**(B)**	**(520,087,512)**	**(92,579,685)**
Cash flow from/(used in) financing activities			
Proceeds from issue of subordinated debt, Additional Tier I instruments		-	-
Repayment of subordinated debt, Additional Tier I instruments		(8,264,500)	-
Increase/(Decrease) in borrowings (other than subordinated debt, Additional Tier I instruments (net))		(118,387,839)	105,117,119
Proceeds from issue of share capital		21,597	19,437
Proceeds from share premium (net of share issue expenses)		6,837,089	5,552,700
Payment of dividend		(3,090,898)	(3,079,814)
Net cash generated from/(used in) financing activities	**(C)**	**(122,884,551)**	**107,609,442**

(₹ in Thousands)

		Year ended 31-03-2025	Year ended 31-03-2024
Effect of exchange fluctuation translation reserve	(D)	1,627,089	799,219
Net increase in cash and cash equivalents (A)+(B)+(C)+(D)		**(147,222,950)**	**80,435,802**
Cash and cash equivalents at the beginning of the year		1,144,543,874	1,064,108,072
Cash and cash equivalents at the end of the year		**997,320,924**	**1,144,543,874**
Notes to the Cash Flow Statement:			
1. Cash and cash equivalents includes the following			
Cash and Balances with Reserve Bank of India (Refer Schedule 6)		736,384,369	860,774,849
Balances with Banks and Money at Call and Short Notice (Refer Schedule 7)		260,936,555	283,769,025
Cash and cash equivalents at the end of the year		**997,320,924**	**1,144,543,874**
2. Amount of Corporate Social Responsibility related expenses spent during the year in cash ₹286.92 crores (previous year ₹217.42 crores)			

In terms of our report attached.

For M M Nissim & Co LLP
ICAI Firm Registration No.: 107122W/W100672
Chartered Accountants

Sanjay Khemani
Partner
Membership No.: 044577

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.: 105146W/W100621
Chartered Accountants

Gautam Shah
Partner
Membership No.: 117348

Date : 24 April, 2025
Place: Mumbai

For Axis Bank Ltd.

N. S. Vishwanathan
Chairman

Girish Paranjpe
Director

Rajiv Anand
Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

Pranam Wahi
Director

Meena Ganesh
Director

Mini Ipe
Director

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

Schedules forming part of the Balance Sheet

As on 31 March, 2025

Schedule 1 - Capital

(₹ in Thousands)

	As on 31-03-2025	As on 31-03-2024
Authorised Capital		
4,250,000,000 (Previous year - 4,250,000,000) Equity Shares of ₹2/- each	8,500,000	8,500,000
Issued, Subscribed and Paid-up Capital		
3,097,369,066 (Previous year - 3,086,570,375) Equity Shares of ₹2/- each fully paid-up	6,194,738	6,173,141

Schedule 1A - Employees' Stock Options Outstanding

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	Opening Balance	8,265,768	4,234,118
	Additions during the year[1]	4,239,659	4,543,315
	Deductions during the year[2]	(1,423,601)	(511,665)
	Closing Balance	**11,081,826**	**8,265,768**

1. Represents cost of employee stock options/units recognised in P&L during the year of ₹365.79 crores (previous year ₹400.70 crores) and cost of employee stock options/units of ₹58.18 crores (previous year ₹53.63 crores) recovered from group entities

2. Represents amount transferred to Share Premium on account of exercise of employee stock options/units and to General Reserve on lapses of employee stock options

Schedule 2 - Reserves And Surplus

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	**Statutory Reserve**		
	Opening Balance	266,657,012	204,503,429
	Additions during the year	65,933,705	62,153,583
	Deductions during the year	-	-
	Closing Balance	**332,590,717**	**266,657,012**
II.	**Capital Reserve**		
	Opening Balance	39,295,827	37,900,315
	Additions during the year [Refer Schedule 18 (1.1)(b)(iii)]	2,143,457	1,395,512
	Deductions during the year	-	-
	Closing Balance	**41,439,284**	**39,295,827**
III.	**Share Premium Account**		
	Opening Balance	524,974,613	518,932,238
	Additions during the year	8,181,000	6,042,375
	Less: Share issue expenses	-	-
	Closing Balance	**533,155,613**	**524,974,613**
IV.	**Revenue And Other Reserves**		
(A)	**Special Reserve**		
	Opening Balance	24,183,200	14,501,900
	Additions during the year [Refer Schedule 18 (1.1)(b)(iv)]	10,247,300	9,681,300
	Deductions during the year	-	-
	Closing Balance	**34,430,500**	**24,183,200**

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
(B)	**Investment Reserve Account**		
	Opening Balance	2,422,869	-
	Additions during the year [Refer Schedule 18 (1.1)(b)(v)]	-	2,422,869
	Deductions during the year [Refer Schedule 18 (1.1)(b)(v)]	2,422,869	-
	Closing Balance	**-**	**2,422,869**
(C)	**General Reserve**		
	Opening Balance	3,581,141	3,559,151
	Additions during the year [Refer Schedule 18 (1.1)(b)(vi)]	14,681,276	21,990
	Deductions during the year	-	-
	Closing Balance	**18,262,417**	**3,581,141**
(D)	**Foreign Currency Translation Reserve** [Refer Schedule 17 (5.7)]		
	Opening Balance	5,911,631	5,112,412
	Additions during the year	1,627,089	799,219
	Deductions during the year	-	-
	Closing Balance	**7,538,720**	**5,911,631**
(E)	**Investment Fluctuation Reserve**		
	Opening Balance	26,610,000	17,820,000
	Additions during the year [Refer Schedule 18 (1.1)(b)(vii)]	2,480,000	8,790,000
	Deductions during the year	-	-
	Closing Balance	**29,090,000**	**26,610,000**
(F)	**Available For Sale (AFS) Reserve**		
	Opening Balance	-	-
	Additions during the year [Refer Schedule 18 (1.1)(b)(viii)]	1,103,859	-
	Deductions during the year	-	-
	Closing Balance	**1,103,859**	**-**
(G)	**Cash Flow Hedge Reserve**		
	Opening Balance	-	-
	Additions during the year [Refer Schedule 18 (1.1)(b)(ix)]	(16,410)	-
	Deductions during the year	-	-
	Closing Balance	**(16,410)**	**-**
V.	**Balance In Profit & Loss Account**	**782,380,015**	**602,540,556**
	Total	**1,779,974,715**	**1,496,176,849**

Schedule 3 - Deposits

(₹ in Thousands)

			As on 31-03-2025	As on 31-03-2024
A.	I.	Demand Deposits		
		(I) From banks	41,841,735	46,953,146
		(Ii) From others	1,626,145,104	1,525,727,040
	II.	Savings Bank Deposits	3,113,893,251	3,021,325,802
	III.	Term Deposits		
		(I) From banks	458,515,937	436,983,633
		(Ii) From others	6,489,124,197	5,655,424,299
		Total (I, II And III)[1]	**11,729,520,224**	**10,686,413,920**
B.	I.	Deposits of branches in India	11,429,290,806	10,536,778,632
	II.	Deposits of branches outside India	300,229,418	149,635,288
		Total (I And Ii)[1]	**11,729,520,224**	**10,686,413,920**

[1] Includes deposits under lien amounting to ₹102,032.84 crores (previous year ₹86,754.13 crores)

Schedule 4 - Borrowings

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	Borrowings in India		
	(i) Reserve Bank of India	-	-
	(ii) Other banks[1]	7,351,709	200,000
	(iii) Other institutions & agencies[2]	1,491,036,832	1,607,141,632
II.	Borrowings outside India[3]	343,076,624	360,775,872
	Total	**1,841,465,165**	**1,968,117,504**
	Secured borrowings included in I & II above	**5,251,709**	**-**

1. Borrowings from other banks include Subordinated Debt of ₹15.00 crores (previous year ₹15.00 crores) in the nature of Non-Convertible Debentures [Also refer Schedule 18 (1.1)(a)]
2. Borrowings from other institutions & agencies include Subordinated Debt of ₹22,715.00 crores (previous year ₹23,565.00 crores) in the nature of Non-Convertible Debentures [Also refer Schedule 18 (1.1)(a)]
3. Borrowings outside india include Additional Tier I Bonds in the nature of Perpetual Debt amounting to $600 million (₹5,128.50 crores); previous year $600 million (₹5,004.30 crores) [Also refer Schedule 18 (1.1)(a)]

Schedule 5 - Other Liabilities And Provisions

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	Bills payable	61,937,960	67,138,902
II.	Inter-office adjustments (net)	-	-
III.	Interest accrued	33,198,444	32,427,824
IV.	General provision against standard assets	50,218,680	49,490,111
V.	MTM loss on forex & derivative contracts [Refer Schedule 18 (1.14)(k)]	199,285,425	128,063,650
VI.	Provision for tax (net)	10,779,912	-
VII.	Others (including provisions) [Refer Schedule 18 (1.14)(k) and 18 (2.10)(c)]	375,641,704	329,818,337
	Total	**731,062,125**	**606,938,824**

Schedule 6 - Cash and Balances with Reserve Bank of India

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	Cash in hand (including foreign currency notes)	80,739,346	96,348,066
II.	Balances with Reserve Bank of India		
	(i) in Current Account	446,235,023	481,936,783
	(ii) in Other Accounts (includes reverse repo under Liquidity Adjustment Facility)	209,410,000	282,490,000
	Total	**736,384,369**	**860,774,849**

Schedule 7 - Balances with Banks and Money at Call and Short Notice

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I	**In India**		
	(i) Balance with Banks		
	(a) in Current Accounts	897,301	6,972,993
	(b) in Other Deposit Accounts	1,075,931	13,425,306
	(ii) Money at Call and Short Notice		
	(a) With banks	-	1,000,000
	(b) With other institutions	45,043,141	61,497,707
	Total (i and ii)	**47,016,373**	**82,896,006**

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
II.	**Outside India**		
	(i) in Current Accounts	45,312,197	37,572,764
	(ii) in Other Deposit Accounts	119,545,335	93,213,428
	(iii) Money at Call & Short Notice	49,062,650	70,086,827
	Total (i, ii and iii)	**213,920,182**	**200,873,019**
	GRAND TOTAL (I+II)	**260,936,555**	**283,769,025**

Schedule 8 - Investments

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	**Investments in India in -**		
	(i) Government Securities[1]	2,926,402,418	2,383,945,619
	(ii) Other approved securities	-	-
	(iii) Shares	25,697,393	11,315,200
	(iv) Debentures and Bonds	729,593,786	738,537,054
	(v) Subsidiaries/Joint Ventures/Associates	64,926,913	34,971,311
	(vi) Others [include investments in Mutual Funds, Security Receipts, Alternative Investment Funds, Venture Capital Funds, Real Estate Investment Trusts, Infrastructure Investment Trusts, Pass Through Certificates and Private Equity Fund (LLP)]	56,825,987	46,532,500
	Total Investments in India	**3,803,446,497**	**3,215,301,684**
II.	**Investments outside India in -**		
	(i) Government Securities (including local authorities)	154,352,666	94,218,603
	(ii) Subsidiaries /Joint Ventures abroad	30,209	3,322,982
	(iii) Others (include Equity Shares and Bonds)	3,588,569	2,429,227
	Total Investments outside India	**157,971,444**	**99,970,812**
	GRAND TOTAL (I+II)	**3,961,417,941**	**3,315,272,496**

1. Includes securities of face value ₹1,70,046.36 crores (previous year ₹1,52,280.19 crores) pledged for availment of fund transfer facility, clearing facility repo contracts and margin requirements

Schedule 9 - Advances

(₹ in Thousands)

			As on 31-03-2025	As on 31-03-2024
A.	(i)	Bills purchased and discounted	168,182,349	164,381,999
	(ii)	Cash credits, overdrafts and loans repayable on demand[1]	3,235,795,300	2,735,199,385
	(iii)	Term loans	7,004,135,554	6,751,102,459
		Total (i, ii and iii)	**10,408,113,203**	**9,650,683,843**
B.	(i)	Secured by tangible assets[2]	7,563,191,860	6,706,680,158
	(ii)	Covered by Bank/Government Guarantees[3]	18,317,573	41,725,702
	(iii)	Unsecured	2,826,603,770	2,902,277,983
		Total (i, ii and iii)	**10,408,113,203**	**9,650,683,843**
C.	I.	Advances in India		
		(i) Priority Sector	3,845,589,259	3,690,701,102
		(ii) Public Sector	120,805,783	171,329,445
		(iii) Banks	157,444,059	156,461,188
		(iv) Others	5,987,166,756	5,346,157,277
		Total (i, ii, iii and iv)	**10,111,005,857**	**9,364,649,012**
	II.	Advances Outside India		
		(i) Due from banks	3,376,263	2,418,745
		(ii) Due from others -		

(₹ in Thousands)

	As on 31-03-2025	As on 31-03-2024
(a) Bills purchased and discounted	64,067,482	62,953,571
(b) Syndicated loans	-	-
(c) Others	229,663,601	220,662,515
Total (i and ii)	**297,107,346**	**286,034,831**
Grand Total (CI+CII)	**10,408,113,203**	**9,650,683,843**

1. Net of borrowings under Inter Bank Participation Certificate (IBPC) ₹20,192.94 crores (previous year ₹19,999.61 crores), includes lending under IBPC ₹1,350.00 crores (previous year NIL)

2. Includes advances against Book Debts

3. Includes advances against L/Cs issued by other banks

Schedule 10 - Fixed Assets

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	**Premises**		
	Gross Block		
	At cost as on 31 March of the preceding year	20,221,464	18,731,464
	Additions during the year	-	1,490,000
	Deductions during the year	-	-
	Total	**20,221,464**	**20,221,464**
	Depreciation		
	As on 31 March of the preceding year	3,042,034	2,760,128
	Charge for the year	281,906	281,906
	Deductions during the year	-	-
	Depreciation to date	**3,323,940**	**3,042,034**
	Net Block	**16,897,524**	**17,179,430**
II.	**Other fixed assets (including furniture & fixtures and intangibles)**		
	Gross Block		
	At cost as on 31 March of the preceding year	237,839,446	220,966,581
	Additions/(Deletions) on account of acquisition of Citibank India Consumer Business	-	(166,968)
	Additions during the year[1]	24,693,117	20,563,645
	Deductions during the year	(6,611,205)	(3,523,812)
	Total	**255,921,358**	**237,839,446**
	Depreciation		
	As on 31 March of the preceding year	200,596,581	190,963,890
	Charge for the year	16,709,457	13,055,586
	Deductions during the year	(6,392,196)	(3,422,895)
	Depreciation to date	**210,913,842**	**200,596,581**
	Net Block	**45,007,516**	**37,242,865**
III.	**Capital Work-In-Progress (including capital advances)**	**1,011,945**	**2,423,455**
	Grand Total (I+II+III)	**62,916,985**	**56,845,750**

1. includes movement on account of exchange rate fluctuation

Schedule 11 - Other Assets

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	Inter-office adjustments (net)	-	-
II.	Interest Accrued	139,696,834	114,374,576
III.	Tax paid in advance/tax deducted at source (net of provisions)	11,053,461	781,015
IV.	Stationery and stamps	34,647	27,595
V.	Non banking assets acquired in satisfaction of claims[1]	-	-
VI.	MTM gain on forex & derivative contracts	204,964,200	124,300,727
VII.	Others[2,3]	313,780,598	365,256,130
	Total	**669,529,740**	**604,740,043**

1. Represents balance net of provision of ₹1,855.85 crores (previous year ₹1,855.85 crores) on Land held as non-banking asset
2. Includes deferred tax assets of ₹4,441.01 crores (previous year ₹5,312.30 crores) [Refer Schedule 18 (2.8)]
3. Includes Priority Sector Shortfall Deposits of ₹14,450.47 crores (previous year ₹21,557.10 crores)

Schedule 12 - Contingent Liabilities

(₹ in Thousands)

		As on 31-03-2025	As on 31-03-2024
I.	Claims against the Bank not acknowledged as debts	14,772,169	24,534,308
II.	Liability for partly paid investments	1,266,410	-
III.	Liability on account of outstanding forward exchange contracts[1]	12,565,884,623	8,403,866,787
IV.	Liability on account of outstanding derivative contracts[1]	13,695,933,799	8,211,897,660
V.	Guarantees given on behalf of constituents		
	(a) In India	1,216,989,034	1,068,121,924
	(b) Outside India	194,901,126	213,150,833
VI.	Acceptances, endorsements and other obligations	553,414,271	590,875,143
VII.	Other items for which the Bank is contingently liable	513,319,488	576,477,918
	Grand Total [Refer Schedule 18 (2.14)]	**28,756,480,920**	**19,088,924,573**

1. Represents notional amount

Schedules Forming Part of the Profit & Loss Account

For the year ended 31 March, 2025

Schedule 13 - Interest Earned

(₹ in Thousands)

		Year ended 31-03-2025	Year ended 31-03-2024
I.	Interest/discount on advances/bills	972,002,671	871,066,016
II.	Income on investments	229,283,393	200,106,203
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	12,362,220	9,082,703
IV.	Others	13,122,117	13,431,405
	Total	**1,226,770,401**	**1,093,686,327**

Schedule 14 - Other Income

(₹ in Thousands)

		Year ended 31-03-2025	Year ended 31-03-2024
I.	Commission, exchange and brokerage	205,450,773	182,563,994
II.	Profit/(Loss) on sale of investments (net)	12,842,508	13,646,670
III.	Profit/(Loss) on revaluation of investments (net)	7,005,061	4,313,367
IV.	Profit/(Loss) on sale of land, buildings and other assets (net)[1]	(94,480)	(37,163)
V.	Profit/(Loss) on exchange/derivative transactions (net)	21,627,818	19,354,715
VI.	Income earned by way of dividends etc. from subsidiaries/companies and/or joint venture abroad/in India	245,813	413,788
VII.	Miscellaneous Income [Refer Schedule 18 (1.14)(m)]	5,493,069	4,164,181
	Total	**252,570,562**	**224,419,552**

1. includes provision for diminution in value of fixed assets

Schedule 15 - Interest Expended

(₹ in Thousands)

		Year ended 31-03-2025	Year ended 31-03-2024
I.	Interest on deposits	539,016,849	455,417,759
II.	Interest on Reserve Bank of India/Inter-bank borrowings	20,559,565	22,802,250
III.	Others	123,715,798	116,521,450
	Total	**683,292,212**	**594,741,459**

Schedule 16 - Operating Expenses

(₹ in Thousands)

		Year ended 31-03-2025	Year ended 31-03-2024
I.	Payments to and provisions for employees	121,927,882	109,331,092
II.	Rent, taxes and lighting	20,118,560	17,836,128
III.	Printing and stationery	3,705,398	3,538,295
IV.	Advertisement and publicity	1,219,803	1,082,833
V.	Depreciation on bank's property	16,991,363	13,337,492
VI.	Directors' fees, allowance and expenses	62,475	55,893
VII.	Auditors' fees and expenses	44,292	43,238
VIII.	Law charges	2,077,090	1,886,207
IX.	Postage, telegrams, telephones etc.	4,291,675	4,150,413
X.	Repairs and maintenance	21,678,459	17,993,257
XI.	Insurance	17,862,954	15,985,748
XII.	Other expenditure[1]	165,019,477	166,892,244
	TOTAL	**374,999,428**	**352,132,840**

1. Includes commission paid to direct selling agents, charges paid to network partners, cashback expenses, fees paid for purchase of Priority Sector Lending Certificates, professional fees, technology expenses, business promotion expenses and miscellaneous expenses

17. Significant accounting policies to the Standalone Financial Statements

For the year ended 31 March, 2025

1. Background

Axis Bank Limited ('the Bank') was incorporated in 1993 and provides a complete suite of banking and financial services including retail banking, wholesale banking and treasury operations. The Bank is primarily governed by the Banking Regulation Act, 1949. As on 31 March 2025, the Bank has overseas branches at Singapore, DIFC - Dubai and an Offshore Banking Unit at the International Financial Service Centre (IFSC), Gujarat International Finance Tec-City (GIFT City), Gandhinagar, India.

2. Basis of preparation

The Standalone Financial Statements ('financial statements') have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the generally accepted accounting principles in India, unless otherwise stated by the Reserve Bank of India ('RBI'), to comply with the statutory requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949, the circulars, notifications, guidelines and directives issued by the RBI from time to time and the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021 to the extent applicable and practices generally prevalent in the banking industry in India. Accounting policies applied have been consistent with the previous year except otherwise stated.

3. Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements, revenues and expenses during the reporting period. Actual results could differ from those estimates. The Management believes that the estimates and assumptions used in the preparation of the financial statements are prudent and reasonable. Any revisions, as and when carried out, to the accounting estimates are recognised prospectively in the current and future periods.

4. Changes in accounting policies

Effective 1 April, 2024, the Bank has carried out the following changes in its accounting policies:

4.1 Classification and Valuation of Investments

Effective 1 April, 2024 the Bank has adopted the revised framework as detailed in RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on 12 September, 2023 ('RBI Investment Direction, 2023'). Accordingly, as prescribed under the transition provisions of the aforesaid framework the Bank has (1) transferred the balance in Investment Reserve Account as at 31 March, 2024 of ₹242.29 crores to the general reserve (2) transferred an amount of ₹1,217.86 crores (net of tax) to the general reserve, resulting into increase in the net worth of the Bank, on account of reversal of balance in provision for depreciation on investments as at 31 March, 2024 and adjustment for the difference between the carrying value of its investment portfolio as per the revised framework and the previous carrying value as at 31 March, 2024.

Further, in compliance with the said RBI Investment Direction 2023, the valuation gains and losses at the period ended 31 March, 2025, across all performing investments held under Available for Sale (AFS) category are aggregated and the net appreciation amounting to ₹110.39 crores (net of tax) has been directly recognised in AFS Reserve. The securities held in Fair Value through Profit and Loss ('FVTPL') category are fair valued at the period ended 31 March, 2025 and the net gain of ₹700.51 crores for the year ended 31 March, 2025, arising on such valuation has been recognised in the Profit and Loss Account. Figures for the previous year are not comparable to that extent.

5. Significant accounting policies

5.1 Investments

Significant accounting policies for investments applicable for FY25

Classification

In accordance with the RBI Investment Direction, 2023, investments (except investments in subsidiaries, joint ventures and associates) are classified at the time of acquisition as:

- Held to Maturity ('HTM');
- Available for Sale ('AFS') and
- Fair Value through Profit and Loss (FVTPL) with Held for Trading (HFT) as a separate investment subcategory within FVTPL.

Classification of Investments in the Balance sheet

For disclosure in the Balance Sheet, investments in India are classified under six categories - Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Investment in Subsidiaries/Joint Ventures/Associates and Others. Investments made outside India are classified under three categories - Government Securities, Subsidiaries and/or Joint Ventures abroad and Others.

All investments are accounted for on settlement date, except investments in equity shares which are accounted for on trade date.

i. Held to Maturity ('HTM')

The Bank classifies investments as HTM, if both of the following conditions are met:

- The investment is acquired with the intention and objective of holding it to maturity, i.e., the financial assets are held with an objective to collect the contractual cash flows; and
- The contractual terms of the investment give rise to cash flows that are solely payments of principal and interest on principal outstanding ('SPPI criterion') on specified dates.

ii. Available for Sale ('AFS')

The Bank classifies investments as AFS, if both the following conditions are met:

- The investment is acquired with an objective which is achieved by both collecting contractual cash flows and selling securities; and
- The contractual terms of the investment give rise to cash flows that meet SPPI criterion on specified dates.

The Bank, upon initial recognition, may make an irrevocable election to classify an equity instrument as an AFS that is not held with the objective of trading.

iii. Fair Value through Profit and Loss (FVTPL)

The investments that are not classified as HTM or AFS are classified as FVTPL. The Bank classifies investments in FVTPL category as either FVTPL-Held for Trading ('HFT') or FVTPL Non-HFT. Any investment held by the Bank for one or more of the following purposes is, when it is first recognised on its books, designated as a FVTPL HFT:

- short-term resale;
- profiting from short-term price movements;
- locking in arbitrage profits; or
- hedging risks that arise from instruments meeting all of the above

Investments in listed equities, trading-related repo-style transactions, instruments resulting from market-making activities, equity investments in a fund are included in FVTPL HFT category. Investments in unlisted equities are included in FVTPL Non-HFT category.

All other investments forming part of FVTPL category are classified as FVTPL Non-HFT.

Investments in Subsidiaries, Associates and Joint Ventures

All investments in subsidiaries, associates and joint ventures held by Bank are classified under this category separately from the aforesaid investment categories.

Initial recognition

The Bank measures all investments at fair value on initial recognition. Unless facts and circumstances suggest that the fair value is materially different from the acquisition cost, it is presumed that the acquisition cost is the fair value.

i. Acquisition cost

Costs incurred at the time of acquisition, pertaining to investments, such as brokerage, commission etc. are charged to the Profit and Loss Account. Broken period interest is charged to the Profit and Loss Account. Cost of investments is computed based on the weighted average cost method.

ii. Day 1 gain/loss

Day 1 Gain/loss is the difference between the fair value at initial recognition and acquisition cost. Any Day 1 gain/loss arising on quoted investments is recognized in the Profit and Loss Account. Any Day 1 loss arising from Level 3 investments is recognised immediately. Any Day 1 gains arising from Level 3 investments is deferred. In the case of debt instruments, the Day 1 gain is amortized on a straight-line basis up to the maturity date (or earliest call date for perpetual instruments), while for unquoted equity instruments, the gain is set aside as a liability until the security is listed or derecognised.

iii. Subsequent measurement

a. Investments classified under the HTM category

Investments held in HTM category are carried at cost and are not Mark-to-Market (MTM) after initial recognition. Any discount or premium on the investments under HTM category is amortised over the remaining life of the instrument. The amortised amount is reflected under item II ‘Income on Investments’ of Schedule 13: ‘Interest Earned’ with a contra in Schedule 8: ‘Investments’.

Realised gains on sale of investments in HTM category are recognised in the Profit and Loss Account and subsequently appropriated to the Capital Reserve Account (net of taxes and transfer to statutory reserves) in accordance with the RBI guidelines. Realised losses are recognised in the Profit and Loss Account.

b. Investments classified under AFS category

Investments held in AFS category are fair valued. Any discount or premium on the acquisition of debt securities under AFS is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II ‘Income on Investments’ of Schedule 13: ‘Interest Earned’ with a contra in Schedule 8: ‘Investments’.

The net valuation gains and losses across all performing investments under AFS is aggregated and the net appreciation or depreciation (net of tax) is directly credited or debited to the AFS Reserve without routing through the Profit & Loss Account.

The AFS-Reserve is reckoned as Common Equity Tier (CET) 1 capital but not available for distribution of dividend and coupon on Additional Tier I instruments.

On sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS Reserve is transferred from the AFS Reserve and recognized in the Profit and Loss Account.

In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments is transferred from AFS Reserve to Capital Reserve in accordance with the RBI Investment Direction, 2023.

c. **Investments classified under FVTPL category**

Investments held under FVTPL category are fair valued and the net gain or loss arising on such valuation is directly credited or debited to the Profit and Loss Account. Any discount or premium on the debt securities under FVTPL category is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II ‘Income on Investments’ of Schedule 13: ‘Interest Earned’ with a contra in Schedule 8: ‘Investments’.

d. **Investments in Subsidiaries, Associates and Joint Ventures**

The Bank measures all the investments (i.e., including debt and equity) in subsidiaries, associates and joint ventures at acquisition cost.

Any discount or premium on the acquisition of debt securities of subsidiaries, associates and joint ventures is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II ‘Income on Investments’ of Schedule 13: ‘Interest Earned’.

Valuation

The Bank determines the fair values of its investments according to the following hierarchy:

Level 1: Valuation based on quoted market price: These investments are valued with quoted prices (unadjusted) for identical instruments in active markets that the Bank can access at the measurement date.

Level 2: Valuation based on using observable inputs: These investments are valued with inputs other than quoted prices included within Level 1, that are observable, either directly or indirectly.

Level 3: Valuation technique with significant unobservable inputs: These investments are valued using valuation techniques where one or more significant inputs are unobservable.

The fair value of various types of instruments is determined as per the valuation norms laid down in RBI Investment Direction 2023, as follows:

- The fair value of quoted investments (other than discounted instruments) included in the AFS and FVTPL categories is considered as available from the trades/quotes on the stock exchanges or prices, yield and spread matrix declared by the Fixed Income Money Market and Derivatives Association of India (‘FIMMDA’)/Financial Benchmark India Private Limited (‘FBIL’), periodically.
- Treasury Bills, Exchange Funded Bills, Commercial Paper and Certificate of Deposits being discounted instruments, are valued at carrying cost which includes discount accreted over the period to maturity.
- Units of mutual funds are valued at the latest repurchase price/Net Asset Value (‘NAV’) declared by the mutual fund.
- Units of Venture Capital Funds (‘VCF’) and Unquoted Alternative Investment Fund (AIFs) are valued at Net Asset Value (NAV) declared by the funds. Where an AIF fails to carry out and disclose the valuation of its investments by an independent valuer as per the frequency mandated by SEBI (Alternative Investment Fund) Regulations, 2012, the value of its units is treated as Re. 1. In case AIF is not registered under SEBI (Alternative Investment Fund) Regulations, 2012 and the latest disclosed valuation of its investments by an independent valuer precedes the date of valuation by more than 18 months, the value of its units is treated as Re. 1.
- Investments in Subsidiaries, Associates and Joint Ventures category are assessed for impairment to determine permanent diminution, if any, in accordance with the RBI guidelines and suitable provisions are made.
- The fair value of investments where current quotations are not available, is determined in accordance with the norms prescribed by the RBI/FIMMDA/FBIL as under:

  a) The fair value of unquoted government securities which are in the nature of Statutory Liquidity Ratio (‘SLR’) securities forming part of AFS, FVTPL-HFT and FVTPL Non-HFT categories are computed as per the rates published by FIMMDA/FBIL.

  b) In case of special bonds issued by the Government of India that do not qualify for SLR purposes, unquoted bonds, debentures and preference shares where interest/dividend is received regularly (i.e. not overdue beyond 90 days), the market price is derived based on the Yield to maturity ('YTM') for such securities as published by FIMMDA/FBIL and suitably marked up for credit risk applicable to the credit rating of the instrument. The matrix for credit risk mark-up for each category and credit ratings along with residual maturity issued by FIMMDA/FBIL is adopted for this purpose.

c) In case of bonds & debentures where interest is not received regularly (i.e. overdue beyond 90 days), the valuation is in accordance with prudential norms for provisioning as prescribed by the RBI.

d) Pass Through Certificates (PTCs) are valued as per extant RBI/FIMMDA guidelines.

e) Equity shares, for which current quotations are not available or where the shares are not quoted on the stock exchanges, are valued at break-up value (without considering revaluation reserves, if any) which is ascertained from the company's latest Balance Sheet (not older than 18 months). In case the latest Balance Sheet is not available, the shares are valued at Re. 1 per company.

f) Valuation of investments in private equity funds and limited liability partnership funds is based on valuation of their underlying exposures.

g) Investments in listed instruments of Real Estate Investment Trust ('REIT')/Infrastructure Investment Trust ('INVIT') are valued at the closing price on the recognised stock exchange. In case the instruments are not traded on any stock exchange, valuation is carried out based on the latest NAV (not older than 1 year) submitted by the trust.

h) Investments in Government guaranteed Security Receipts ('SRs') are valued periodically by reckoning the Net Asset Value (NAV) declared by the Asset Reconstruction Company ('ARC') based on the recovery ratings received for such instruments. Any Government guaranteed SRs outstanding after the final settlement of the Government guarantee or the expiry of the guarantee period, whichever is earlier, are valued at one rupee (₹1).

   Investments in other SRs are valued as per the NAV declared by the issuing ARC or net book value of loans transferred or estimated recoverable value based on Bank's internal assessment on case to case basis, whichever is lower. Investments in such Security Receipts where original maturity period has expired are valued at one rupee (₹1).

   In case of investments in SRs which are backed by more than 10 percent of the stressed assets sold by the Bank, the valuation of such SRs is additionally subject to a floor of face value of the SRs reduced by the provisioning rate as per the extant asset classification and provisioning norms as applicable to the underlying loans, assuming that the loan notionally continued in the books of the Bank.

Investment asset classification and provisioning

Investments under HTM, AFS and FVTPL category are subjected to income recognition, asset classification and provisioning norms of RBI. Non-performing Investments (NPIs) are identified and provision is made thereon in the Profit and Loss account, as per the RBI guidelines. Once an investment become NPI, the Bank segregates it from rest of the portfolio and does not consider it for netting valuation gains and losses. A NPI investment is segregated from other investments within the same category [i.e., HTM, AFS, or FVTPL] under which it was classified at initial recognition. Interest on NPIs is not recognized in the Profit and Loss Account until received. MTM appreciation in case of NPIs over and above the book value is not recognized and ignored.

Reclassification between categories

Reclassification of investments between categories (viz. HTM, AFS and FVTPL) if any is carried out only after, prior approval of Board of Directors and RBI and the same is accounted for in accordance with the RBI guidelines.

Short sales

In accordance with the RBI guidelines, the Bank undertakes short sale transactions in Central Government dated securities. Such short positions are categorised under FVTPL category and netted off from investments in the Balance Sheet. These positions are marked-to-market along with the other securities under FVTPL portfolio and the resultant MTM gains/losses are accounted for as per the relevant RBI guidelines for valuation of investments.

Significant accounting policies for investments applicable for FY24

Classification

In accordance with the RBI guidelines, investments are classified at the time of purchase as:

- Held for Trading ('HFT');
- Available for Sale ('AFS'); and
- Held to Maturity ('HTM').

Investments that are held principally for sale within a short period are classified as HFT securities. As per the RBI guidelines, HFT securities, which remain unsold for a period of 90 days are transferred to AFS securities.

Investments that the Bank intends to hold till maturity are classified under the HTM category. Investments in the equity of subsidiaries/joint ventures and investments under TLTRO guidelines are categorised as HTM in accordance with the RBI guidelines.

All other investments are classified as AFS securities.

For disclosure in the Balance Sheet, investments in India are classified under six categories - Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Investment in Subsidiaries/Joint Ventures and Others. Investments made outside India are classified under three categories - Government Securities, Subsidiaries and/or Joint Ventures abroad and Others.

All investments are accounted for on settlement date, except investments in equity shares which are accounted for on trade date.

Transfer of security between categories

Transfer of security between categories of investments is accounted for as per the RBI guidelines.

Acquisition cost

Costs incurred at the time of acquisition, pertaining to investments, such as brokerage, commission etc. are charged to the Profit and Loss Account.

Broken period interest on debt instruments and government securities is charged to the Profit and Loss Account.

Cost of investments is computed based on the weighted average cost method.

Valuation

Investments classified under the HTM category: Investments are carried at acquisition cost unless it is more than the face value, in which case the premium is amortised over the period remaining to maturity on a constant yield to maturity basis. Such amortization of premium is adjusted against interest income under the head 'Income from Investments' under Schedule 13 in Profit and Loss Account. As per the RBI guidelines, discount on securities held under HTM category is not accrued and such securities are held at the acquisition cost till maturity.

Investments in subsidiaries/joint ventures are categorised as HTM and assessed for impairment to determine permanent diminution, if any, in accordance with the RBI guidelines and suitable provisions are made.

Investments classified under the AFS and HFT categories: Investments under these categories are marked to market. The market/fair value of quoted investments included in the AFS and HFT categories is the market price of the scrip as available from the trades/quotes on the stock exchanges or prices declared by the Fixed Income Money Market and Derivatives Association of India ('FIMMDA')/Financial Benchmark India Private Limited ('FBIL'), periodically. Net depreciation, if any, within each category of each investment classification is recognised in the Profit and Loss Account. The net appreciation, if any, under each category of each investment classification is ignored. Net depreciation on each type of investments falling under the residual category of 'Others' (i.e. mutual funds, Pass Through Certificates (PTCs), security receipts etc.) is not offset against gain in another class of investment falling within the 'Others' category. Further, in case of standard investments classified as weak as per the Bank's internal framework (including certain internally unrated investments), the Bank recognizes net depreciation without availing the benefit of set-off against appreciation within the same class of investments as permitted under the extant RBI circular. The depreciation on securities acquired by way of conversion of outstanding loans is provided in accordance with the RBI guidelines. Provision for depreciation on investments is classified under Schedule-14 'Other Income'. The book value of individual securities is not changed consequent to the periodic valuation of investments.

Non-performing investments are identified and provision is made thereon as per the RBI guidelines. Provision for depreciation on such non-performing investments is not set off against the appreciation in respect of other performing securities as per RBI guidelines. Interest on non-performing investments is not recognized in the Profit and Loss Account until received.

Treasury Bills, Exchange Funded Bills, Commercial Paper and Certificate of Deposits being discounted instruments, are valued at carrying cost which includes discount accreted over the period to maturity.

Units of mutual funds are valued at the latest repurchase price/Net Asset Value ('NAV') declared by the mutual fund.

Market value of investments where current quotations are not available, is determined in accordance with the norms prescribed by the RBI as under:

- The market/fair value of unquoted government securities which are in the nature of Statutory Liquidity Ratio ('SLR') securities forming part of AFS and HFT categories is computed as per the rates published by FIMMDA/FBIL.
- In case of special bonds issued by the Government of India that do not qualify for SLR purposes, unquoted bonds, debentures and preference shares where interest/dividend is received regularly (i.e. not overdue beyond 90 days), the market price is derived based on the Yield to maturity ('YTM') for Government Securities as published by FIMMDA/FBIL and suitably marked up for credit risk applicable to the credit rating of the instrument. The matrix for credit risk mark-up for each category and credit ratings along with residual maturity issued by FIMMDA/FBIL is adopted for this purpose.
- In case of bonds & debentures where interest is not received regularly (i.e. overdue beyond 90 days), the valuation is in accordance with prudential norms for provisioning as prescribed by the RBI.
- PTC and Priority Sector PTCs are valued as per extant FIMMDA guidelines.
- Equity shares, for which current quotations are not available or where the shares are not quoted on the stock exchanges, are valued at break-up value (without considering revaluation reserves, if any) which is ascertained from the company's latest Balance Sheet (not older than 18 months). In case the latest Balance Sheet is not available, the shares are valued at ₹1 per company.
- Investments in listed instruments of Real Estate Investment Trust ('REIT')/Infrastructure Investment Trust ('INVIT') are valued at the closing price on the recognised stock exchange. In case the instruments are not traded on any stock exchange, valuation is carried out based on the latest NAV (not older than 1 year) submitted by the trust.
- Units of Venture Capital Funds ('VCF') / Alternative Investment Funds ('AIF') held under AFS category where current quotations are not available are valued based on NAV as published in the latest audited financial statements of the fund or NAV as provided by the fund. In case the audited financials are not available for a period beyond 18 months, the investments are valued at ₹1 per VCF / AIF. Investment in unquoted VCF / AIF may be categorized under HTM category for the initial period of three years and are valued at cost as per the RBI guidelines.
- Investments in Security Receipts ('SRs') are valued as per the NAV declared by the issuing Asset Reconstruction Company ('ARC') or net book value of loans transferred or estimated recoverable value based on Bank's internal assessment on case to case basis, whichever is lower. In case of investments in SRs which are backed by more than 10 percent of the stressed assets sold by the Bank, the valuation of such SRs is additionally subject to a floor of face value of the SRs reduced by the provisioning rate as per the extant asset classification and provisioning norms as applicable to the underlying loans, assuming that the loan notionally continued in the books of the Bank.

Disposal of investments

Investments classified under the HTM category: Realised gains are recognised in the Profit and Loss Account and subsequently appropriated to Capital Reserve Account (net of taxes and transfer to statutory reserves) in accordance with the RBI guidelines. Losses are recognised in the Profit and Loss Account.

Investments classified under the AFS and HFT categories: Realised gains/losses are recognised in the Profit and Loss Account.

Short sales

In accordance with the RBI guidelines, the Bank undertakes short sale transactions in Central Government dated securities. Such short positions are categorised under HFT category and netted off from investments in the Balance Sheet. These positions are marked-to-market along with the other securities under HFT portfolio and the resultant Mark-to-Market ('MTM') gains/losses are accounted for as per the relevant RBI guidelines for valuation of investments.

5.2 Repurchase and reverse repurchase transactions

Repurchase transactions ('Repos')

Repurchase transactions in Government securities and corporate debt securities including those conducted under the Liquidity Adjustment Facility ('LAF') and Marginal Standby Facility ('MSF') with RBI are accounted for as collateralised borrowings. Accordingly, securities given as collateral under an agreement to repurchase them, continue to be held under the investment account and the Bank continues to accrue the coupon on the security during the repo period. Borrowing cost on such repo transactions is accounted as interest expense in "Schedule 15 – Interest Expended" in the Profit and Loss Account.

Reverse repurchase transactions ('Reverse repos')

Reverse repurchase transactions with RBI with original maturity upto 14 days, including those conducted under the Liquidity Adjustment Facility ('LAF') and Standing Deposit Facility ('SDF'), are accounted for as collateralised lending under "Schedule 6 - Balances with RBI - in Other Accounts". Reverse repurchase transactions with banks and other financial institutions with original maturity upto 14 days, are accounted for as collateralised lending under "Schedule 7 - Balances with Banks and Money at call and short notice". Revenue on such reverse repos is accounted for as interest income under "Schedule 13 – Interest Earned – Interest on balances with Reserve Bank of India and Other Inter-bank Funds" in the Profit and Loss Account.

Reverse repos with original maturity of more than 14 days are accounted for as collateralised lending under "Schedule 9 - Advances". Revenue on such reverse repos is accounted for as interest income under "Schedule 13 - Interest Earned – Interest/discount on advances/bills" in the Profit and Loss account.

5.3 Advances

Classification and measurement of advances

Advances are classified into performing and non-performing advances ('NPAs') as per the RBI guidelines and are stated net of bills rediscounted, inter-bank participation certificates, specific provisions made towards NPAs, interest in suspense for NPAs, claims received from Export Credit Guarantee Corporation, provisions for funded interest on term loans classified as NPAs and floating provisions. Structured collateralised foreign currency loans extended to customers and deposits received from the same customer are reported on a net basis.

The Bank transfers advances through inter-bank participation with and without risk. In accordance with the RBI guidelines, in the case of participation with risk, the aggregate amount of the participation issued by the Bank is reduced from advances and where the Bank is participating, the aggregate amount of the participation is classified under advances. In the case of participation without risk, the aggregate amount of participation issued by the Bank is classified under borrowings and where the Bank is participating, the aggregate amount of participation is shown as due from banks under advances.

Non-performing advances and provision on non-performing advances

NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the RBI. Advances held at the overseas branches that are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per the RBI guidelines, are classified as NPAs to the extent of amount outstanding in the host country. NPAs are upgraded to standard as per the extant RBI guidelines.

Provisions for NPAs are made for sub-standard and doubtful assets at rates as prescribed by the RBI with the exception of schematic retail advances, agriculture advances and advances to Commercial Banking segment. In respect of schematic retail advances, provisions are made in terms of a bucket-wise policy upon reaching specified stages of delinquency (90 days or more of delinquency) under each type of loan, which satisfies the RBI prudential norms on provisioning. Provisions in respect of Commercial Banking segment advances and agriculture advances classified into sub-standard and doubtful assets are made at rates which are higher than those prescribed by the RBI.

Provisions for advances booked in overseas branches, which are standard as per the RBI guidelines but are identified as impaired as per host country regulations for reasons other than record of recovery, are made as per the host country regulations.

In case of NPAs referred to the National Company Law Tribunal ('NCLT') under the Insolvency and Bankruptcy Code, 2016 ('IBC') where resolution plan or liquidation order has been approved by NCLT, provision is maintained at higher of the requirement under the RBI guidelines or the likely haircut as per resolution plan or liquidation order.

Loans reported as fraud are classified as loss assets, and fully provided for immediately without considering the value of security.

Provision on restructured assets

Restructured assets including compromise settlements where the time for payment of the agreed settlement amount exceeds three months are classified and provided for in accordance with the guidelines issued by the RBI from time to time.

In respect of advances where resolution plan has been implemented under the RBI guidelines on "Resolution Framework for COVID 19-related Stress" and "Micro, Small and Medium Enterprises (MSME) Sector – Restructuring of Advances", provisions are maintained as per the internal framework of the Bank at rates which are higher than those specified under the extant RBI guidelines. Restructured loans are upgraded to standard as per the extant RBI guidelines.

Provisions held on restructured assets are reported in Schedule 5 – Other Liabilities and Provisions in the Balance Sheet.

Write-offs and recoveries from written-off accounts

Write-offs are carried out in accordance with the Bank's policy.

Amounts recovered against debts written off are recognised in the Profit and Loss Account as a credit to Provision and Contingencies.

Appropriation of funds for standard advances

In case of Equated Monthly Instalment (EMI) based standard retail advances, funds received from customers are appropriated in the order of principal, interest and charges. In case of other standard advances, funds received from customers are appropriated in the order of charges, interest and principal.

Other provisions on advances classified under Schedule 5 – 'Other Liabilities and Provisions' in the Balance Sheet

The Bank recognises additional provisions as per the RBI's guidelines on accounts in default and with aggregate exposure above the threshold limits as laid down in the guidelines where the resolution plan is not implemented within the specified timelines. These provisions are written back on satisfying the conditions for reversal as per RBI guidelines.

In respect of borrowers classified as non-cooperative or wilful defaulters, the Bank makes accelerated provisions as per the extant RBI guidelines.

In the case of one-time settlements with borrowers that are entered into but not closed as on the reporting date, the Bank makes provisions which is the higher of (i) the provision required based on asset classification; and (ii) the amount of contracted sacrifice, on a portfolio basis.

The Bank makes incremental provisioning (determined based on a time scale and on occurrence of predefined events) on all outstanding advances and investments relating to borrowers tagged as Red Flagged Accounts ('RFA').

For entities with Unhedged Foreign Currency Exposure ('UFCE'), provision is made in accordance with the guidelines issued by the RBI, which requires ascertaining the amount of UFCE, estimating the extent of likely loss and estimating the riskiness of the unhedged position. Further, incremental capital is maintained in respect of such borrower counter parties in the highest risk category, in line with stipulations by the RBI.

The Bank maintains provisions for incremental exposure of the banking system to specified borrowers beyond the Normally Permitted Lending Limit ('NPLL') in proportion to the Bank's funded exposure to the specified borrowers as per the RBI guidelines.

The Bank maintains a general provision on standard advances at the rates prescribed by the RBI. In respect of advances to stressed sectors, such general provision is made at rates higher than the regulatory minimum as per the internal policy of the Bank. The general provision on corporate standard advances internally rated 'BB and Below' or 'Unrated' and all Special Mention Accounts-2 ('SMA-2') advances as reported to Central Repository of Information on Large Credits ('CRILC'), is maintained at rates that are higher than those prescribed by RBI. In case of overseas branches, general provision on standard advances is maintained at the higher of the levels stipulated by the respective overseas regulator or by the extant RBI guidelines. The Bank also maintains general provision on positive Mark-to-Market (MTM) on derivative transactions at the rates prescribed under the extant RBI guidelines.

The Bank also maintains additional provision on standard accounts in a particular borrower group where one or more entity in the group is classified as NPA, subject to the aggregate outstanding of such entities being above a certain threshold limit. Such provision is in addition to and at rates higher than the provision for standard assets as prescribed by RBI.

The Bank also maintains provision on non-funded outstanding in relation to NPAs, prudentially written off accounts, corporate standard advances internally rated 'BB and Below' or 'Unrated' and all SMA-2 advances as reported to CRILC.

Under its home loan portfolio, the Bank offers housing loans with certain features involving waiver of EMIs for a specific period subject to fulfilment of certain conditions by the borrower. The Bank makes provision against the probable loss that could be incurred in future on account of these waivers to eligible borrowers, based on actuarial valuation conducted by an independent actuary.

As approved by the Board of Directors, the Bank holds prudent provision under other contingencies of ₹5,012 crores towards potential expected losses on certain standard advances and / or exposures.

5.4 Country risk

In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposure (other than for home country) as per the RBI guidelines. Such provisions are held only in respect of those countries where the net funded exposure of the Bank exceeds 1% of its total assets. For this purpose, the countries are categorized into seven risk categories namely insignificant, low, moderate, high, very high, restricted and off-credit as per internal parameters in accordance with RBI guidelines. Provision is made on exposures exceeding 180 days on a graded scale ranging from 0.25% to 100%. For exposures with contractual maturity of less than 180 days, 25% of the normal provision requirement is held. If the net funded exposure of the Bank in respect of each country does not exceed 1% of the total assets, no provision is maintained on such country exposure in accordance with RBI guidelines. Indirect exposure is reckoned at 50% of the exposure. This provision is classified under Schedule 5 – Other Liabilities and Provisions in the Balance Sheet.

5.5 Securitisation and transfer of assets

Securitisation of Standard Assets

The Bank enters into purchase/sale of corporate and retail loans through direct assignment/Special Purpose Vehicle ('SPV'). In most cases, post securitisation, the Bank continues to service the loans transferred to the assignee/SPV. The Bank also provides credit enhancement in the form of cash collaterals and/or by subordination of cash flows to Senior Pass Through Certificate holders. In respect of credit enhancements provided or recourse obligations (projected delinquencies, future servicing etc.) accepted by the Bank, appropriate provision/disclosure is made at the time of sale in accordance with AS-29, Provisions, Contingent Liabilities and Contingent Assets as notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021. In accordance with RBI guidelines on Securitisation of Standard Assets, any loss, profit or premium realised at the time of the sale is accounted for in the Profit & Loss Account for the accounting period during which the sale is completed. However, in case of unrealised gains arising out of sale of underlying assets to the SPV, the profit is recognised in Profit and Loss Account only when such unrealised gains associated with such income is redeemed in cash.

Transfer of Loan Exposures

In accordance with RBI guidelines on Transfer of Loan exposures, any profit or loss arising post transfer of loans, which is realised, is accounted for and reflected in the Profit & Loss Account for the accounting period during which the transfer is completed. Loans acquired are carried at acquisition cost unless it is more than the outstanding principal at the time of the transfer, in which case the premium paid is amortised based on a straight line method.

5.6 Priority Sector Lending Certificates

The Bank enters into transactions for the sale or purchase of Priority Sector Lending Certificates ('PSLCs'). In the case of a sale transaction, the Bank sells the fulfilment of priority sector obligation and in the case of a purchase transaction the Bank buys the fulfilment of priority sector obligation through the RBI trading platform. There is no transfer of loan assets in PSLC transactions.

5.7 Translation of Foreign Currency items

In respect of domestic operations, transactions denominated in foreign currencies are accounted for at the rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated at the closing rates of exchange as notified by the Foreign Exchange Dealers Association of India ('FEDAI'). All profits/losses resulting from year end revaluations are recognised in the Profit and Loss Account.

Financial statements of foreign branches classified as non-integral foreign operations as per the RBI guidelines, are translated as follows:

- Assets and liabilities (both monetary and non-monetary as well as contingent liabilities) are translated at closing exchange rates notified by FEDAI at the Balance Sheet date.
- Income and expenses are translated at the rates prevailing on the date of the transactions.
- All resulting exchange differences are accumulated in a separate 'Foreign Currency Translation Reserve' (FCTR) till the disposal of the net investments. Any realised gains or losses on such disposal are recognised in the Profit and Loss Account except for those that relate to repatriation of accumulated profits which are reclassified from FCTR to 'Balance in Profit and Loss Account' under Schedule 2 – Reserves and Surplus in the Balance Sheet.

Contingent liabilities on account of forward exchange and derivative contracts, guarantees, acceptances, endorsements and other obligations denominated in foreign currencies are disclosed at closing rates of exchange notified by FEDAI.

5.8 Foreign exchange and derivative contracts

Derivative transactions comprise of forward contracts, swaps, FRAs, futures and options which are disclosed as contingent liabilities. The forwards, swaps and options are categorised as trading or hedge transactions.

Trading derivatives

Trading derivative contracts are revalued based on actual traded and/or derived from curves published by external market sources or FBIL with the resulting unrealised gain or loss being recognised in the Profit and Loss Account and correspondingly in other assets (representing positive MTM) and in other liabilities (representing negative MTM) on a gross basis.

Outstanding forward exchange contracts including tom/spot contracts (excluding swaps undertaken to hedge foreign currency assets/liabilities and funding swaps) as at Balance Sheet date are revalued at closing spot and forward rates as applicable as notified by FEDAI/FBIL and at interpolated rates for contracts of interim maturities. Valuation is considered on present value basis by discounting the forward value till cash date using Alternative Reference Rate ('ARR') curve and converting the foreign currency amount using the respective spot rates as notified by FEDAI/FBIL. The resulting gains or losses on revaluation are included in the Profit and Loss Account.

Currency futures contracts are mark-to-market, using the daily settlement price on a trading day, which is the closing price of the respective futures contracts on that day. While the daily settlement price is computed based on the last half an hour weighted average price of such contracts, the final settlement price is taken as the RBI reference rate on the last trading day of the futures contracts or as may be specified by the relevant authority from time to time. All open positions are marked-to-market based on the settlement price and the resultant MTM profit/loss is daily settled with the exchange.

Valuation of Exchange Traded Currency Options ('ETCO') is carried out using internal pricing models and valuation of Interest Rate Futures ('IRF') is carried out on the basis of the daily settlement price of each contract provided by the exchange.

Premium on options is recognized as income/expense on expiry or early termination of the transaction.

Hedging derivatives including funding swaps

Foreign exchange forward contracts not intended for trading (including funding swaps), that are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction, and are outstanding at the Balance Sheet date, are effectively valued at the closing spot rate. The premium or discount arising at the inception of such forward exchange contract is amortised on a straight line basis as expense or income over the life of the contract.

For hedge transactions through other derivatives, the Bank identifies the hedged item (asset or liability) at the inception of transaction itself. The effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. In case of a fair value hedge, the changes in the fair value of the hedging instruments and hedged items are recognized in the Profit and Loss Account and in case of cash flow hedges, the change in fair value of hedging instrument for the effective portion is recognised in Schedule 2- 'Reserves and Surplus' under 'Cash Flow Hedge Reserve' and the ineffective portion of an effective hedging relationship, if any, is recognised in the Profit and Loss Account. The accumulated balance in the Cash Flow Hedge Reserve, in an effective hedging relationship, is recycled in the Profit and Loss Account at the same time that the impact from the hedged item is recognised in the Profit and Loss Account.

Provisioning

Pursuant to the RBI guidelines, any receivables under derivative contracts comprising of crystallised receivables as well as positive MTM in respect of future receivables which remain overdue for more than 90 days are reversed through the Profit and Loss account and are held in a separate suspense account under Schedule 5 – 'Other Liabilities and Provisions'.

5.9 Revenue recognition

Interest income is recognised on an accrual basis in accordance with AS–9, Revenue Recognition as notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014, the Companies (Accounting Standards) Rules, 2021 and the RBI guidelines, except in the case of interest income on non-performing assets where it is recognised on receipt basis as per the income recognition and asset classification norms of RBI. Any discount or premium on the investments in debt-securities is amortised as interest income over the remaining life of the instrument. Interest income on investments in PTCs is recognized on a constant yield basis.

Commission on Guarantees and Letters of Credit ('LC') is recognized on a pro-rata basis over the period of the Guarantee/ LC. Locker rent is recognized on a straight-line basis over the period of contract. Annual fee for credit cards and debit cards is recognised on a straight-line basis over the period of service. Arrangership/syndication fee is accounted for on completion of the agreed service and when the right to receive is established.

Loan processing fee is accounted for upfront when due, where the Bank is reasonably certain of ultimate collection. Penal charges on loans are recognized as income on actual realization.

Other fees and commission income are recognised when due, where the Bank is reasonably certain of ultimate collection. Payouts made to network partners and entities with co-branded arrangements, in the nature of sharing of fees or based on driver of volume/spends are netted off from the respective fee and commission income.

Dividend income is accounted on an accrual basis when the right to receive the dividend is established.

Gain/loss on sell down of loans and advances through direct assignment is recognised at the time of sale.

Fees paid for purchase of PSLCs are amortised on straight-line basis over the tenor of the certificate as 'Other Expenditure' under Schedule 16 of the Profit and Loss Account. Fees received on sale of PSLCs are amortised on straight-line basis over the tenor of the certificate as 'Miscellaneous Income' under Schedule 14 of the Profit and Loss Account.

In accordance with RBI guidelines on sale of non-performing advances, if the sale is at a price below the net book value (i.e. book value less provisions held), the shortfall is charged to the Profit and Loss Account. If the sale is for a value higher than the net book value, the excess provision is credited to the Profit and Loss Account in the year the amounts are received.

The Bank deals in bullion on a consignment basis. The difference between the amount recovered from customers and cost of bullion is accounted for at the time of sale to the customers. The Bank also deals in bullion on a borrowing and lending basis and the interest paid/received is accounted for on an accrual basis.

5.10 Fixed assets and depreciation

Fixed assets are carried at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes initial handling and delivery charges, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future economic benefit / functioning capability from / of such assets.

Capital work-in-progress includes cost of fixed assets that are not ready for their intended use and also includes advances paid to acquire fixed assets.

Depreciation is provided over the estimated useful life of a fixed asset on straight-line method from the date of addition. The Management believes that depreciation rates currently used, fairly reflect its estimate of the useful lives and residual values of fixed assets based on the historical experience of the Bank, though these rates in certain cases are different from those prescribed under Schedule II of the Companies Act, 2013. Whenever there is a revision of the estimated useful life of an asset, the unamortised depreciable amount is charged over the revised remaining useful life of the said asset.

Asset	Estimated useful life	As per Companies Act, 2013
Leased Land	As per the term of the agreement	-
Owned premises	60 years	60 years
Furniture and Fittings including interior	9 years to 10 years	10 years
Office/Electrical equipment and installations	5 years to 10 years	5 years to 10 years
Application software	5 years	-
Vehicles	4 years	8 years
Computer hardware including printers	3 years	3 years
CCTV and video conferencing equipment	3 years	5 years

Assets costing less than ₹5,000 individually are fully depreciated in the year of purchase.

Depreciation on assets sold during the year is recognised on a pro-rata basis in the Profit and Loss Accounts till the date of sale.

Gains or losses arising from the retirement or disposal of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of assets and are recognised as income or expense in the Profit and Loss Account. Further, profit on sale of premises is appropriated to the Capital Reserve Account (net of taxes and transfer to Statutory Reserve) in accordance with RBI instructions.

5.11 Impairment of Fixed Assets

The carrying amounts of fixed assets are reviewed at each Balance Sheet date to ascertain if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

5.12 Non-banking assets

Non-banking assets ('NBAs') acquired in satisfaction of claims include land. In the case of land, the Bank creates provision and follows the accounting treatment as per specific RBI directions.

5.13 Lease Transactions

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Lease payments for assets taken on operating lease are recognised as an expense in the

Profit and Loss Account on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease income from assets given on operating lease is recognized as income in the Profit and Loss Account on a straight line basis over the lease term.

5.14 Employee benefits

Short-term employee benefits

Short-term employee benefits comprise salaries and other compensations payable for services which the employee has rendered during the period. These are recognized at the undiscounted amount in the Profit and Loss Account.

Defined benefit plans

The Bank has defined benefit plans in the form of provident fund, gratuity and resettlement allowance. Provident and Gratuity are in the nature of funded defined benefit plans and resettlement allowance is in the nature of unfunded defined benefit plan.

- **Provident Fund**

  Retirement benefit in the form of provident fund is a defined benefit plan wherein the contributions are charged to the Profit and Loss Account of the year when such contributions are due and when services are rendered by the employees. Further, an actuarial valuation is conducted by an independent actuary using the Projected Unit Credit Method as at 31 March each year to determine the deficiency, if any, in the interest payable on the contributions as compared to the interest liability as per the statutory rate declared by the Central Government and the shortfall, if any, due to fluctuations in price or impairment, in the aggregate asset values of the Trust as compared to the market value. Actuarial gains/losses are immediately recognised in the Profit and Loss Account and are not deferred.

  The overseas branches of the Bank and its eligible employees contribute a certain percentage of their salary towards respective government schemes as per local regulatory guidelines.

- **Gratuity**

  The Bank contributes towards gratuity fund (defined benefit retirement plan) administered by various insurers for eligible employees. Under this scheme, the settlement obligation remains with the Bank, although the insurers administer the scheme and determine the contribution premium required to be paid by the Bank. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Bank. The liability with regard to the gratuity fund is recognised based on actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at each reporting date based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition. Actuarial gains/losses are immediately recognized in the Profit and Loss Account and are not deferred.

  The Code on Social Security 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Code has been published in the Gazette of India. Pending notification of the Code and issuance of the final rules/interpretation, the Bank has adopted a prudent policy for recognition of provision in respect of the gratuity liability under the Code over and above the provisions made in the normal course based on the extant rules. Such provision is determined as at each reporting date, based on actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method.

  In respect of employees at overseas branches (other than expatriates), the liability with regard to gratuity is provided on the basis of a prescribed method as per local laws, wherever applicable.

- **Resettlement Allowance**

  The Bank provides for resettlement allowance liability in the form of six months' pay at the time of separation, for certain eligible employees who moved to the Bank as part of the Citibank India Consumer Business acquisition. Provision for this liability is based on an actuarial valuation conducted by an independent actuary using the

Projected Unit Credit Method as at 31 March each year based on certain assumptions regarding discount rate and salary escalation rate.

Defined Contribution plans

- **Superannuation**

  Employees of the Bank (other than those who moved to the Bank as part of the Citibank India Consumer Business acquisition) are entitled to receive retirement benefits under the Bank's superannuation scheme either under a cash-out option through salary or under a defined contribution plan. Through this defined contribution plan, the Bank contributes annually a sum equal to 10% of the employee's eligible annual basic salary to the Life Insurance Corporation of India (LIC), which undertakes to pay the lump sum and annuity benefit payments pursuant to the scheme. Such contributions are recognised in the Profit and Loss Account in the period in which they accrue.

  Eligible employees who moved to the Bank as part of the Citibank India Consumer Business acquisition are entitled to receive a lumpsum corpus amount under a separate superannuation scheme with vesting criteria of 10 years as a defined contribution plan. Through this plan, the Bank makes a defined contribution annually of a sum equal to 15% of such employee's eligible annual basic salary to a Superannuation Trust, which undertakes to pay the lump sum payments pursuant to the scheme after the vesting period. Such contributions are recognised in the Profit and Loss Account in the period in which they accrue.

- **National Pension Scheme ('NPS')**

  In respect of employees who opt for contribution to the NPS, the Bank contributes a certain percentage of the total basic salary of such employees to the aforesaid scheme, a defined contribution plan, which is managed and administered by pension fund management companies. Such contributions are recognised in the Profit and Loss Account in the period in which they accrue.

5.15 Reward points

The Bank runs a loyalty program which seeks to recognize and reward customers based on their relationship with the Bank. Under the program, eligible customers are granted loyalty points redeemable in future, subject to certain conditions. In addition, the Bank continues to grant reward points in respect of certain credit cards (not covered under the loyalty program). The Bank estimates the provision for such loyalty/reward points using an actuarial method at the Balance Sheet date through an independent actuary, basis assumptions such as redemption rate, lapse rate, discount rate, value of reward points etc. Provision for the said reward points is then made based on the actuarial valuation report as furnished by the said independent actuary.

5.16 Taxation

Income tax expense is the aggregate amount of current tax and deferred tax charge. Current year taxes are determined in accordance with the relevant provisions of the Income Tax Act, 1961 and considering the material principles set out in the Income Computation and Disclosure Standards to the extent applicable. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off assets against liabilities representing current tax and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The impact of changes in the deferred tax assets and liabilities is recognised in the Profit and Loss Account.

Deferred tax assets are recognised and reassessed at each reporting date, based upon the Management's judgement as to whether realisation is considered as reasonably certain. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax asset can be realised against future profits.

5.17 Share issue expenses

Share issue expenses are adjusted from the Share Premium Account in terms of Section 52 of the Companies Act, 2013.

5.18 Corporate Social Responsibility

Expenditure towards Corporate Social Responsibility is recognised in the Profit and Loss Account in accordance with the provisions of the Companies Act, 2013.

5.19 Earnings per share

The Bank reports basic and diluted earnings per share in accordance with AS-20, Earnings per Share, as notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end except where the results are anti-dilutive.

5.20 Employee stock option/unit scheme

The Employee Stock Option Scheme ('the Scheme') provides for grant of stock options on equity shares of the Bank to employees and Directors, of the Bank and its subsidiaries. Under the Scheme, options are granted at an exercise price, which is equal to the fair market price of the underlying equity shares at the date of the grant. The fair market price is the latest available closing price, prior to the date of grant, on the stock exchange on which the shares of the Bank are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered.

Further, the Employees Stock Unit Scheme ('the ESU Scheme') provides for grant of stock units convertible into equivalent number of fully paid-up equity share(s) of the Bank to eligible employees. The stock units are granted at an exercise price as determined by the Bank and specified at the time of grant which shall not be less than the face value of the equity shares of the Bank.

As per RBI guidelines, for options/units granted after 31 March, 2021, the Bank follows the fair value method and recognizes the fair value of such options/units computed using the Black-Scholes model without reducing estimated forfeitures, as compensation expense over the vesting period. On exercise of the stock options/units, the corresponding balance under Employee Stock Options/Units Outstanding account is transferred to the Share Premium account. In respect of the options/units which expire unexercised, the balance standing to the credit of Employee Stock Options/Units Outstanding account is transferred to the General Reserve. In respect of Employee Stock Options/Units which are granted to the employees of the subsidiaries, the Bank recovers the cost from the subsidiaries over the vesting period.

5.21 Provisions, contingent liabilities and contingent assets

In accordance with AS-29 "Provisions, Contingent Liabilities and Contingent Assets", provision is recognised when the Bank has a present obligation as a result of past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is:

- a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank; or
- a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

5.22 Accounting for dividend

As per AS-4 'Contingencies and Events occurring after the Balance Sheet date' as notified by the Ministry of Corporate Affairs through the Companies (Accounting Standards) Rules, 2021, the Bank does not account for proposed dividend as a liability through appropriation from the Profit and Loss Account. The same is recognised in the year of actual payout post approval of the shareholders. However, the Bank considers proposed dividend in determining capital funds in computing the capital adequacy ratio as on the reporting date.

5.23 Cash and cash equivalents

Cash and cash equivalents include cash in hand, rupee digital currency, balances with RBI, balances with other banks and money at call and short notice.

5.24 Segment Reporting

The disclosure relating to segment information is made in accordance with AS-17: 'Segment Reporting' and relevant guidelines issued by the RBI.

18. Notes forming part of the financial statements

For the year ended 31 March, 2025

1 Statutory disclosures as per RBI

1.1 Regulatory Capital

a) Composition of Regulatory Capital

The Bank's capital to risk-weighted assets ratio ('Capital Adequacy Ratio') is calculated in accordance with the RBI guidelines on Basel III capital regulations ('Basel III'). The minimum capital ratio requirement under Basel III is as follows:

Minimum ratio of Capital to Risk-Weighted Assets (RWAs)	% of RWA
Common Equity Tier 1 (CET 1)	8.00
Tier 1 capital	9.50
Total capital	11.50

The capital adequacy ratio of the Bank, calculated as per the RBI guidelines (under Basel III) is set out below:

	31 March, 2025	31 March, 2024
Capital		
Common Equity Tier I (CET I)	169,352.18	142,841.03
Additional Tier I capital	4,591.23	4,792.38
Tier I capital	173,943.41	147,633.41
Tier II capital	23,113.44	25,230.77
Total capital (Tier I + Tier II)	**197,056.85**	**172,864.18**
Total Risk Weighted Assets (RWAs)	**11,54,074.65**	**10,39,312.61**
Capital ratios		
CET I	14.67%	13.74%
Tier I	15.07%	14.20%
Tier II	2.00%	2.43%
Capital to Risk Weighted Assets Ratio (CRAR)	**17.07%**	**16.63%**
Leverage Ratio	9.18%	8.52%
Percentage of the Shareholding of Government of India	Nil	Nil
Amount of paid-up equity capital raised during the year [1]	2.16	1.94
Amount of Non- equity Tier I capital raised during the year	-	-
Amount of Tier II capital raised during the year	-	-

1. During the year ended 31 March, 2025, the Bank raised ₹685.87 crores (consisting of share capital of ₹2.16 crores and share premium of ₹683.71 crores) pursuant to the exercise of options/units under its employee stock option/units scheme (Previous year ₹557.21 crores, consisting of share capital of ₹1.94 crores and share premium of ₹555.27 crores).

During the year ended 31 March, 2025, the Bank has not raised any non-equity Basel III compliant Tier-I/Tier-II capital.

During the year ended 31 March, 2025, the Bank redeemed non-equity Basel III compliant Tier-II capital, the details of which are set out below:

Instrument	Capital	Date of maturity	Period	Coupon	Amount
Subordinated debt	Tier-II	12 February, 2025	120 months	8.45%	₹850.00 crores

During the year ended 31 March, 2024, the Bank has not raised or redeemed any non-equity Basel III compliant Tier-I/ Tier-II capital.

b) Capital and Reserves and Surplus

i) Share Capital

During the years ended 31 March, 2025 and 31 March, 2024, the Bank has not raised equity capital other than through allotment of equity shares to eligible employees upon exercise of options/units under its Employees Stock Option/Unit Scheme. During the year ended 31 March, 2025, pursuant to the exercise of options/units, the Bank has raised ₹685.87 crores, consisting of share capital of ₹2.16 crores and share premium of ₹683.71 crores (Previous year ₹557.21 crores, consisting of share capital of ₹1.94 crores and share premium of ₹555.27 crores).

ii) Draw down from Reserves

During the years ended 31 March, 2025 and 31 March, 2024 the Bank has not undertaken any drawdown from reserves.

iii) Capital Reserve

During the year ended 31 March, 2025, the Bank appropriated ₹214.35 crores (previous year ₹139.55 crores) to the Capital Reserve, net of taxes and transfer to Statutory Reserve, being the gain on sale of HTM investments in accordance with RBI guidelines.

iv) Special Reserve

During the year ended 31 March, 2025, the Bank appropriated ₹1,024.73 crores (previous year ₹968.13 crores) to the Special Reserve created and maintained in terms of Section 36 (1) (viii) of the Income-tax Act, 1961.

v) Investment Reserve

Effective 1st April, 2024 the Bank has adopted the revised framework as detailed in RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on 12 September, 2023 ('RBI Investment Direction 2023'). Accordingly, as prescribed under the transition provisions of the RBI Investment Direction 2023, the Bank has transferred the balance in the Investment Reserve Account as at 31 March, 2024 of ₹242.29 crores to the General Reserve.

During the previous year ended 31 March, 2024, the Bank had appropriated ₹242.29 crores to the Investment Reserve in accordance with the RBI guidelines.

vi) General Reserve

During the year ended 31 March, 2025, the Bank transferred ₹7.98 crores (previous year ₹2.20 crores) to the General Reserve from the Employee Stock Options/Units Outstanding Account, in respect of vested employee stock options/units that have lapsed during the year. Further, the Bank has also transferred to the General Reserve an amount of ₹242.29 crores from the Investment Reserve and an amount of ₹1,217.86 crores (net of tax) on account of reversal of balance in provision for depreciation on investments as at 31 March, 2024 and adjustment for the difference between the carrying value of its investment portfolio as per the revised framework and the previous carrying value as at 31 March, 2024, as per the transition provisions of RBI Investment Direction 2023.

vii) Investment Fluctuation Reserve

During the year ended 31 March, 2025, the Bank appropriated ₹248.00 crores (previous year ₹879.00 crores) to the Investment Fluctuation Reserve in accordance with RBI guidelines.

viii) Available for Sale (AFS) Reserve

The valuation gains and losses at the year ended 31 March, 2025, across all performing investments held under AFS category investments are aggregated and the net appreciation amounting to ₹110.39 crores (net of tax) has been directly recognised in the AFS Reserve.

ix) Cash Flow Hedge Reserve

During the year ended 31 March, 2025, the Bank recognised a loss of ₹1.64 crores (previous year Nil) in the Cash Flow Hedge Reserve on derivative contracts designated as cash flow hedge.

1.2 Asset Liability management

a) Maturity pattern of certain items of assets and liabilities[1]

As at 31 March, 2025 (₹ in crores)

	Deposits[2]	Advances[2,3]	Investments[2,5]	Borrowings[2]	Foreign Currency Assets[4]	Foreign Currency Liabilities[4]
1 day	19,725.27	9,009.03	1,50,290.01	-	18,244.42	828.23
2 days to 7 days	48,390.24	25,386.67	30,356.65	292.11	6,405.06	2,006.05
8 days to 14 days	20,856.54	13,050.99	11,706.88	446.51	1,161.41	2,000.94
15 days to 30 days	43,916.84	22,683.85	13,959.21	3,330.65	5,485.67	4,107.89
31 days and upto 2 months	51,965.92	60,368.17	12,861.37	5,628.96	11,184.97	6,880.45
Over 2 months and upto 3 months	54,111.68	31,257.99	11,387.57	10,203.98	6,908.00	9,663.60
Over 3 months and upto 6 months	97,622.04	40,740.37	14,964.04	31,003.11	10,743.45	22,387.51
Over 6 months and upto 1 year	1,60,994.43	76,796.43	23,495.77	33,639.38	4,796.35	16,484.63
Over 1 year and upto 3 years	76,932.86	2,17,950.51	23,825.03	67,288.90	4,513.33	18,279.92
Over 3 years and upto 5 years	5,901.19	1,21,820.19	3,977.25	7,567.74	3,722.42	4,085.90
Over 5 years	5,92,535.01	4,21,747.12	98,932.49	24,745.18	25,525.34	11,435.14
Total	**11,72,952.02**	**10,40,811.32**	**3,95,756.27**	**1,84,146.52**	**98,690.42**	**98,160.26**

As at 31 March, 2024 (₹ in crores)

	Deposits[2]	Advances[2,3]	Investments[2,5]	Borrowings[2]	Foreign Currency Assets[4]	Foreign Currency Liabilities[4]
1 day	20,523.02	9,394.96	111,706.75	-	13,512.02	565.97
2 days to 7 days	41,749.42	16,884.89	25,962.79	66.69	7,254.66	1,272.63
8 days to 14 days	19,843.30	15,640.85	8,165.44	716.26	3,135.31	925.25
15 days to 30 days	34,001.38	29,615.90	7,911.23	3,100.29	8,408.57	4,048.04
31 days and upto 2 months	48,295.64	42,527.96	10,105.92	7,239.27	5,660.88	8,118.47
Over 2 months and upto 3 months	47,234.34	17,823.76	6,861.73	6,117.10	4,895.40	7,226.87
Over 3 months and upto 6 months	84,434.44	33,642.06	12,412.06	27,909.32	5,814.20	12,988.67
Over 6 months and upto 1 year	152,613.69	67,809.25	22,069.38	44,153.60	4,077.35	21,150.80
Over 1 year and upto 3 years	42,875.57	200,276.23	24,444.06	76,303.05	7,887.29	18,535.92
Over 3 years and upto 5 years	5,564.14	108,893.22	7,875.92	11,114.15	3,891.01	2,652.34
Over 5 years	571,506.45	422,559.30	93,826.94	20,092.02	23,184.22	9,661.80
Total	**10,68,641.39**	**965,068.38**	**331,342.22**	**196,811.75**	**87,720.91**	**87,146.75**

1. Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI, which has been relied upon by the auditors.
2. Includes foreign currency balances.
3. For the purpose of disclosing the maturity pattern, advances that have been subject to risk participation vide Inter-Bank Participation Certificates ('IBPCs') and Funded Risk Participation ('FRPs') have been classified in the maturity bucket corresponding to the contractual maturities of IBPC/FRP instruments.
4. Maturity profile of foreign currency assets and liabilities excludes off balance sheet items.
5. Listed equity investments (except strategic investments) have been considered at 50% haircut as per RBI directions.

b) Disclosure on Liquidity Coverage Ratio

Qualitative disclosure

The Bank has adopted the Basel III framework on liquidity standards as prescribed by RBI and has put in place requisite systems and processes to enable periodical computation and reporting of the Liquidity Coverage Ratio (LCR). The mandated regulatory threshold is embedded into the Risk Appetite Statement of the Bank thus subjecting LCR maintenance to Board oversight and periodical review. The Bank computes the LCR and reports the same to the Asset Liability Management Committee (ALCO) every month for review as well as to the Risk Management Committee of the Board.

The Bank computes LCR on a daily basis and in accordance with RBI guidelines the quarterly disclosures of LCR contain data on the simple average calculated on daily observations over the quarter.

The Bank follows the criteria laid down by RBI for calculation of High Quality Liquid Assets (HQLA), gross outflows and inflows within the next 30-day period. HQLA predominantly comprises Government securities viz. Treasury Bills, Central and State Government securities. A relatively smaller part of HQLA is accounted for by the corporate bonds with mandated haircuts applied thereto.

The Bank monitors the concentration of funding sources from significant counterparties, significant instruments/ products as part of the asset liability management framework. The Bank adheres to the regulatory and internal limits on Inter-bank liability and call money borrowings which form part of the ALM policy. The Bank's funding sources are fairly dispersed across sources and maturities.

Expected derivative cash outflows and inflows are calculated for outstanding contracts in accordance with laid down valuation methodologies. Cash flows, if any, from collaterals posted against derivatives are not considered.

Apart from the LCR position in all currencies put together, the Bank monitors the LCR in US Dollar currency which qualifies as a significant currency as per RBI guidelines.

The liquidity management of the Bank is undertaken by the Asset Liability Management group in the Treasury department in accordance with the Board approved policies and ALCO approved funding plans. The Risk department measures and monitors the liquidity profile of the Bank with reference to the Board approved limits, for both domestic as well as overseas operations, on a static as well as on a dynamic basis by using the gap analysis technique supplemented by monitoring of key liquidity ratios and periodical liquidity stress testing. Periodical reports are placed before the Bank's ALCO for perusal and review. As per RBI guidelines, the Bank is required to maintain a minimum of 100% of Liquidity Coverage Ratio, which was applicable for all the quarters for the financial years ending on 31 March, 2025 and 31 March, 2024.

All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation template.

Quantitative disclosure

(₹ in crores)

		Quarter ended 31 March, 2025		Quarter ended 31 December, 2024		Quarter ended 30 September, 2024		Quarter ended 30 June, 2024	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLAs)		299,977.69		294,959.58		282,668.50		268,095.26
Cash Outflows									
2	Retail Deposits and deposits from small business customers, of which:	610,744.17	56,940.49	606,354.20	53,737.15	596,714.54	52,748.26	587,857.21	51,956.74
	(i) Stable Deposits	82,678.53	4,133.93	137,965.45	6,898.27	138,463.84	6,923.19	136,579.64	6,828.98
	(ii) Less Stable Deposits	528,065.64	52,806.56	468,388.75	46,838.87	458,250.70	45,825.07	451,277.56	45,127.76
3	Unsecured wholesale funding, of which :	305,685.55	1,79,597.15	295,120.79	173,029.00	291,319.65	173,208.78	290,454.26	158,852.28
	(i) Operational deposits (all counterparties)	-	-	-	-	-	-	21,290.02	5,317.34
	(ii) Non-operational deposits (all counterparties)	305,685.55	1,79,597.15	295,120.79	173,029.00	291,319.65	173,208.78	269,164.24	153,534.94
	(iii) Unsecured debt	-	-	-	-	-	-	-	-
4	Secured wholesale funding		115.36		0.53		8.70		0.16
5	Additional requirements, of which	69,054.62	55,942.12	64,569.90	51,748.96	65,556.63	53,341.67	60,386.61	47,581.30
	(i) Outflows related to derivative exposures and other collateral requirements	51,694.26	51,694.26	47,934.96	47,934.96	49,652.28	49,652.28	44,102.31	44,102.31
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	17,360.36	4,247.86	16,634.94	3,814.00	15,904.36	3,689.39	16,284.30	3,478.99
6	Other contractual funding obligations	32,563.04	32,563.04	33,882.50	33,882.50	30,155.32	30,155.32	21,747.07	21,747.07
7	Other contingent funding obligations	606,855.74	25,854.97	583,076.18	24,912.00	579,719.15	24,955.40	575,087.14	24,771.04
8	**Total Cash Outflows**		**351,013.14**		**337,310.13**		**334,418.13**		**304,908.59**
Cash Inflows									
9	Secured lending (eg. reverse repo)	922.50	-	851.25	-	10,711.10	2.75	1,475.84	9.61
10	Inflows from fully performing exposures	76,519.90	50,176.02	70,375.55	46,142.74	65,847.29	44,446.28	61,175.32	42,782.03
11	Other cash inflows	49,495.45	49,495.45	45,919.08	45,919.08	46,681.80	46,681.80	41,220.83	41,220.83
12	**Total Cash Inflows**	**126,937.86**	**99,671.48**	**117,145.88**	**92,061.82**	**123,240.18**	**91,130.82**	**103,871.99**	**84,012.48**
		Total adjusted Value		**Total adjusted Value**		**Total adjusted Value**		**Total adjusted Value**	
13	**Total HQLA**		**2,99,977.69**		**294,959.58**		**282,668.50**		**268,095.26**
14	**Total Net Cash Outflows**		**2,51,341.66**		**245,248.32**		**243,287.31**		**220,896.11**
15	**Liquidity Coverage Ratio %**		**119.35%**		**120.27%**		**116.19%**		**121.37%**

Notes:

1) Average for all the quarters is simple average of daily observations for the quarter

2) Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI, which has been relied upon by the auditors

(₹ in crores)

		Quarter ended 31 March, 2024		Quarter ended 31 December, 2023		Quarter ended 30 September, 2023		Quarter ended 30 June, 2023	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLAs)		257,647.25		245,836.91		235,198.34		240,413.24
Cash Outflows									
2	Retail Deposits and deposits from small business customers, of which:	571,214.14	50,722.98	559,872.28	49,816.42	543,488.15	48,356.65	526,601.89	46,836.33
	(i) Stable Deposits	127,968.66	6,398.43	123,416.11	6,170.81	119,843.26	5,992.16	116,477.17	5,823.86
	(ii) Less Stable Deposits	443,245.48	44,324.55	436,456.18	43,645.62	423,644.89	42,364.49	410,124.72	41,012.47
3	Unsecured wholesale funding, of which :	275,937.28	152,249.29	251,237.97	139,062.99	234,086.49	130,927.24	240,504.95	133,888.82
	(i) Operational deposits (all counterparties)	19,031.73	4,733.33	17,015.14	4,244.66	17,101.37	4,254.22	17,841.65	4,438.56
	(ii) Non-operational deposits (all counterparties)	256,905.55	147,515.96	234,222.83	134,818.32	216,985.12	126,673.02	222,663.30	129,450.27
	(iii) Unsecured debt	-	-	-	-	-	-	-	-
4	Secured wholesale funding		0.16		0.92		6.19		-
5	Additional requirements, of which	76,437.80	64,770.09	82,451.37	57,343.97	71,631.86	47,677.58	62,144.71	44,118.50
	(i) Outflows related to derivative exposures and other collateral requirements	62,335.88	62,335.88	52,911.31	52,911.31	41,192.60	41,192.60	39,251.27	39,251.27
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	14,101.92	2,434.22	29,540.06	4,432.66	30,439.25	6,484.98	22,893.44	4,867.23
6	Other contractual funding obligations	22,021.52	22,021.52	22,977.91	22,977.91	21,302.66	21,302.66	21,141.20	21,141.20
7	Other contingent funding obligations	561,581.08	24,169.90	582,296.48	25,414.33	574,170.17	25,279.25	550,788.51	24,143.81
8	**Total Cash Outflows**		**313,933.95**		**294,616.55**		**273,549.57**		**270,128.66**
Cash Inflows									
9	Secured lending (eg. reverse repo)	1,608.98	4.93	783.35	-	157.68	-	1,397.60	-
10	Inflows from fully performing exposures	59,522.69	41,963.41	55,392.83	38,854.52	52,414.98	36,786.50	54,147.66	39,051.75
11	Other cash inflows	59,337.83	59,337.83	49,632.69	49,632.69	38,274.21	38,274.21	36,264.68	36,264.68
12	**Total Cash Inflows**	**120,469.50**	**101,306.17**	**105,808.87**	**88,487.21**	**90,846.86**	**75,060.71**	**91,809.94**	**75,316.43**
		Total adjusted Value		**Total adjusted Value**		**Total adjusted Value**		**Total adjusted Value**	
13	**Total HQLA**		**257,647.25**		**245,836.91**		**235,198.34**		**240,413.24**
14	**Total Net Cash Outflows**		**212,627.78**		**206,129.33**		**198,488.86**		**194,812.23**
15	**Liquidity Coverage Ratio %**		**121.17%**		**119.26%**		**118.49%**		**123.41%**

Notes:

1) Average for all the quarters is simple average of daily observations for the quarter

2) Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI, which has been relied upon by the auditors

1.3 Investments

Effective 1 April, 2024, the Bank has adopted the revised framework as detailed in RBI Investment Direction 2023. Figures for the previous year are therefore not comparable on account of the above and the disclosures made hereinafter for the previous year ended 31 March, 2024 are based on the erstwhile framework for investments as then applicable.

a) Disclosure of carrying value of investments and fair value

As at 31 March, 2025 (₹ in crores)

Particulars	Held to Maturity (HTM)		Available for Sale (AFS)	Fair Value through Profit & Loss (FVTPL)		Subsidiaries, Associates & JVs	
	At cost	Fair Value		Held for trading (HFT)	Non- Held for Trading (Non-HFT)	At cost	Fair Value
I. Investments in India							
(i) Government securities	258,551.22	262,382.28	13,314.05	20,774.97	-		
(ii) Other approved securities	-	-	-	-	-		
(iii) Shares	-	--	-	1,827.19	770.20		
(iv) Debentures and Bonds	2,460.00	2,503.77	16,883.39	48,794.98	5,082.96		
(v) Subsidiaries, associates and joint ventures						6,492.69	
(vi) Others[1]	-	-	4,246.54	124.35	1,311.71		
Total	**261,011.22**	**264,886.05**	**34,443.98**	**71,521.49**	**7,164.88**	**6,492.69**	
Less: Provisions for impairment / Non-Performing Investments (NPI)	-	-	(261.95)	(27.33)	(0.33)	-	
Net	**261,011.22**	**264,886.05**	**34,182.03**	**71,494.16**	**7,164.55**	**6,492.69**	
II. Investments outside India							
(i) Government securities (including local authorities)	-	-	15,435.26	-	-		
(ii) Subsidiaries and joint ventures						3.02	
(iii) Others[1]	-	-	-	353.79	244.38		
Total	**-**	**-**	**15,435.26**	**353.79**	**244.38**	**3.02**	
Less: Provisions for impairment / Non-Performing Investments (NPI)	-	-	-	-	(239.31)	-	
Net	**-**	**-**	**15,435.26**	**353.79**	**5.07**	**3.02**	
Total investments (I+II)	**261,011.22**	**264,886.05**	**49,617.29**	**71,847.95**	**7,169.62**	**6,495.71**	

1. "Others" under Investments in India include investments in Mutual Funds, Security Receipts, Alternative Investment Funds, Venture Capital Funds, Real Estate Investment Trusts, Infrastructure Investment Trusts, Pass Through Certificates and Private Equity Fund (LLP) and "Others" under Investments outside India include investments in Equity Shares and Bonds.

Composition of Investments

As at 31 March, 2024 (₹ in crores)

	Investments in India							Investments outside India				
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others[1]	Total Investments in India	Government Securities (including local authorities)	Subsidiaries and/or joint ventures	Others[1]	Total Investments outside India	Total Investments
Held to Maturity												
Gross	203,117.90	-	-	8,209.83	2,923.17	-	214,250.90	-	332.30	-	332.30	214,583.20
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	**203,117.90**	**-**	**-**	**8,209.83**	**2,923.17**	**-**	**214,250.90**	**-**	**332.30**	**-**	**332.30**	**214,583.20**
Available for Sale												
Gross	27,065.36	-	1,789.26	35,881.05	-	4,659.29	69,394.96	9,339.05	-	487.70	9,826.75	79,221.71
Less: Provision for non-performing investments (NPI)	-	-	(27.81)	(510.18)	-	-	(537.99)	-	-	(243.96)	(243.96)	(781.95)

As at 31 March, 2024 (₹ in crores)

	Investments in India							Investments outside India				
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others[1]	Total Investments in India	Government Securities (including local authorities)	Subsidiaries and/or joint ventures	Others[1]	Total Investments outside India	Total Investments
Provision for depreciation	-	-	(55.97)	(399.90)	-	(52.27)	(508.14)	-	-	(0.82)	(0.82)	(508.96)
Net	**27,065.36**	**-**	**1,705.48**	**34,970.97**	**-**	**4,607.02**	**68,348.83**	**9,339.05**	**-**	**242.92**	**9,581.97**	**77,930.80**
Held for Trading												
Gross	8,211.30	-	-	30,672.91	-	46.23	38,930.44	82.81	-	-	82.81	39,013.25
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Provision for depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Net	**8,211.30**	**-**	**-**	**30,672.91**	**-**	**46.23**	**38,930.44**	**82.81**	**-**	**-**	**82.81**	**39,013.25**
Total Investments												
Gross	238,394.56	-	1,789.26	74,763.79	2,923.17	4,705.52	322,576.30	9,421.86	332.30	487.70	10,241.86	332,818.16
Less: Provision for non-performing investments (NPI)	-	-	(27.81)	(510.18)	-	-	(537.99)	-	-	(243.96)	(243.96)	(781.95)
Provision for depreciation	-	-	(55.97)	(399.90)	-	(52.27)	(508.14)	-	-	(0.82)	(0.82)	(508.96)
Net	**238,394.56**	**-**	**1,705.48**	**73,853.71**	**2,923.17**	**4,653.25**	**321,530.17**	**9,421.86**	**332.30**	**242.92**	**9,997.08**	**331,527.25**

1. "Others" under Investments in India include investments in Mutual Funds, Security Receipts, Alternative Investment Funds, Venture Capital Funds, Real Estate Investment Trusts, Infrastructure Investment Trusts, Pass Through Certificates and Private Equity Fund (LLP) and "Others" under Investments outside India include investments in Equity Shares and Bonds.

b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(₹ in crores)

	Particulars	31 March, 2025	31 March, 2024
A	**Movement of provisions held towards depreciation on investment**		
	Opening Balance	508.95	959.71
	Add: Provisions made during the year		30.62
	Less: Transfer to General Reserve	(508.95)	
	Less: Write off/ write back of excess provisions during the year		(481.38)
	Closing Balance	**-**	**508.95**
B	**Movement of Investment Fluctuation Reserve (IFR)**		
	Opening Balance	2,661.00	1,782.00
	Add : Amount transferred during the year	248.00	879.00
	Less : Drawdown	-	-
	Closing Balance	**2,909.00**	**2,661.00**
C	**Closing Balance in IFR as a percentage of closing balance of investments in AFS and FVTPL category (net of provision for non-performing investments)**	**2.26%**	**N.A.**
	Closing Balance in IFR as a percentage of closing balance of investments in AFS and HFT category (net of provision for depreciation and provision for non-performing investments)	**N.A.**	**2.28%**

c) Net gains/ (losses) on Level 3 financial instruments recognised in AFS-Reserve and Profit and Loss account

(₹ in crores)

Particulars	31 March, 2025
Recognised in AFS-Reserve	19.41
Recognised in Profit and Loss Account	266.18

d) Sale and transfers to/from HTM category

i. During the years ended 31 March, 2025 and 31 March, 2024, the value of sales/transfers of securities to/from HTM category (excluding one-time transfer of securities, additional shifting of securities explicitly permitted by RBI and sales to RBI under Open Market Operations (OMO)/Government Securities Acquisition Programme (GSAP)/Conversion/Switch auctions) did not exceed 5% of the book value of investments held in HTM category at the beginning of the year.

Details of sales made out of HTM are set out below:

(₹ in crores)

	Particulars	31 March, 2025	31 March, 2024
A	Opening carrying value of securities in HTM	205,756.12	212,049.99
B	Carrying value of all HTM securities sold during the year	18,119.90	11,044.48
C	Less: Carrying values of securities sold under situations exempted from regulatory limit	12,474.97	2,454.28
D	Carrying value of securities sold (D=B-C)	5,644.93	8,590.20
E	Securities sold as a percentage of opening carrying value of securities in HTM (E=D÷A)	2.74%	4.05%
	Amount transferred to Capital Reserve in respect of HTM securities which were sold at a gain	214.35	139.55

e) Non-SLR investment portfolio

i) Movement in non-performing non SLR investments is set out below:

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Opening balance	782.08	1,585.14
Additions during the year[1]	31.69	25.92
Reductions during the year	(284.85)	(828.98)
Closing balance	**528.92**	**782.08**
Total provisions held (including provision in respect of Interest Capitalisation – Restructured NPA accounts)	528.92	782.08

1. includes impact of exchange rate fluctuation

ii) Issuer composition Non-SLR investments*:

As at 31 March, 2025 (₹ in crores)

No.	Issuer	Total Amount	Extent of private placement	Extent of "below investment grade" securities	Extent of "unrated" securities	Extent of "unlisted" securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
i.	Public Sector Units	3,019.90	2,321.09	84.73	-	172.73
ii.	Financial Institutions	35,773.94	29,424.57	69.73	-	1.86
iii.	Banks	16,917.14	14,268.46	-	-	14.79
iv.	Private Corporates	20,454.59	17,886.66	294.02	103.37	4,412.76
v.	Subsidiaries/Joint Ventures/Associate	6,495.71	5,921.75	-	-	6,000.71
vi.	Others	20,873.58	5,440.05	-	-	5,315.65
vii.	Mark-to-market gain/(loss) recognised over book value of the investments	495.61	N.A.	N.A.	N.A.	N.A.
viii	Provision held towards non performing investments	(528.92)	N.A.	N.A.	N.A.	N.A.
	Total	**103,501.55**	**75,262.58**	**448.48**	**103.37**	**15,918.50**

Amounts reported under columns (4), (5), (6) and (7) above are not mutually exclusive.

As at 31 March, 2024 (₹ in crores)

No.	Issuer	Total Amount	Extent of private placement	Extent of "below investment grade" securities	Extent of "unrated" securities	Extent of "unlisted" securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
i.	Public Sector Units	13,927.33	11,499.70	84.70	-	2,050.00
ii.	Financial Institutions	16,550.58	15,038.16	77.00	-	-
iii.	Banks	11,665.29	10,121.96	-	-	-
iv.	Private Corporates	34,897.54	29,322.00	620.53	144.60	4,823.48
v.	Subsidiaries/Joint Ventures	3,255.47	3,255.47	-	-	3,255.47
vi.	Others	14,127.38	4,705.52	-	-	4,593.39
vii.	Provision held towards depreciation on investments	(508.95)	N.A.	N.A.	N.A.	N.A.
viii	Provision held towards non performing investments	(781.95)	N.A.	N.A.	N.A.	N.A.
	Total	**93,132.69**	**73,942.79**	**782.23**	**144.60**	**14,722.33**

Amounts reported under columns (4), (5), (6) and (7) above are not mutually exclusive.

*excludes investments in non-SLR government securities amounting to ₹5,000.00 (previous year ₹5,000.00)

f) Repo Transactions

Details of securities sold/purchased under repos/reverse repos including LAF and MSF transactions (including Triparty repos and repos under Targeted Long Term Repo Operations):

Year ended 31 March, 2025 (₹ in crores)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As at 31 March, 2025
Securities sold under repos (In face value terms)				
i. Government Securities	-	42,425.12	10,096.98	-
ii. Corporate debt Securities	-	1,040.00	173.83	640.00
iii. Any other securities	-	-	-	-
Securities sold under repos (In market value terms)				
i. Government Securities	-	42,583.71	10,131.41	-
ii. Corporate debt Securities	-	1,040.62	172.41	631.69
iii. Any other securities	-	-	-	-
Securities purchased under reverse repos (In face value terms)				
i. Government Securities	-	27,622.73	3,564.37	4,403.71
ii. Corporate debt Securities	-	35.00	0.51	-
iii. Any other securities	-	-	-	-
Securities purchased under reverse repos (In market value terms)				
i. Government Securities	-	27,066.15	3,516.25	4,460.50
ii. Corporate debt Securities	-	34.62	0.50	-
iii. Any other securities	-	-	-	-

There have been no defaults in making the same set of securities available at the time of 2nd leg settlement of the Term Reverse Repo during the year ended 31 March, 2025.

Year ended 31 March, 2024 (₹ in crores)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As at 31 March, 2024
Securities sold under repos (In face value terms)				
i. Government Securities	-	34,189.72	12,581.10	-
ii. Corporate debt Securities	-	310.00	4.39	-
iii. Any other securities	-	-	-	-
Securities sold under repos (In market value terms)				
i. Government Securities	-	33,922.17	12,479.19	-
ii. Corporate debt Securities	-	307.39	4.34	-
iii. Any other securities	-	-	-	-
Securities purchased under reverse repos (In face value terms)				
i. Government Securities	-	16,740.68	989.14	6,111.57
ii. Corporate debt Securities	-	-	-	-
iii. Any other securities	-	-	-	-
Securities purchased under reverse repos (In market value terms)				
i. Government Securities	-	15,968.42	979.39	6,096.22
ii. Corporate debt Securities	-	-	-	-
iii. Any other securities	-	-	-	-

There have been no defaults in making the same set of securities available at the time of 2nd leg settlement of the Term Reverse Repo during the year ended 31 March, 2024.

g) Government Security Lending (GSL) transactions (in market value terms)

Year ended 31 March, 2025 (₹ in crores)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Total volume of transactions during the year	As at 31 March, 2025
Securities lent through GSL transactions	-	-	-	-	-
Securities borrowed through GSL transactions	-	-	-	-	-
Securities placed as collateral under GSL transactions	-	-	-	-	-
Securities received as collateral under GSL Transactions	-	-	-	-	-

Year ended 31 March, 2024 (₹ in crores)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Total volume of transactions during the year	As at 31 March, 2024
Securities lent through GSL transactions	-	-	-	-	-
Securities borrowed through GSL transactions	-	-	-	-	-
Securities placed as collateral under GSL transactions	-	-	-	-	-
Securities received as collateral under GSL Transactions	-	-	-	-	-

h) Securities kept as margin (in face value terms)

(₹ in crores)

Sr. No.	Particulars	31 March, 2025	31 March, 2024
i.	Securities kept as margin with Clearing Corporation of India towards:		
	a) Collateral and funds management - Member Common Collateral	5,700.00	4,000.00
	b) Collateral and funds management - Tri-party Repo	53,150.00	47,350.00
	c) Default fund - Forex Forward segment	219.00	97.00
	d) Default fund - Forex Settlement segment	47.00	37.65
	e) Default fund - Rupee Derivatives (Guaranteed Settlement) segment	44.40	30.55
	f) Default fund - Securities segment	16.10	9.30
	g) Default fund - Tri-party repo segment	5.50	6.60
ii.	Securities kept as margin with the RBI towards:		
	a) Real Time Gross Settlement (RTGS)	45,730.41	49,046.92
	b) Repo constituent	65,003.10	50,494.12
iii.	Securities kept as margin with National Securities Clearing Corporation of India (NSCCIL) towards various segment	125.35	1,202.55
iv.	Securities kept as margin with Indian Clearing Corporation of India (ICCL) towards capital market	5.50	5.50
	Total	**170,046.36**	**152,280.19**

1.4 Asset Quality

a) i) Movement in gross non-performing assets is set out below:

(₹ in crores)

	31 March, 2025		
	Advances	Investments	Total
Gross NPAs as at the beginning of the year	14,345.04	782.08	15,127.12
Intra Category Transfer	(34.31)	34.31	-
Additions (fresh NPAs) during the year[1]	19,476.28	(2.62)	19,473.66
Sub-total (A)	**33,787.01**	**813.77**	**34,600.78**
Less:-			
(i) Upgradations	(4,617.70)	(8.88)	(4,626.58)
(ii) Recoveries (excluding recoveries made from upgraded accounts)[2]	(3,401.73)	(250.09)	(3,651.82)
(iii) Technical/Prudential Write-offs[3]	(6,798.43)	(25.88)	(6,824.31)
(iv) Write-offs other than those under (iii) above	(5,007.96)	-	(5,007.96)
Sub-total (B)	**(19,825.82)**	**(284.85)**	**(20,110.67)**
Gross NPAs as at the end of the year (A-B)	**13,961.19**	**528.92**	**14,490.11**

1. includes impact of exchange rate fluctuation
2. includes recoveries from sale of NPAs
3. represents cases where the non-performing assets remain outstanding at borrowers' loan account level but are written-off (fully or partially) by the Bank only for accounting purposes, without involving any waiver of claims against the borrower, and without prejudice to the recovery of the same

(₹ in crores)

	31 March, 2024		
	Advances	Investments	Total
Gross NPAs as at the beginning of the year	17,019.09	1,585.14	18,604.23
Intra Category Transfer	-	-	-
Additions (fresh NPAs) during the year	14,404.64	25.92	14,430.56
Sub-total (A)	**31,423.73**	**1,611.06**	**33,034.79**
Less:-			
(i) Upgradations	(6,022.19)	(108.78)	(6,130.97)
(ii) Recoveries (excluding recoveries made from upgraded accounts)[1]	(2,710.47)	(201.32)	(2,911.79)
(iii) Technical/Prudential Write-offs[2]	(5,548.66)	(420.24)	(5,968.90)
(iv) Write-offs other than those under (iii) above	(2,797.37)	(98.64)	(2,896.01)
Sub-total (B)	**(17,078.69)**	**(828.98)**	**(17,907.67)**
Gross NPAs as at the end of the year (A-B)	**14,345.04**	**782.08**	**15,127.12**

1. includes recoveries from sale of NPAs

2. represents cases where the non-performing assets remain outstanding at borrowers' loan account level but are written-off (fully or partially) by the Bank only for accounting purposes, without involving any waiver of claims against the borrower, and without prejudice to the recovery of the same

ii) Movement in provisions for non-performing assets is set out below:

(₹ in crores)

	31 March, 2025		
	Advances	Investments	Total
Opening balance at the beginning of the year	11,094.32	782.08	11,876.40
Intra-Category Transfer	(27.33)	27.33	-
Provisions made during the year	12,140.26	(1.73)	12,138.53
Effect of exchange rate fluctuation	15.43	(4.64)	10.79
Transfer from restructuring provision	-	-	-
Provision in respect of Interest Capitalisation – Restructured NPA Accounts	(21.56)	(0.13)	(21.69)
Write-offs/(write back) of excess provision	(12,928.63)	(273.99)	(13,202.62)
Closing balance at the end of the year	**10,272.49**	**528.92**	**10,801.41**

(₹ in crores)

	31 March, 2024		
	Advances	Investments	Total
Opening balance at the beginning of the year	13,579.98	1,465.33	15,045.31
Intra-Category Transfer	-	-	-
Provisions made during the year	6,320.51	50.54	6,371.05
Effect of exchange rate fluctuation	21.62	(10.46)	11.16
Transfer from restructuring provision	-	-	-
Provision in respect of Interest Capitalisation – Restructured NPA Accounts	(118.51)	(14.27)	(132.78)
Write-offs/(write back) of excess provision	(8,709.28)	(709.06)	(9,418.34)
Closing balance at the end of the year	**11,094.32**	**782.08**	**11,876.40**

iii) Movement in net non-performing assets is set out below:

(₹ in crores)

	31 March, 2025		
	Advances	**Investments**	**Total**
Opening balance at the beginning of the year	3,247.47	-	3,247.47
Intra-Category Transfer	(6.98)	6.98	-
Additions during the year	7,336.02	(0.89)	7,335.13
Effect of exchange rate fluctuation	(15.43)	4.64	(10.79)
Reductions during the year	(6,897.19)	(10.86)	(6,908.05)
Floating provisions	-	-	-
Interest Capitalisation – Restructured NPA Accounts	21.56	0.13	21.69
Closing balance at the end of the year	**3,685.45**	**-**	**3,685.45**

(₹ in crores)

	31 March, 2024		
	Advances	**Investments**	**Total**
Opening balance at the beginning of the year	3,439.11	119.81	3,558.92
Intra-Category Transfer	-	-	-
Additions during the year	8,084.13	(24.62)	8,059.51
Effect of exchange rate fluctuation	(21.62)	10.46	(11.16)
Reductions during the year	(8,369.41)	(119.92)	(8,489.33)
Floating Provision	(3.25)	-	(3.25)
Interest Capitalisation – Restructured NPA Accounts	118.51	14.27	132.78
Closing balance at the end of the year	**3,247.47**	**-**	**3,247.47**

iv) Classification of advances and provisions held

For the year 31 March, 2025

(₹ in crores)

	Standard	Non-Performing				
	Total Standard Advances	**Sub-standard**	**Doubtful**	**Loss**	**Total Non-Performing Advances**	**Total**
Gross Standard Advances and NPAs						
Opening Balance	**961,820.91**	**5,212.30**	**3,888.71**	**5,244.03**	**14,345.04**	**976,165.95**
Inter-Category transfer from/(to) Investments					(34.31)	
Add: Additions during the year					19,476.28	
Less: Reductions during the year*					(19,825.82)	
Closing Balance	**10,37,125.87**	**7,685.65**	**3,388.53**	**2,887.01**	**13,961.19**	**10,51,087.06**
*Reductions in Gross NPAs due to:						
i) Upgradation					(4,617.70)	
ii) Recoveries (excluding recoveries from upgraded accounts)[1]					(3,401.73)	
iii) Technical/Prudential Write-offs					(6,798.43)	
iv) Write-offs other than (iii) above[2]					(5,007.96)	
Provisions (excluding Floating Provisions)[3]						
Opening Balance of Provisions held	**4,900.10**	**2,891.08**	**2,959.21**	**5,244.03**	**11,094.32**	**15,994.42**
Inter category transfer from/(to) Investments					(27.33)	
Add: Fresh provisions made during the year					12,140.26	
Add: Provision in respect of Interest Capitalisation – Restructured NPA Accounts					(21.56)	
Effect of exchange rate fluctuation					15.43	
Transfer from restructuring provision					-	
Less: Excess Provision reversed/ Write-off loans					(12,928.63)	
Closing Balance of Provisions held	**4,950.06**	**4,752.34**	**2,633.14**	**2,887.01**	**10,272.49**	**15,222.55**

For the year 31 March, 2025

(₹ in crores)

	Standard	Non-Performing				
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	Total
Net NPAs						
Opening Balance (excluding floating provision)		**2,321.22**	**929.50**	**-**	**3,250.72**	
Less: Floating provision					(3.25)	
Inter category transfer from/(to) Investments					(6.98)	
Add: Fresh Additions during the year					7,336.02	
Interest Capitalisation – Restructured NPA Accounts					21.56	
Effect of exchange rate fluctuation					(15.43)	
Less: Reductions during the year					(6,897.19)	
Closing Balance		**2,933.31**	**755.39**	**-**	**3,685.45**	
Floating Provisions						
Opening Balance						3.25
Add: Additional provisions made during the year						-
Less: Amount of drawn down during the year						-
Closing Balance of Floating provisions						**3.25**
Technical write-offs and recoveries made thereon (includes advances, investments and others)						
Opening balance of Technical/Prudential written-off accounts						**39,683.15**
Add: Technical/ Prudential write-offs during the year						6,824.31
Add: Effect of exchange rate fluctuation						161.10
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						(2,338.50)
Less: Accounts upgraded pursuant to implementation of resolution plan (change in ownership)						-
Less: Sacrifice made from previously technical/ prudential written-off accounts during the year						(1,512.42)
Closing Balance						**42,817.64**

1. includes ₹678.23 crores recovered in the form of Government guaranteed Security Receipts allotted by National Asset Reconstruction Company Limited (NARCL).
2. including sale of NPAs
3. including provision in respect of Interest Capitalization - Restructured Accounts, in respect of NPA accounts amounting to ₹7.47 crores which is not recognized as income as per RBI guidelines

For the year 31 March, 2024

(₹ in crores)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	**841,866.98**	**3,888.81**	**7,223.19**	**5,907.09**	**17,019.09**	**858,886.07**
Inter-Category transfer from/(to) Investments					-	
Add: Additions during the year					14,404.64	
Less: Reductions during the year*					(17,078.69)	
Closing Balance	**961,820.91**	**5,212.30**	**3,888.71**	**5,244.03**	**14,345.04**	**976,165.95**
*Reductions in Gross NPAs due to:						
i) Upgradation					(6,022.19)	

For the year 31 March, 2024 (₹ in crores)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
ii) Recoveries (excluding recoveries from upgraded accounts)					(2,710.47)	
iii) Technical/Prudential Write-offs					(5,548.66)	
iv) Write-offs other than (iii) above[1]					(2,797.37)	
Provisions (excluding Floating Provisions)[2]						
Opening Balance of Provisions held	**7,815.83**	**2,000.81**	**5,672.08**	**5,907.09**	**13,579.98**	**21,395.81**
Inter category transfer from/(to) Investments & Others					-	
Add: Fresh provisions made during the year					6,320.51	
Add: Provision in respect of Interest Capitalisation – Restructured NPA Accounts					(118.51)	
Effect of exchange rate fluctuation					21.62	
Transfer from restructuring provision					-	
Less: Excess Provision reversed/ Write-off loans					(8,709.28)	
Closing Balance of Provisions held[3]	**4,900.10**	**2,891.08**	**2,959.21**	**5,244.03**	**11,094.32**	**15,994.42**
Net NPAs						
Opening Balance		**1,888.00**	**1,551.11**	**-**	**3,439.11**	
Less: Floating provision					(3.25)	
Add: Fresh Additions during the year					8,084.13	
Interest Capitalisation – Restructured NPA Accounts					118.51	
Effect of exchange rate fluctuation					(21.62)	
Less: Reductions during the year					(8,369.41)	
Closing Balance		**2,321.22**	**929.50**	**-**	**3,247.47**	
Floating Provisions						
Opening Balance						**3.25**
Add: Additional provisions made during the year						-
Less: Amount of drawn down during the year						-
Closing Balance of Floating provisions						**3.25**
Technical write-offs and recoveries made thereon (includes advances, investments and others)						
Opening balance of Technical/ Prudential written-off accounts						**38,015.30**
Add: Technical/ Prudential write-offs during the year						5,968.90
Add: Effect of exchange rate fluctuation						96.02
Less: Recoveries made from previously technical/ prudential written-off accounts during the year[4]						(2,234.76)

For the year 31 March, 2024 (₹ in crores)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Less: Accounts upgraded pursuant to implementation of resolution plan (change in ownership)						(29.82)
Less: Sacrifice made from previously technical/ prudential written-off accounts during the year						(2,132.49)
Closing Balance						**39,683.15**

1. including sale of NPAs
2. including provision in respect of Interest Capitalization - Restructured Accounts, in respect of NPA accounts amounting to ₹29.03 crores which is not recognized as income as per RBI guidelines
3. During the year, the Bank has reclassified provision of ₹3,130.18 crores on loans under moratorium as per RBI guidelines on COVID-19 regulatory package from provision for standard advances to provision for other contingencies. [Refer note 2.10(c)]
4. including recoveries amounting to ₹122.42 crores in the form of Security Receipts allotted during the year.

v) Key NPA Ratios

(in percent)

Sr. No.	Ratios	31 March, 2025	31 March, 2024
i.	Gross non-performing advances to Gross Advances	1.33%	1.47%
ii.	Net non-performing advances to Net Advances	0.35%	0.34%
iii.	Provision Coverage ratio for non-performing assets (including prudential write offs)	93.56%	94.07%
iv.	Gross non-performing assets as a percentage of gross customer assets[1]	1.28%	1.43%
v.	Net non-performing assets as a percentage of net customer assets[1]	0.33%	0.31%

1. Customer assets include advances and credit substitutes

b) Sector-wise advances

(₹ in crores)

Sr. No.	Sector	31 March, 2025			31 March, 2024		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
A	**Priority Sector**						
1	**Agriculture and allied activities**	**106,466.79**	**3,202.46**	**3.01%**	**104,540.94**	**2,107.09**	**2.02%**
2	**Advances to industries sector eligible as priority sector lending**	**80,987.30**	**1,199.64**	**1.48%**	**81,590.66**	**977.10**	**1.20%**
	-Chemical & Chemical products	*8,243.76*	*54.70*	*0.66%*	*9,345.37*	*52.30*	*0.56%*
	-Basic Metal & Metal Products	*9,983.85*	*168.39*	*1.69%*	*9,035.68*	*134.07*	*1.48%*
	-Infrastructure	*4,578.05*	*43.00*	*0.94%*	*5,917.81*	*35.97*	*0.61%*
3	**Services**	**72,647.23**	**739.53**	**1.02%**	**64,883.44**	**713.20**	**1.10%**
	-Banking and Finance other than NBFCs and MFs	*702.57*	-	-	*1,255.74*	-	-
	-Non-banking financial companies (NBFCs)	*2,566.05*	-	-	*86.66*	*18.08*	*20.87%*
	-Commercial Real Estate	*13,343.06*	*6.55*	*0.05%*	*11,779.11*	*5.74*	*0.05%*

(₹ in crores)

Sr. No.	Sector	31 March, 2025 Outstanding Total Advances	31 March, 2025 Gross NPAs	31 March, 2025 % of Gross NPAs to Total Advances in that sector	31 March, 2024 Outstanding Total Advances	31 March, 2024 Gross NPAs	31 March, 2024 % of Gross NPAs to Total Advances in that sector
	-Trade	*30,092.16*	*365.64*	*1.22%*	*27,314.45*	*446.22*	*1.63%*
4	**Personal loans**	**128,922.81**	**2,091.27**	**1.62%**	**120,871.21**	**1,343.83**	**1.11%**
	*-Housing**	*70,255.25*	*533.03*	*0.76%*	*67,473.59*	*532.61*	*0.79%*
	-Vehicle Loans	*29,816.43*	*862.75*	*2.89%*	*27,853.49*	*556.97*	*2.00%*
	Sub-total (A)	**389,024.13**	**7,232.90**	**1.86%**	**371,886.25**	**5,141.22**	**1.38%**
B	**Non Priority Sector**						
1	**Agriculture and allied activities**	**1,218.14**	**25.65**	**2.11%**	**3,243.90**	**0.13**	**0.00%#**
2	**Industry**	**157,758.27**	**1,938.95**	**1.23%**	**151,929.11**	**4,253.11**	**2.80%**
	-Chemical & Chemical products	*18,900.84*	*21.07*	*0.11%*	*17,721.74*	*31.95*	*0.18%*
	-Basic Metal & Metal Products	*19,386.11*	*35.79*	*0.18%*	*16,652.69*	*148.46*	*0.89%*
	-Infrastructure	*49,327.99*	*526.30*	*1.07%*	*55,954.12*	*1,721.93*	*3.08%*
3	**Services**	**148,632.26**	**853.17**	**0.57%**	**126,030.23**	**2,161.10**	**1.71%**
	-Banking and Finance other than NBFCs and MFs	*28,244.41*	-	-	*25,880.77*	*0.83*	*0.00%#*
	-Non-banking financial companies (NBFCs)	*39,094.69*	*30.86*	*0.08%*	*28,779.50*	*57.94*	*0.20%*
	-Commercial Real Estate	*23,739.19*	*170.82*	*0.72%*	*23,213.92*	*418.99*	*1.80%*
	-Trade	*30,444.48*	*189.21*	*0.62%*	*24,888.47*	*631.75*	*2.54%*
4	**Personal loans**	**354,454.26**	**3,910.52**	**1.10%**	**323,076.46**	**2,789.48**	**0.86%**
	*-Housing**	*166,409.09*	*823.07*	*0.49%*	*159,144.53*	*746.30*	*0.47%*
	-Vehicle Loans	*31,212.93*	*997.37*	*3.20%*	*29,421.67*	*598.50*	*2.03%*
	Sub-total (B)	**662,062.93**	**6,728.29**	**1.02%**	**604,279.70**	**9,203.82**	**1.52%**
	Total (A+B)	**1,051,087.06**	**13,961.19**	**1.33%**	**976,165.95**	**14,345.04**	**1.47%**

* includes loans against property

less than 0.005%

Classification of advances into respective sectors is based on Sector wise Industry Bank Credit return as submitted to RBI.

Figures in italics represent sub-sectors where the outstanding advance exceeds 10% of total outstanding advance to that sector.

c) Amount of total assets, non-performing assets and revenue of overseas branches is given below

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Total assets[1]	56,531.95	51,542.99
Total NPAs (Gross)	654.98	1,521.03
Total NPAs (Net)	-	-
Total revenue[1]	3,321.20	3,068.79

1. Represents total assets and total revenue of foreign operations (refer note no. 2.4 of Schedule 18 on information about business and geographical segments)

d) Particulars of resolution plan and restructuring

i) Disclosure with regard to implementation of resolution plan as required under RBI circular dated 7 June, 2019 for Resolution of Stressed Assets:

As on/for the year ended 31 March, 2025

(₹ in crores)

Particulars	Resolution plan implemented during the year	Resolution plan not implemented within specified timelines as on 31 March, 2025
No. of borrowers[1]	3	16
Fund and non-fund based outstanding as on 31 March, 2025[2]	58.57	950.81
Additional provisions held as per RBI guidelines	-	90.40

1. includes prudentially written-off accounts and accounts settled pursuant to implementation of resolution plan
2. excluding fund based outstanding for prudentially written off cases and outstanding in equity shares

As on/for the year ended 31 March, 2024

(₹ in crores)

Particulars	Resolution plan implemented during the year	Resolution plan not implemented within specified timelines as on 31 March, 2024
No. of borrowers[1]	2	25
Fund and non-fund based outstanding as on 31 March, 2024[2]	102.37	2,513.58
Additional provisions held as per RBI guidelines	-	120.73

1. includes prudentially written-off accounts and accounts settled pursuant to implementation of resolution plan
2. excluding fund based outstanding for prudentially written off cases and outstanding in equity shares

ii) Details of accounts subjected to restructuring[1,2,3,4]

(Numbers/₹ in crores)

		Agriculture and allied activities		Corporate (excluding MSME)		Micro, Small and Medium Enterprises (MSME)[5]		Retail (excluding agriculture and MSME)		Total	
		As on 31 March, 2025	As on 31 March, 2024	As on 31 March, 2025	As on 31 March, 2024	As on 31 March, 2025	As on 31 March, 2024	As on 31 March, 2025	As on 31 March, 2024	As on 31 March, 2025	As on 31 March, 2024
Standard	Number of borrowers*	23	52	2	1	789	1,004	1,180	1,624	1,994	2,681
	Gross amount	4.44	4.33	68.21	30.75	150.06	258.51	86.71	127.49	309.42	421.08
	Provision held	0.22	0.22	3.41	1.54	43.98	74.94	4.34	6.37	51.95	83.07
Sub-standard	Number of borrowers*	33	4	-	-	28	174	242	59	303	237
	Gross amount	4.29	0.78	-	-	7.73	31.45	24.64	5.12	36.66	37.35
	Provision held	1.29	0.23	-	-	1.78	16.30	14.38	4.54	17.45	21.07
Doubtful	Number of borrowers*	30	9	7	3	9,303	9,809	18	282	9,358	10,103
	Gross amount	10.40	0.58	43.99	75.07	47.65	71.41	12.77	14.90	114.81	161.96
	Provision held	8.84	0.43	27.92	68.16	40.75	50.76	11.69	13.06	89.20	132.40
Loss	Number of borrowers*	2	3	4	4	-	13	8	9	14	29
	Gross amount	0.23	0.11	124.25	123.49	-	6.54	0.61	2.29	125.09	132.43
	Provision held[6]	0.23	0.11	122.92	119.45	-	6.40	0.61	2.29	123.76	128.25
Total	Number of borrowers*	**88**	**68**	**13**	**8**	**10,120**	**11,000**	**1,448**	**1,974**	**11,669**	**13,050**
	Gross amount	**19.36**	**5.80**	**236.45**	**229.31**	**205.44**	**367.91**	**124.73**	**149.80**	**585.98**	**752.82**
	Provision held[6]	**10.58**	**0.99**	**154.25**	**189.14**	**86.51**	**148.41**	**31.02**	**26.26**	**282.36**	**364.80**

* while reporting number of borrowers, restructured accounts of same borrowers under different category are reported only under one category

1. Excludes prudentially written-off accounts
2. Excludes accounts where resolution plan is implemented under RBI Resolution Framework for COVID-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) and 5 May, 2021 (Resolution Framework 2.0). [Refer note 18 (1.4) (h)]
3. Includes accounts where restructuring is implemented under RBI circular for Resolution of Stressed Assets (excluding cases of change in ownership)
4. Includes compromise settlement accounts treated as restructuring pursuant to RBI guidelines on “Framework for Compromise Settlements and Technical Write offs” where the time for payment of agreed settlement amount exceeds three months
5. Includes Zero MSME borrower accounts restructured under RBI guidelines of January, 2019 amounting to Nil (Previous year Zero accounts amounting ₹ Nil)
6. Excluding balance outstanding in Sundries Account (Interest Capitalization - Restructured Accounts), in respect of NPA accounts which is not recognized as income as per RBI guidelines

e) Divergence in asset classification and provisioning

In terms of RBI guidelines, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI’s annual supervisory process in their notes to accounts to the financial statements. The disclosure is required if either or both of the following conditions are satisfied: (a) the additional provisioning for NPAs assessed by RBI exceeds 5% of the reported profit before provisions and contingencies for the reference period and (b) the additional Gross NPAs identified by RBI exceed 5% or 10% of the published incremental Gross NPAs for the reference period ended 31 March, 2024 and 31 March, 2023 respectively.

Based on the above, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI’s annual supervisory process for the year ended 31 March, 2024 and 31 March, 2023.

f) Disclosure on transfer of loan exposures

i) Details of loans not in default acquired and transferred during the years ended 31 March, 2025 and 31 March, 2024 under the RBI Master Direction on Transfer of Loan Exposure dated 24 September, 2021 are given below :

a) Details of loans not in default acquired from other entities:

(₹ in crores)

Particulars	For the year ended 31 March, 2025		For the year ended 31 March, 2024	
	Corporate	Retail	Corporate	Retail
Mode of acquisition	Assignment	Assignment	Assignment and Novation	Assignment
Aggregate Principal outstanding of loans acquired	706.30	127.05	1,192.18	800.56
Weighted average residual maturity	7.73 years	6.29 years	9.35 years	13.60 years
Weighted average holding period	N.A.	N.A.	N.A.	N.A.
Retention of beneficial economic interest by the originator	N.A.	10%	N.A.	10%
Coverage of tangible security (for secured loans)	83% secured	Weighted average LTV ~35%	100% secured	Weighted average LTV ~47%
Rating-wise[1] distribution of loans acquired by value				
- A- and above	97%	N.A.	62%	N.A.
- BBB and BBB+	3%	N.A.	29%	N.A.
- SME -3	-	N.A.	9%	N.A.

1. Represents internal rating

b) Details of loans not in default transferred to other entities:

(₹ in crores)

Particulars	For the year ended 31 March, 2025		For the year ended 31 March, 2024	
	Corporate	Retail	Corporate	Retail
Mode of transfer	Assignment and Novation	-	Assignment and Novation	-
Aggregate Principal outstanding of loans acquired	16,072.15	-	12,308.62	-
Weighted average residual maturity	N.A.	N.A.	N.A.	N.A.
Weighted average holding period (for assignment transactions)	0.58 years	-	0.87 years	-
Retention of beneficial economic interest	Nil	-	Nil	-
Coverage of tangible security (for secured loans)	100% secured	-	94% secured	-
Rating-wise[1] distribution of loans transferred by value				
- A- and above	78%	N.A.	96%	N.A.
- BBB+	22%	N.A.	4%	N.A.

1. Represents internal rating

There are no agreements to replace loans transferred to transferees or pay damages arising from any representations or warranty for any of the loans transferred during the year ended 31 March, 2025 and 31 March, 2024.

ii) Details of stressed loans acquired and transferred during the year ended 31 March, 2025 and 31 March, 2024 under the RBI Master Direction on Transfer of Loan Exposure dated 24 September, 2021 are given below:

a) The Bank has not acquired any stressed loans (NPA and SMA accounts) during the year ended 31 March, 2025 and 31 March, 2024.

b) Details of stressed loans transferred (excluding prudentially written off accounts):

During the year ended 31 March, 2025

(₹ in crores)

	To ARCs		To permitted transferees		To other transferees	
	NPA	SMA	NPA	SMA	NPA	SMA
No. of accounts	5	-	1	-	-	-
Aggregate principal outstanding of loans transferred (on the date of transfer)	1,284.76	-	225.00	-	-	-
Weighted average residual tenor of the loans transferred	N.A.	-	N.A.	-	-	-
Net book value of the loans transferred (at the time of transfer)	-	-	-	-	-	-
Aggregate consideration*	1,479.76	-	0.00**	-	-	-
Excess provision reversed to the profit and loss account	1,127.49	-	-	-	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

* represents sum of cash plus redemption value of security receipts received

** amount less than ₹50,000/-

During the year ended 31 March, 2024

(₹ in crores)

	To ARCs		To permitted transferees		To other transferees	
	NPA	SMA	NPA	SMA	NPA	SMA
No. of accounts	3	-	-	-	1	-
Aggregate principal outstanding of loans transferred (on the date of transfer)	423.72	-	-	-	11.56	-
Weighted average residual tenor of the loans transferred	N.A.	-	-	-	N.A.	-
Net book value of the loans transferred (at the time of transfer)	-	-	-	-	8.64	-
Aggregate consideration	235.00	-	-	-	9.40	-
Excess provision reversed to the profit and loss account	235.00	-	-	-	0.76	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

iii) During year ended 31 March, 2025, the Bank has been alloted Security Receipts amounting to ₹1,215.47 crores pursuant to transfer of certain stressed loans to asset reconstruction companies.

Details on recovery ratings assigned to Security Receipts as on 31 March, 2025:

(₹ in crores)

Recovery ratings	Anticipated recovery as per recovery rating %	Net Book value	Redemption value
RR+	187%	-	2.52
RR1	121%	17.09	17.09
RR1	127%	45.02	45.02
RR2	90%	3.56	3.56
RR2	77%	16.62	16.62
RR1	150%	40.13	40.13
Yet to be rated[1]		513.73	1,050.97
Yet to be rated[1]		164.50	164.50
Total		**800.65**	**1,340.41**

1. Recent purchase whose statutory period has not elapsed

During year ended 31 March, 2024, the Bank has been allotted Security Receipts amounting to ₹128.45 crores pursuant to transfer of certain stressed loans to asset reconstruction companies. Details on recovery ratings assigned to Security Receipts as on 31 March, 2024:

(₹ in crores)

Recovery ratings	Anticipated recovery as per recovery rating	Net Book value	Redemption value
Yet to be rated[1]		-	128.45
Total		-	**128.45**

1. Recent purchase whose statutory period has not elapsed

g) Disclosure on provisioning pertaining to fraud accounts

(₹ in crores)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Number of frauds reported during the year [1,2,3]	19,625	33,005
Amounts involved net of recoveries/write-offs during the year [1,2,3]	490.49	260.50
Provisions held at the beginning of the year	51.59	23.30
Provisions made during the year	307.41	74.05
Balance held in interest capitalisation accounts	-	-
Provisions held at the end of the year	**359.01**	**97.35**
Unamortised provision debited from 'other reserves' as at the end of the year	-	-

1. Includes 17,281 cases of frauds amounting to ₹124.35 crores (previous year 32,068 cases of ₹158.96 crores), relating to digital payment related transactions

2. In respect of frauds related to advances, the Bank undertakes 100% provisioning of the outstanding amount once the borrower account is classified as fraud in line with RBI guidelines. In respect of other frauds, provision is made where the claim has been admitted and the Bank is under an obligation to settle the same. In all other cases declared as fraud but where claim is not admitted, no provision is required to be made. The number of frauds reported during the year include 96 cases (excluding cases covered under note 1 above) amounting to ₹7.13 crores where claim has not been admitted by the Bank (previous year 584 cases amounting to ₹ 4.19 crores)

3. Excluding 316 cases of advances (previous year 15 cases) amounting to ₹409.48 crores (previous year ₹22.76 crores) reported as fraud during the FY 2024-25 and which are prudentially written off as on 31 March, 2025.

h) Disclosure under Resolution Framework for COVID-19-related Stress

For the year ended on 31 March, 2025

Movement in position of accounts where resolution plan is implemented under RBI Resolution Framework for COVID-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) and 5 May, 2021 (Resolution Framework 2.0) during the half year ended 30 September, 2024:

(₹ in crores except number of accounts)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March, 2024 (A)[1]	Of (A), aggregate debt that slipped into NPA during H1 FY25	Of (A) amount written off during H1 FY25	Of (A) amount paid by the borrowers during H1 FY25[2]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 30 September, 2024[1]
Personal Loans[3]	1,330.90	47.61	2.04	120.32	1,160.93
Corporate persons	197.15	-	-	37.76	159.39
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**1,528.05**	**47.61**	**2.04**	**158.08**	**1,320.32**

1. Represents fund based outstanding balance of standard accounts
2. Represents net movement in balance outstanding
3. Personal loans represent retail advances

Movement in position of accounts where resolution plan is implemented under RBI Resolution Framework for COVID-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) and 5 May, 2021 (Resolution Framework 2.0) during the half year ended 31 March, 2025:

(₹ in crores except number of accounts)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 30 September, 2024 (A)[1]	Of (A), aggregate debt that slipped into NPA during H2 FY25	Of (A) amount written off during H2 FY25	Of (A) amount paid by the borrowers during H2 FY25[2]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March, 2025[1]
Personal Loans[3]	1,160.93	23.73	2.94	112.96	1,021.30
Corporate persons	159.39	-	-	(27.99)	187.38
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**1,320.32**	**23.73**	**2.94**	**84.97**	**1,208.68**

1. Represents fund based outstanding balance of standard accounts
2. Represents net movement in balance outstanding
3. Personal loans represent retail advances

For the year ended 31 March, 2024

Movement in position of accounts where resolution plan is implemented under RBI Resolution Framework for COVID-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) during the half year ended 30 September, 2023:

(₹ in crores except number of accounts)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March, 2023 (A)[1]	Of (A), aggregate debt that slipped into NPA during H1 FY24	Of (A) amount written off during H1 FY24	Of (A) amount paid by the borrowers during H1 FY24[2]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 30 September, 2023[1]
Personal Loans[3]	1,834.67	84.69	29.24	184.53	1,536.21
Corporate persons	211.94	-	-	(7.50)	219.44
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**2,046.61**	**84.69**	**29.24**	**177.03**	**1,755.65**

1. Represents fund based outstanding balance of standard accounts
2. Represents net movement in balance outstanding
3. Personal loans represent retail advances

Movement in position of accounts where resolution plan is implemented under RBI Resolution Framework for COVID-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) and 5 May, 2021 (Resolution Framework 2.0) during the half year ended 31 March, 2024:

(₹ in crores except number of accounts)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 30 September, 2023 (A)[1]	Of (A), aggregate debt that slipped into NPA during H2 FY24	Of (A) amount written off during H2 FY24	Of (A) amount paid by the borrowers during H2 FY24[2]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March, 2024[1]
Personal Loans[3]	1,536.21	53.97	3.54	147.80	1,330.90
Corporate persons	219.44	7.54	-	14.75	197.15
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**1,755.65**	**61.51**	**3.54**	**162.55**	**1,528.05**

1. Represents fund based outstanding balance of standard accounts
2. Represents net movement in balance outstanding
3. Personal loans represent retail advances

i) During the years ended 31 March, 2025 and 31 March, 2024 none of the loans and advances held at overseas branches of the Bank have been classified as NPA by any host banking regulator for reasons other than record of recovery.

1.5 Exposures

a) Exposure to Real Estate sector

(₹ in crores)

Category	31 March, 2025	31 March, 2024
1) Direct Exposure		
(i) Residential mortgages		
(Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure also includes non-fund based (NFB) limits)	217,344.83	212,548.30
- of which housing loans eligible for inclusion in priority sector advances	56,083.46	58,915.62
(ii) Commercial real estate	71,495.88	66,800.56
[Lending secured by mortgages on commercial real estate (office building, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development, and construction etc.) where the prospects for repayment and recovery depend primarily on the cashflows generated by the assets and also includes housing loans extended towards third dwelling unit. Exposures include NFB limits.]		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial real estate	-	-
2) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	17,482.70	25,373.33
Total Exposure to Real Estate Sector	**306,323.41**	**304,722.19**

b) Exposure to Capital Market

(₹ in crores)

Category		31 March, 2025	31 March, 2024
1.	Direct investments in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt[1]	4,576.42	4,043.27
2.	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	11.61	11.71
3.	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds are taken as primary security	2,675.40	2,268.93
4.	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds i.e. where primary security other than shares/convertible bonds/convertible debentures/units of equity-oriented mutual funds does not fully cover the advances	100.30	3,435.34
5.	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	34,114.15	17,276.97
6.	Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	16.90	178.37
7.	Bridge loans to companies against expected equity flows/issues	51.04	8.72
8.	Underwriting commitments taken up in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds	-	-
9.	Financing to stock brokers for margin trading	-	-
10.	All exposures to Venture Capital Funds (both registered and unregistered) including capital contribution to LLP	413.04	517.99
	Total exposure to Capital Market (Total of 1 to 10)	**41,958.86**	**27,741.30**

1. excludes investment in equity shares on account of conversion of debt into equity as part of restructuring amounting to ₹210.76 crores as on 31 March, 2025 (previous year ₹196.33 crores) which are exempted from exposure to Capital Market

c) Details of Risk Category wise Country Exposure

(₹ in crores)

Risk Category[1]	Exposure (Net) as at 31 March, 2025	Provision Held as at 31 March, 2025	Exposure (Net) as at 31 March, 2024	Provision Held as at 31 March, 2024
Insignificant	-	-	-	-
Low	26,770.15	44.14	26,657.10	33.57
Moderate	692.33	-	1,849.10	-
High	32.75	-	1,040.76	-
Very High	45.46	-	514.37	-
Restricted	0.15	-	-	-
Off-Credit	0.01	-	-	-
Total	**27,540.85**	**44.14**	**30,061.33**	**33.57**

1. Risk categorization is based on the methodology as internally adopted by the Bank

d) Unsecured Advances

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Total unsecured advances of the Bank	282,660.38	290,227.80
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	-	-
Estimated value of such intangible securities	-	-

e) Factoring Exposures

As on 31 March, 2025, exposures under factoring stood at ₹16,497.03 crores (previous year ₹13,166.02 crores).

f) Disclosure on Intra-Group Exposures[1]

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Total amount of intra-group exposures	18,360.20	18,121.66
Total amount of top-20 intra-group exposures	18,360.09	18,121.61
Percentage of intra-group exposures to total exposure of the Bank on borrowers/customers	1.01	1.10

1. Exposure includes credit exposure (funded and non-funded), derivative exposure, investment exposure (including underwriting and similar commitments) and deposits placed for meeting shortfall in Priority Sector Lending

During the years ended 31 March, 2025 and 31 March, 2024, the intra-group exposures were within the limits specified by RBI.

The above information is as certified by the Management and relied upon by the auditors.

g) Unhedged foreign currency exposures

The Bank has laid down the framework to manage credit risk arising out of unhedged foreign currency exposures of the borrowers. Both at the time of initial approval as well as subsequent reviews/renewals, the assessment of credit risk arising out of foreign currency exposure of the borrowers include details of imports, exports, repayments of foreign currency borrowings, as well as hedges done by the borrowers or naturally enjoyed by them vis-a-vis their intrinsic financial strength, history of hedging and losses arising out of foreign currency volatility. The extent of hedge/cover required on the total foreign currency exposure including natural hedge and hedged positions, is guided through a matrix of internal ratings. The hedging policy is applicable for existing as well as new clients with foreign currency exposures above a predefined threshold. The details of unhedged foreign currency exposure of customers for transactions undertaken through the Bank are monitored periodically. The Bank also maintains additional provision and capital, in line with RBI guidelines.

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Opening provision held as at 1st April	**411.31**	**309.64**
Provision transferred on acquisition of Citibank India consumer business	-	10.10
Provision released during the year	(54.74)	91.57
Cumulative provision held as at 31st March	**356.57**	**411.31**
Incremental capital held as at 31st March	1,562.07	1,449.22

1.6 Concentration of deposits, advances, exposures and NPAs

a) Concentration of deposits

(₹ in crores)

	31 March, 2025	31 March, 2024
Total deposits of twenty largest depositors	113,671.66	90,901.54
Percentage of deposits of twenty largest depositors to total deposits	9.69	8.51

b) Concentration of advances[1]

(₹ in crores)

	31 March, 2025	31 March, 2024
Total advances to twenty largest borrowers	150,927.19	126,509.96
Percentage of advances to twenty largest borrowers to total advances	8.63	7.97

1. Advances represent credit exposure (funded and non-funded) including derivative exposure as defined by RBI

c) Concentration of exposures[1]

(₹ in crores)

	31 March, 2025	31 March, 2024
Total exposure to twenty largest borrowers/customers	166,227.48	134,583.49
Percentage of exposures to twenty largest borrowers/customers to total exposure on borrowers/customers	9.17	8.16

1. Exposure includes credit exposure (funded and non-funded), derivative exposure, investment exposure (including underwriting and similar commitments) and deposits placed for meeting shortfall in Priority Sector Lending

d) Concentration of NPAs

(₹ in crores)

	31 March, 2025	31 March, 2024
Total exposure to the top twenty NPA accounts[1]	2,817.52	5,430.04
Percentage exposures of the twenty largest NPA exposures to total gross NPAs[2]	17.48	31.07

1. Represents fund based and non-fund based outstanding and non-performing investments
2. Percentage is computed based on outstanding of top twenty NPA accounts (excluding non-fund based outstanding) to gross NPAs

1.7 Derivatives

a) Disclosure in respect of Interest Rate Swaps ('IRS'), Forward Rate Agreement ('FRA') and Cross Currency Swaps ('CCS') outstanding is set out below:

An 'IRS' is a financial contract between two parties exchanging or swapping a stream of interest payments for a 'notional principal' amount on multiple occasions during a specified period. The Bank deals in interest rate benchmarks like Mumbai Inter-Bank Offered Rate (MIBOR), Indian Government Securities Benchmark Rate (INBMK), Modified MIFOR and Alternative Reference Rates (ARR) of various currencies. Pursuant to RBI guidelines on Roadmap for LIBOR transition all new deals are being offered on Modified MIFOR and ARR interest rates benchmarks as published by the regulators of respective currencies.

A 'FRA' is a financial contract between two parties to exchange interest payments for 'notional principal' amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date cash payments based on contract rate and the settlement rate, which is the agreed bench-mark/reference rate prevailing on the settlement date, are made by the parties to one another. The benchmark used in the FRA contracts of the Bank is Bond/ARR of various currencies.

A 'CCS' is a financial contract between two parties exchanging interest payments and principal, wherein interest payments and principal in one currency would be exchanged for an equally valued interest payments and principal in another currency.

(₹ in crores)

Sr. No.	Items	As at 31 March, 2025	As at 31 March, 2024
i)	Notional principal of swap agreements	1,236,207.65	778,852.15
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	8,390.76	9,187.39
iii)	Collateral required by the Bank upon entering into swaps	3,093.63	2,439.19
iv)	Concentration of credit risk arising from the swaps		
	Maximum single industry exposure with Banks (previous year with Banks)	7,911.76	8,977.79
v)	Fair value of the swap book (hedging & trading)	382.48	165.69

The nature and terms of the IRS as on 31 March, 2025 are set out below:

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Hedging	1	743.63	SOFR	Fixed Receivable v/s Floating Payable
Trading	5	767.85	ESTR	Fixed Receivable v/s Floating Payable
Trading	7	581.47	EURIBOR	Fixed Receivable v/s Floating Payable
Trading	11,661	409,717.24	MIBOR	Fixed Receivable v/s Floating Payable
Trading	5	92.41	MIOIS	Fixed Receivable v/s Floating Payable
Trading	740	58,890.24	Modified MIFOR	Fixed Receivable v/s Floating Payable
Trading	24	10,092.82	TBILL	Fixed Receivable v/s Floating Payable
Trading	1	429.48	TONAR(JPY)	Fixed Receivable v/s Floating Payable
Trading	1,016	85,592.41	SOFR	Fixed Receivable v/s Floating Payable
Trading	5	669.95	ESTR	Floating Receivable v/s Fixed Payable
Trading	7	1,538.42	EURIBOR	Floating Receivable v/s Fixed Payable
Trading	3	550.00	INBMK	Floating Receivable v/s Fixed Payable
Trading	12,378	414,899.02	MIBOR	Floating Receivable v/s Fixed Payable
Trading	6	344.51	MIOIS	Floating Receivable v/s Fixed Payable
Trading	599	47,167.76	Modified MIFOR	Floating Receivable v/s Fixed Payable
Trading	24	9,707.97	TBILL	Floating Receivable v/s Fixed Payable
Trading	7	1,100.04	TONAR	Floating Receivable v/s Fixed Payable
Trading	1,165	99,395.94	SOFR	Floating Receivable v/s Fixed Payable
Trading	28	15,204.99	SOFR	Floating Receivable v/s Floating Payable
Trading	1	644.63	ESTR	Floating Receivable v/s Floating Payable
	27,863	**1,158,130.78**		

The nature and terms of the IRS as on 31 March, 2024 are set out below:

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Trading	7	513.62	EURIBOR	Fixed Receivable v/s Floating Payable
Trading	7,338	228,274.50	MIBOR	Fixed Receivable v/s Floating Payable
Trading	2	62.36	MIOIS	Fixed Receivable v/s Floating Payable
Trading	746	58,192.64	MOD MIFOR	Fixed Receivable v/s Floating Payable
Trading	328	50,562.53	SOFR	Fixed Receivable v/s Floating Payable
Trading	1	3.25	SONIA	Fixed Receivable v/s Floating Payable
Trading	4	621.95	ESTR	Fixed Receivable v/s Floating Payable
Trading	1	77.10	TONAR (JPY)	Fixed Receivable v/s Floating Payable
Trading	8	3,738.06	TBILL	Fixed Receivable v/s Floating Payable
Trading	8	1,840.64	EURIBOR	Floating Receivable v/s Fixed Payable
Trading	4	650.00	INBMK	Floating Receivable v/s Fixed Payable
Trading	7,338	241,972.21	MIBOR	Floating Receivable v/s Fixed Payable
Trading	507	38,579.07	MOD MIFOR	Floating Receivable v/s Fixed Payable
Trading	456	65,991.05	SOFR	Floating Receivable v/s Fixed Payable
Trading	1	105.03	SONIA	Floating Receivable v/s Fixed Payable
Trading	5	158.07	TONAR	Floating Receivable v/s Fixed Payable
Trading	3	317.72	ESTR	Floating Receivable v/s Fixed Payable
Trading	7	421.50	MIOIS	Floating Receivable v/s Fixed Payable
Trading	40	20,582.72	SOFR	Floating Receivable v/s Floating Payable
Trading	1	629.14	ESTR	Floating Receivable v/s Floating Payable
	16,805	**713,293.15**		

The nature and terms of the FRA as on 31 March, 2025 are set out below:

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Trading	251	6,401.93	BOND	Fixed Receivable v/s Floating Payable
	251	**6,401.93**		

The nature and terms of the FRA as on 31 March, 2024 are set out below:

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Trading	181	5,068.17	BOND	Fixed Receivable v/s Floating Payable
	181	**5,068.17**		

The nature and terms of the CCS as on 31 March, 2025 are set out below:

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Trading	139	24,339.23	Not Applicable	Fixed Payable v/s Fixed Receivable
Trading	3	55.17	SARON	Fixed Receivable v/s Floating Payable
Trading	1	22.10	EURIBOR	Fixed Receivable v/s Floating Payable
Trading	1	34.69	TBILL	Fixed Receivable v/s Floating Payable
Trading	1	18.94	TONAR	Fixed Receivable v/s Floating Payable
Trading	62	20,551.47	SOFR	Fixed Receivable v/s Floating Payable
Trading	2	36.21	SARON	Floating Receivable v/s Fixed Payable
Trading	15	353.67	EURIBOR	Floating Receivable v/s Fixed Payable
Trading	1	213.69	MIBOR	Floating Receivable v/s Fixed Payable
Trading	1	427.38	TBILL	Floating Receivable v/s Fixed Payable
Trading	56	11,752.93	SOFR	Floating Receivable v/s Fixed Payable
Trading	1	15.47	ESTR	Floating Receivable v/s Fixed Payable
Trading	1	322.31	SOFR/EURIBOR	Floating Receivable v/s Floating Payable
Trading	3	782.77	SOFR/ESTR	Floating Receivable v/s Floating Payable
Trading	3	538.49	SOFR/MIBOR	Floating Receivable v/s Floating Payable
Trading	2	527.18	SOFR/TONAR	Floating Receivable v/s Floating Payable
Trading	1	68.38	MIBOR/SOFR	Floating Receivable v/s Floating Payable
Trading	13	1,713.77	MODMIFOR/SOFR	Floating Receivable v/s Floating Payable
Trading	2	270.76	TONAR/SOFR	Floating Receivable v/s Floating Payable
Trading	19	8,540.00	Not Applicable	Fixed Receivable
Trading	22	1,090.33	Not Applicable	Fixed Payable
	349	**71,674.94**		

The nature and terms of the CCS as on 31 March, 2024 are set out below:

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Trading	131	21,995.08	Not Applicable	Fixed Payable v/s Fixed Receivable
Trading	3	65.43	SARON	Fixed Receivable v/s Floating Payable
Trading	15	879.16	EURIBOR	Fixed Receivable v/s Floating Payable
Trading	1	42.88	TBILL	Fixed Receivable v/s Floating Payable
Trading	1	22.22	TONAR	Fixed Receivable v/s Floating Payable
Trading	66	12,303.60	SOFR	Fixed Receivable v/s Floating Payable
Trading	3	65.43	SARON	Floating Receivable v/s Fixed Payable
Trading	17	807.92	EURIBOR	Floating Receivable v/s Fixed Payable
Trading	1	208.51	MIBOR	Floating Receivable v/s Fixed Payable
Trading	1	22.22	TONAR	Floating Receivable v/s Fixed Payable
Trading	52	11,481.39	SOFR	Floating Receivable v/s Fixed Payable
Trading	4	1,033.59	SOFR/ESTR	Floating Receivable v/s Floating Payable
Trading	4	1,478.67	SOFR/EURIBOR	Floating Receivable v/s Floating Payable
Trading	3	525.45	SOFR/MIBOR	Floating Receivable v/s Floating Payable
Trading	3	646.51	SOFR/ TONAR	Floating Receivable v/s Floating Payable
Trading	4	1,306.33	EURIBOR/ SOFR	Floating Receivable v/s Floating Payable
Trading	1	66.72	MIBOR/SOFR	Floating Receivable v/s Floating Payable
Trading	16	2,297.81	MODMIFOR/SOFR	Floating Receivable v/s Floating Payable
Trading	2	312.89	TONAR/SOFR	Floating Receivable v/s Floating Payable
Trading	29	4,005.04	Not Applicable	Fixed Receivable
Trading	6	923.99	Not Applicable	Fixed Payable
	363	**60,490.84**		

b) Exchange Traded Interest Rate Derivatives

For the year ended 31 March, 2025

(₹ in crores)

Sr. No.	Particulars	As at 31 March, 2025
i)	**Notional principal amount of exchange traded interest rate derivatives undertaken during the year**	
	US 2 years Note - June 2024	196.59
	US 5 years Note - June 2024	17.95
	US 10 years Note - June 2024	23.93
	US 10 years Note - September 2024	119.67
	US 5 years Note - December 2024	68.38
	US 10 years Note - December 2024	51.29
	US 5 years Note - March 2025	68.38
	US 10 years Note - March 2025	51.28
	US 2 years Note - June 2025	581.23
	US 5 years Note - June 2025	239.33
		1,418.03

(₹ in crores)

Sr. No.	Particulars	As at 31 March, 2025
ii)	**Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March, 2025**	-
iii)	**Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March, 2025 and "not highly effective"**	N.A.
iv)	**Mark-to-market value of exchange traded interest rate derivatives outstanding as on 31 March, 2025 and "not highly effective"**	N.A.

For the year ended 31 March, 2024

(₹ in crores)

Sr. No.	Particulars	As at 31 March, 2024
i)	**Notional principal amount of exchange traded interest rate derivatives undertaken during the year**	
	US 2 years Note - June 2023	642.22
	US 5 years Note - June 2023	456.23
	US 10 years Note - June 2023	121.77
	US 2 years Note - September 2023	393.77
	US 5 years Note - September 2023	170.15
	US 10 years Note - September 2023	85.07
	US 2 years Note - December 2023	233.53
	US 5 years Note - December 2023	106.76
	US 10 years Note - December 2023	60.05
	US 2 years Note - March 2024	417.03
	US 5 years Note - March 2024	101.75
	US 10 years Note - March 2024	46.71
	US 2 years Note - June 2024	191.83
	US 5 years Note - June 2024	17.52
	US 10 years Note - June 2024	23.53
		3,067.64
ii)	**Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March, 2024**	
	US 2 years Note - June 2024	191.83
	US 5 years Note - June 2024	17.52
	US 10 years Note - June 2024	23.35
		232.70
iii)	**Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March, 2024 and "not highly effective"**	N.A.
iv)	**Mark-to-market value of exchange traded interest rate derivatives outstanding as on 31 March, 2024 and "not highly effective"**	N.A.

c. Disclosure on risk exposure in Derivatives

Qualitative disclosures:

(a) Structure and organisation for management of risk in derivatives trading, the scope and nature of risk measurement, risk reporting and risk monitoring systems, policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants:

Derivatives are financial instruments whose characteristics are derived from an underlying asset, or from interest and exchange rates or indices. The Bank undertakes Over the Counter (OTC) and Exchange Traded derivative transactions for Balance Sheet management and also for proprietary trading/market making whereby the Bank offers OTC derivative products to the customers to enable them to hedge their interest rate and currency risks within the prevalent regulatory guidelines.

Proprietary trading includes Exchange Traded Currency Options, Interest Rate Futures, Currency Futures and Rupee Interest Rate Swaps under different benchmarks (viz. MIBOR, Modified MIFOR, LIBOR, ARR and INBMK), Currency Options, Currency Swaps and Non Deliverable derivatives. The Bank also undertakes transactions in Cross Currency Swaps, Principal Only Swaps, Coupon Only Swaps, Currency Options, Interest Rate Swaps, Exotic Derivatives and Long Term Forex Contracts (LTFX) for hedging its Balance Sheet and also offers them to its customers. These transactions expose the Bank to various risks, primarily credit, market, legal, reputation and operational risk. The Bank has adopted the following mechanism for managing risks arising out of the derivative transactions.

There is a functional separation between the Treasury Front Office, Treasury Mid Office and Treasury Back Office to undertake derivative transactions. The customer and interbank related derivative transactions are originated by Derivative sales and Treasury Front Office team respectively which ensures compliance with the trade origination requirements as per the Bank's policy and the RBI guidelines. The Market Risk Group within the Bank's Risk Department independently identifies, measures and monitors the market risks associated with derivative transactions and apprises the Asset Liability Management Committee (ALCO) and the Risk Management Committee of the Board (RMC) on the compliance with the risk limits. The Treasury Back Office undertakes activities such as trade validation, confirmation, settlement, ISDA and related documentation, post deal documentation, accounting, valuation and other MIS reporting.

The derivative transactions are governed by the Derivative policy, Suitability and Appropriateness Policy for derivative products, Market Risk Management policy, Hedging policy and the Asset Liability Management (ALM) policy of the Bank as well as by the extant RBI guidelines. The Bank has implemented policy on customer suitability & appropriateness to ensure that derivatives transactions entered into are appropriate and suitable to the customer. The Bank has put in place a detailed process flow on documentation for customer derivative transactions for effective management of operational/reputation/compliance risk.

Various risk limits are set up and actual exposures are monitored vis-à-vis the limits allocated. These limits are set up taking into account market volatility, risk appetite, business strategy and management experience. Risk limits are in place for risk parameters viz. PV01, VaR, Stop Loss, Delta, Gamma and Vega. Actual positions are monitored against these limits on a daily basis and breaches, if any, are dealt with in accordance with board approved Risk Appetite Statement. Risk assessment of the portfolio is undertaken periodically. The Bank ensures that the Gross PV01 (Price value of a basis point) position arising out of all non-option rupee derivative contracts are within 0.25% of net worth of the Bank as on Balance Sheet date.

Hedging transactions are undertaken by the Bank to protect the variability in the fair value or the cash flow of the underlying Balance Sheet item. These transactions are tested for hedge effectiveness and in case any transaction fails the test, the same is re-designated as a trading deal and appropriate accounting treatment is followed.

(b) Accounting policy for recording hedge and non-hedge transactions, recognition of income, premiums and discounts, valuation of outstanding contracts

Derivative transactions comprise of forward contracts, swaps, FRAs, futures and options which are disclosed as contingent liabilities. These are categorised as trading or hedge transactions.

Trading derivative contracts are revalued based on actual traded and/or derived from curves published by external market sources or FBIL with the resulting unrealised gain or loss being recognised in the Profit and Loss Account and correspondingly in other assets (representing positive MTM) and in other liabilities (representing negative MTM) on a gross basis. The premium on option contracts is accounted for as per FEDAI guidelines.

The Hedging Policy of the Bank governs the use of derivatives for hedging purpose. Subject to the prevailing RBI guidelines, the Bank deals in derivatives for hedging fixed rate and floating rate coupon or foreign currency assets/liabilities. Transactions for hedging and market making purposes are recorded separately.

Foreign exchange forward contracts not intended for trading (including funding swaps), that are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction, and are outstanding at the Balance Sheet date, are effectively valued at the closing spot rate. The premium or discount arising at the inception of such forward exchange contract is amortised on a straight line basis as expense or income over the life of the contract.

For hedge transactions through other derivatives, the Bank identifies the hedged item (asset or liability) at the inception of transaction itself. The effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. In case of a fair value hedge, the changes in the fair value of the hedging instruments and hedged items are recognized in the Profit and Loss Account and in case of cash flow hedges, the change in fair value of hedging instrument for the effective portion is recognised in Schedule 2- 'Reserves and Surplus' under 'Cash Flow Hedge Reserve' and the ineffective portion of an effective hedging relationship, if any, is recognised in the Profit and Loss Account. The accumulated balance in the Cash Flow Hedge Reserve, in an effective hedging relationship, is recycled in the Profit and Loss Account at the same time that the impact from the hedged item is recognised in the Profit and Loss Account.

Derivative transactions are covered under International Swaps and Derivatives Association (ISDA) master agreements with respective counterparties. The exposure on account of derivative transactions is computed as per the RBI guidelines and is marked against the Loan Equivalent Risk (LER) limits approved for the respective counterparties.

(c) Provisioning, collateral and credit risk mitigation

In accordance with RBI guidelines, any receivables (crystallised receivables and positive MTM) under derivatives contracts, which remain overdue for more than 90 days, are reversed through the Profit and Loss Account and are held in a separate Suspense account.

Collateral requirements for derivative transactions are laid down as part of credit sanction terms on a case by case basis. Such collateral requirements are determined, based on usual credit appraisal process. The Bank retains the right to terminate transactions as a risk mitigation measure in certain cases.

The credit risk in respect of customer derivative transactions is sought to be mitigated through a laid down policy on sanction of Loan Equivalent Risk (LER) limits, monitoring mechanism for LER limits and trigger events for escalation/margin calls/termination.

Quantitative disclosure on risk exposure in derivatives[1]:

(₹ in crores)

Sr. No.	Particulars	As at 31 March, 2025				
		Currency Derivatives				Interest rate Derivatives
		Forward Contracts[4]	CCS	Options	Total	
1	**Derivatives (Notional Principal Amount)**					
	a) For hedging	27,881.14	-	-	27,881.14	743.63
	b) For trading	1,228,707.33	71,674.94	133,300.09	1,433,682.36	1,163,789.08
2	**Marked to Market Positions[2,3]**					
	a) Asset (+)	-	286.64	85.96	372.60	95.84
	b) Liability (-)	(107.97)	-	-	(107.97)	-
3	**Credit Exposure[3]**	37,215.37	7,807.39	4,181.19	49,203.95	17,506.59
4	**Likely impact of one percentage change in interest rate (100*PV01) (as at 31 March, 2025)**					
	a) on hedging derivatives	3.08	-	-	3.08	26.48
	b) on trading derivatives	43.47	235.89	9.48	288.84	1,027.00
5	**Maximum and Minimum of 100*PV01 observed during the year**					
	a) on hedging					
	i) Minimum	0.19	-	-	0.19	26.48

(₹ in crores)

Sr. No.	Particulars		As at 31 March, 2025				
			Currency Derivatives				Interest rate Derivatives
			Forward Contracts[4]	CCS	Options	Total	
		ii) Maximum	7.08	-	-	7.08	26.48
	b)	on Trading					
		i) Minimum	12.70	12.19	3.82	28.71	601.36
		ii) Maximum	43.47	235.89	9.65	289.01	1,027.00

1. only Over The Counter derivatives included
2. represents net position
3. includes accrued interest
4. excluding Tom/Spot contracts

(₹ in crores)

Sr. No.	Particulars		As at 31 March, 2024				
			Currency Derivatives				Interest rate Derivatives
			Forward Contracts[4]	CCS	Options	Total	
1	**Derivatives (Notional Principal Amount)**						
	a)	For hedging	34,073.74	-	-	34,073.74	-
	b)	For trading	806,312.94	60,490.84	41,979.66	908,783.44	718,361.32
2	**Marked to Market Positions[2,3]**						
	a)	Asset (+)	-	-	74.39	74.39	239.98
	b)	Liability (-)	(624.82)	(73.69)	-	(698.51)	-
3	**Credit Exposure[3]**		22,671.78	7,396.52	1,399.28	31,467.58	13,868.89
4	**Likely impact of one percentage change in interest rate (100*PV01) (as at 31 March, 2024)**						
	a)	on hedging derivatives	2.31	-	-	2.31	-
	b)	on trading derivatives	10.23	45.37	7.20	62.80	382.83
5	**Maximum and Minimum of 100*PV01 observed during the year**						
	a)	on hedging					
		i) Minimum	-	-	-	-	-
		ii) Maximum	3.09	-	-	3.09	-
	b)	on Trading					
		i) Minimum	7.92	45.37	7.20	60.49	232.07
		ii) Maximum	14.01	214.04	17.75	245.80	433.23

1. only Over The Counter derivatives included
2. only on trading derivatives and represents net position
3. includes accrued interest
4. excluding Tom/Spot contracts

The outstanding notional principal amount of Exchange Traded Interest Rate Futures as at 31 March, 2025 was ₹Nil crores (previous year ₹232.70 crores) and the mark-to-market value was ₹Nil crores (previous year negative ₹0.33 crores).

The outstanding notional principal amount of Exchange Traded Currency Options as at 31 March, 2025 was ₹0.03 crores (previous year ₹125.25 crores) and the mark-to-market value was ₹Nil crores (previous year ₹0.35 crores).

d) The Bank has not undertaken any transactions in Credit Default Swaps (CDS) during the year ended 31 March, 2025 and 31 March, 2024.

1.8 Disclosures relating to securitisation

Details of securitisation transactions undertaken by the Bank under the RBI Master Direction on Securitisation of Standard Assets, 2021 are given below:

(₹ in crores)

Sr. No.	Particulars	31 March, 2025	31 March, 2024
1	No. of SPEs holding assets for securitisation transactions originated by the Bank	-	-
2	Total amount of securitised assets as per books of the SPEs	-	-
3	Total amount of exposures retained by the Bank to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	-	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitization	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation assets servicing, etc.	-	-
7	Performance of facility provided		
	a) Amount paid	-	-
	b) Repayment received	-	-
	c) Outstanding amount	-	-
8	Average default rate of portfolios observed in the past	-	-
9	Amount and number of additional/ top up loan given on same underlying asset	-	-
10	Investor Complaints		
	a) Directly/indirectly received	-	-
	b) Complaints outstanding	-	-

1.9 The Bank has not sponsored any special purpose vehicle which is required to be consolidated in the consolidated financial statements as per accounting norms.

1.10 Disclosure on transfers to Depositor Education and Awareness Fund (DEA Fund)

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Opening balance of amounts transferred to DEA Fund	999.47	749.17
Add : Amounts transferred to DEA Fund during the year	321.40	288.44
Less : Amounts reimbursed by DEA Fund towards claims[1]	(40.23)	(38.14)
Closing balance of amounts transferred to DEA Fund[2]	**1,280.64**	**999.47**

1. excludes interest post transfer to DEA Fund
2. Closing balance of amounts transferred to DEA Fund, as disclosed above, is also included under 'Schedule-12- Contingent Liability - Other items for which Bank is contingently liable'

1.11 Disclosure of customer complaints

a) Summary of information on complaints received by the Bank from customers and from Offices of Ombudsman (OBO)

	31 March, 2025	31 March, 2024
Complaints received by the Bank from its customers		
1. Number of complaints pending at the beginning of the year	20,754	16,830
2. Number of complaints received during the year	590,540	561,010
3. Number of complaints disposed during the year	600,151	557,086
of 3, number of complaints rejected by the Bank	*140,802**	*71,063**
4. Number of complaints pending at the end of the year	11,143	20,754
Maintainable complaints received by the Bank from OBOs		
5. Number of maintainable complaints received by the Bank from OBOs	14,500	16,438
of 5, Number of complaints resolved in favour of the Bank by OBO's	*7,569*	*15,352*
of 5, Number of complaints resolved through conciliation/ mediation/ advisories issued by OBO's	*6,928*	*1,086*
of 5, Number of complaints resolved after passing of Awards by OBO's against the Bank	*3***	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

* Overall cases rejected and subsequently referred to Internal Ombudsman for the year ended 31 March, 2025 were 754,281 (previous year 251,777) which is aggregate of all interactions (includes Gross, Net & Other interaction types)

** Out of the 3 awards, 2 were issued and have since lapsed, while the remaining 1 award will be represented to Consumer Education and Protection Department (CEPD), RBI for further advise

b) Overall complaints summary for the financial years:

Particulars	31 March, 2025	31 March, 2024
A. Total number of complaints	1,099,448	1,220,500
B. Complaints redressed by the Bank within one working day	508,908	659,490
C. Net reportable complaints (A - B)	**590,540**	**561,010**

c) Top five grounds of complaints received by the Bank from customers

For the year ended 31 March, 2025

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Credit cards	11,921	244,175	7%	3,251	488
Account opening/difficulty in operation of accounts	2,885	91,914	(13%)	2,132	178
ATM/Debit cards	1,460	78,112	9%	1,103	103
Internet/Mobile/Electronic Banking	953	48,389	38%	1,331	337
Loans and advances	1,260	34,657	(20%)	965	150
Others	2,275	93,293	22%	2,361	396
Total	**20,754**	**590,540**	**5%**	**11,143**	**1,652**

For the year ended 31 March, 2024

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Credit cards	6,715	228,285	(32%)	11,921	2,537
Account opening/difficulty in operation of accounts	2,288	105,923	(33%)	2,885	445
ATM/Debit cards	2,282	71,895	(50%)	1,460	44
Loans and advances	830	43,304	(57%)	1,260	128
Internet/Mobile/Electronic Banking	2,380	35,126	(70%)	953	198
Others	2,335	76,477	(14%)	2,275	338
Total	**16,830**	**561,010**	**(41%)**	**20,754**	**3,690**

The above disclosures do not include complaints redressed within 1 working day and are as certified by the Management and relied upon by the auditors.

1.12 Details of penalty/stricture levied by RBI

Details of penalty/stricture levied by RBI during the year ended 31 March, 2025 is as under:

Amount (₹ in crores)	Reason for stricture issued/levy of penalty by RBI	Date of payment of penalty
1.91	Penalty imposed for non-compliance with provisions of Section 19 (1) (a) of the Banking Regulation Act, 1949 and for non compliance with certain directions issued by RBI on 'Interest Rate on Deposits', 'Know Your Customer (KYC)' and 'Credit flow to agriculture-collateral free agricultural loans'.	12 September, 2024

Details of penalty/stricture levied by RBI during the year ended 31 March, 2024 is as under:

Amount (₹ in crores)	Reason for stricture issued/levy of penalty by RBI	Date of payment of penalty
0.30	Penalty imposed for non-compliance with certain provisions of the RBI directions on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Credit Card Accounts'	27 June, 2023
0.91	Penalty imposed for non-compliance with certain directions issued by RBI on 'Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016', 'Loans and Advances – Statutory and Other Restrictions', 'Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks' and 'Code of Conduct for Opening and Operating Current Accounts'	17 November, 2023

1.13 Disclosure on Remuneration

Qualitative disclosures

a) Information relating to the composition and mandate of the Nomination and Remuneration Committee:

❖ Name, composition and mandate of the main body overseeing remuneration:

The Nomination and Remuneration Committee of the Board oversees the framing, review and implementation of the compensation policy of the Bank on behalf of the Board. The Committee works in close co-ordination with the Risk Management Committee of the Bank, in order to achieve effective alignment between remuneration and risks.

As on 31 March, 2025, the Nomination and Remuneration Committee comprised of the following Non-Executive Directors:

1. Smt. Meena Ganesh – Chairperson
2. Smt. Mini Ipe
3. Shri Girish Paranjpe
4. Shri N.S. Vishwanathan

In respect of Remuneration/HR matters, the Nomination and Remuneration Committee of the Board, functions with the following main objectives:

a. Review and recommend to the Board for approval, the overall remuneration framework and associated policies of the Bank (including remuneration policy for Directors and Key Managerial Personnel) including the level and structure of fixed pay, variable pay, perquisites, bonus pool, stock-based compensation and any other form of compensation as may be included from time to time to all the employees of the Bank including the Managing Director & CEO (MD & CEO), other Whole-Time Directors (WTDs) and senior managers one level below the Board.

b. Recommend to the Board the compensation payable to the Chairman of the Bank.

c. Review and recommend to the Board for approval, the talent management and succession policy and process in the Bank for ensuring business continuity, especially at the level of MD & CEO, the other WTDs, senior managers' one level below the Board and other key roles and their progression to the Board.

d. Formulate the criteria and the manner for effective evaluation of performance of the Board as a whole, its Committees and individual directors, including independent directors of the Bank, which may be carried out either by the Committee or by the Board or with the help of an independent external agency and to review its implementation, compliance and outcomes.

e. Review adequacy and appropriateness of HR strategy of the Bank in the broader areas of code of conduct, ethics, conflict of interest, succession planning, talent management, performance management, remuneration and HR risk management.

f. Review and recommend to the Board for approval:

➢ the creation of new positions one level below MD & CEO

➢ appointments, promotions and exits of senior managers one level below the MD & CEO

g. Set the goals, objectives and performance benchmarks for the Bank and for MD & CEO, WTDs and Group Executives for the financial year and over the medium to long term.

h. Review the performance of the MD & CEO and other WTDs at the end of each year.

i. Consider and approve the grant of Stock Options to the Managing Director & CEO, other Whole-Time Directors, Senior Management and other eligible employees of the Bank / subsidiary, in terms of the relevant provisions of the SEBI Regulations, as amended, from time to time.

j. Perform such other duties as may be required to be done under any law, statute, rules, regulations etc. enacted by Government of India, Reserve Bank of India or by any other regulatory or statutory body.

❖ External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process:

The Bank commissioned Aon Consulting Pvt. Limited (Aon), a globally renowned compensation benchmarking firm, to conduct market benchmarking of employee compensation. The Bank participates in the salary benchmarking survey conducted by Aon every year. Aon collects data from multiple private sector peer banks across functions, levels and roles which is then used by the Bank to assess market competitiveness of remuneration offered to employees.

❖ A description of the scope of the Bank's remuneration policy, including the extent to which it is applicable to branches in India and overseas:

The Committee monitors the remuneration policy for both domestic and overseas branches of the Bank on behalf of the Board. However, it does not oversee the compensation policy for subsidiaries of the Bank.

❖ A description of the type of employees covered and number of such employees:

Employees are categorised into following three categories from remuneration structure and administration standpoint:

Category 1

MD & CEO and WTDs. This category includes 4* employees.

Category 2

All the employees in the Grade of Senior Vice President I and above engaged in the functions of Risk Control, Internal Audit and Compliance. This category includes 107* employees.

Category 3: Other Staff

'Other Staff' has been defined as a "group of employees whose actions have a material impact on the risk exposure of the Bank". This category includes 25* employees.

*represents employees in these categories during the year FY 2024-25 including employees exited from the Bank during FY 2024-25.

b) Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy:

❖ An overview of the key features and objectives of remuneration policy:

The compensation philosophy of the Bank aims to attract, retain and motivate professionals in order to enable the Bank to attain its strategic objectives and develop a strong performance culture in the competitive environment in which it operates. To achieve this, the following principles are adopted:

Affordability: Pay to reflect productivity improvements to retain cost-income competitiveness

- Maintain competitiveness on fixed pay in talent market
- Pay for performance to drive meritocracy through variable pay
- Employee Stock Units (ESUs) and Employee Stock Options (ESOPs) for long-term value creation
- Benefits and perquisites to remain aligned with market practices and provide flexibility

Apart from the above, the compensation structure for MD & CEO, WTDs, Material Risk Takers and employees at the grade of Senior Vice President and above within the Assurance functions at the Bank is aligned to RBI's guidelines for sound compensation practices issued in November 2019 and addresses the general principles of:

- Effective and independent governance and monitoring of compensation
- Alignment of compensation with prudent risk-taking through well designed and consistent compensation structures
- Clear and timely disclosure to facilitate supervisory oversight by all stakeholders

Accordingly, the compensation policy for MD & CEO and WTDs seeks to:

a) Ensure that the compensation, in terms of structure and total amount, is in line with the best practices, as well as competitive vis-à-vis that of peer banks

b) Establish the linkage of compensation with individual performance as well as achievement of the corporate objectives of the Bank

c) Include an appropriate variable pay component tied to the achievement of pre-established objectives in line with Bank's scorecard while ensuring that the compensation is aligned with prudent risk taking

d) Encourage attainment of long term shareholder returns through inclusion of equity linked long-term incentives as part of compensation

Compensation is structured in terms of fixed pay, cash variable pay and share linked instruments (for selective employees), with a strong linkage of variable pay to performance. The remuneration policy of the Bank is approved by the Nomination and Remuneration Committee and the Board of Directors of the Bank. Additional approval from Shareholders and RBI is obtained specifically for compensation of MD & CEO and WTDs.

❖ Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made:

The Bank's remuneration policy was originally reviewed and approved by the Nomination and Remuneration Committee and Board of Directors in FY2021 in order to align with RBI guidelines. The remuneration policy of the Bank is reviewed annually and any changes arising therefrom are approved by the Nomination and Remuneration Committee and Board of Directors.

Key highlights of the policy are mentioned below:

- At least 50% of total compensation i.e. Fixed Pay plus Total Variable Pay shall be variable.
- Value of share linked instruments will be included in definition of 'Total Variable Pay'
- 'Total Variable Pay' for the MD & CEO/ Whole-time Directors/ Material Risk Takers of the Bank would be capped at 300% of Fixed Pay.
- If the 'Total Variable Pay' is up to 200% of the Fixed Pay, a minimum of 50% of the Variable pay; and in case Variable Pay is above 200%, a minimum of 67% of the Variable Pay shall be paid via employee stock options.
- Minimum 60% of the 'Total Variable Pay' shall be deferred over 3 years. If cash component is part of 'Total Variable Pay', at least 50% of the cash component of variable pay should also be deferred over 3 years. In cases where the cash component of Total Variable pay is under ₹. 25 lakh, variable pay shall not be deferred.
- All the fixed items of compensation, including retiral benefits and perquisites, will be treated as part of Fixed Pay.

- Qualitative and quantitative criteria defined for identification of Material Risk Takers (MRTs).
- Specific guidelines on application of malus and clawback clauses.

❖ A discussion of how the Bank ensures that risk, internal audit and compliance employees are remunerated independently of the businesses they oversee:

The Bank ensures that risk, internal audit and compliance employees are remunerated independently of the businesses they oversee and is guided by the individual employee performance. The remuneration is determined on the basis of relevant risk measures included in the Balanced Scorecard / key deliverables of staff in these functions. The parameters reviewed for performance-based rewards are independent of performance of the business area they oversee and commensurate with their individual role in the Bank. Additionally, the ratio of fixed and variable compensation is weighed towards fixed compensation in case of employees in risk, internal audit, and compliance functions.

c) Description of the ways in which current and future risks are taken into account in the remuneration processes:

❖ An overview of the key risks that the Bank takes into account when implementing remuneration measures:

The business activity of the Bank is undertaken within the limits of risk measures to achieve the financial plan. The Financial Perspective in the Bank's Balanced Score Card (BSC) contains metrics pertaining to growth, profitability and asset quality. These metrics along with other metrics in customer, internal process and compliance and people perspective are taken into account while arriving at the remuneration decisions. The metrics on internal process and compliance ensure due weightage to non – financial risk that bank may be exposed to. The Remuneration Policy also contains provisions whereby the Nomination and Remuneration Committee of the Bank may review and approve the invoking of malus and/or clawback of compensation elements pertaining to the MD & CEO, WTDs and other Material Risk Takers of the Bank, including consideration of facts on a case to case basis and application of internal and external benchmarks.

❖ An overview of the nature and type of key measures used to take account of these risks, including risk difficult to measure:

The Bank has a robust system of measuring and reviewing these risks. The risk parameters are a part of the BSC used for setting of performance objectives and for measuring performance which includes, besides financial performance, adherence to internal processes, compliance and people perspectives. Weightage is placed on not only financial or quantitative achievement of objectives but also on qualitative aspects detailing how the objectives were achieved.

❖ A discussion of the ways in which these measures affect remuneration:

The relevant risk measures are included in the scorecards of MD & CEO and WTDs. Inclusion of the above mentioned measures ensures that performance parameters are aligned to risk measures at the time of performance evaluation. The Nomination and Remuneration Committee takes into consideration all the above aspects while assessing organisational and individual performance and making compensation related recommendations to the Board.

❖ A discussion of how the nature and type of these measures have changed over the past year and reasons for the changes, as well as the impact of changes on remuneration:

The Bank continued to track key metrics across financial, customer, internal process and compliance and people perspective as part of FY 25 BSC. For FY 2024-25, metrics linked to Bank's strategy, with focus on health metrics, sustainability, specifically on capital position and building distinctiveness were incorporated. Further, critical deliverables were included to drive progress as per the Bank's Growth, Profitability Score strategy.

d) Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration:

The Bank's performance management and compensation philosophies are structured to support the achievement of the Bank's on-going business objectives by rewarding achievement of objectives linked directly to its strategic business priorities. These strategic priorities are cascaded through annualised objectives to the employees.

The Bank follows the Balanced Scorecard approach in designing its performance management system. Adequate attention is given to the robust goal setting process to ensure alignment of individual objectives to support the achievement of business strategy, financial and non-financial goals across and through the organisation. The non-financial goals for employees include customer service, process improvement, adherence to risk and compliance norms, operations and process control, learning and knowledge development.

❖ An overview of main performance metrics for Bank, top level business lines and individuals:

The Bank follows a Balanced Scorecard approach for measuring performance for the Bank, top business lines and individuals.

❖ A discussion of how amounts of individual remuneration are linked to the Bank-wide and individual performance:

The Bank's remuneration practices are underpinned by principles of meritocracy and fairness. The remuneration system strives to maintain the ability to attract, retain, reward and motivate the talent in order to enable the Bank to attain its strategic objectives within the increasingly competitive context in which it operates. The Bank's pay-for-performance approach strives to ensure both internal and external equity in line with emerging market trends. However, the business model and affordability form the overarching boundary conditions.

The Bank follows a Balanced Scorecard approach for measuring performance at senior levels. The Balanced Scorecard parameters for individuals are cascaded from the Bank's Balanced Scorecard. The Nomination and Remuneration Committee reviews the achievements against the set of parameters which determines the performance of the individuals.

For all other employees, performance appraisals are conducted annually and initiated by the employee with self-appraisal. The immediate supervisor reviews the appraisal ratings in a joint consultation meeting with the employee and assigns the performance rating. The final ratings are discussed by a Moderation Committee comprising of senior officials of the Bank. Both relative and absolute individual performances are considered for the moderation process. Individual fixed pay increases, variable pay, ESUs and ESOPs are linked to the final performance ratings.

❖ A discussion of the measures the Bank will in general implement to adjust remuneration in the event that performance metrics are weak:

In cases where the performance metrics are weak or not well defined to measure the performance effectively, the Bank uses discretion to reward such employees. The remuneration is then influenced by the operational performance parameters of the Bank along with individual performance achievement.

Whilst determining fixed and variable remuneration, relevant risk measures are included in scorecards of senior employees.

As a prudent measure, for Material Risk Takers, a portion of variable pay if it exceeds a certain threshold is deferred and is paid proportionately over a period of 3 years. The deferred variable pay amount of reference year would be held back in case of any misrepresentation or gross inaccuracy resulting in a wrong risk assessment.

e) Description of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.:

i) Bank's policy on deferral and vesting of variable remuneration:

For MD&CEO, WTDs and other Material Risk Takers of the Bank, minimum 60% of the Total Variable Pay (including Cash Variable Pay and Stock Options) is deferred over 3 years or such other period as prescribed by RBI where applicable. In case the cash component is part of Total Variable Pay and exceeds ₹ 25 lakhs, at least 50% of the cash component of variable pay is also deferred over 3 years or such other period as prescribed by RBI where applicable.

The Total Variable Pay for MD&CEO, WTDs and other Material Risk Takers of the Bank is subject to malus and clawback clauses, as defined in the Remuneration Policy of the Bank.

ii) Bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting through claw back arrangements:

The Total Variable Pay for MD&CEO, WTDs and other Material Risk Takers of the Bank is subject to malus and clawback clauses, which are defined in the Remuneration Policy of the Bank. Detailed scenarios under which said clauses can be applied, such as event of an enquiry determining gross negligence or breach of integrity, or significant deterioration in financial performance are defined in the Remuneration Policy of the Bank.

f) Description of the different forms of variable remuneration that the Bank utilizes and the rationale for using these different forms:

❖ An overview of the forms of variable remuneration offered:

- Variable Pay: Variable Pay is linked to corporate performance, business performance and individual performance and ensures differential pay based on the performance levels of employees
- Employee Stock Options (ESOPs): ESOPs are given to selective set of employees at senior levels based on their level of performance and role. ESOP scheme has an inbuilt deferred vesting design which helps in directing long term performance orientation among employees.
- Employee Stock Units (ESUs): ESUs are given to employees between the grades of AVP and SVP II based on their level of performance. The ESU scheme has an inbuilt deferred vesting design which helps in directing long term performance orientation among employees.

❖ A discussion of the use of different forms of variable remuneration including a description of the factors that determine the mix and their relative importance:

Variable pay in the form of performance based bonus is paid out annually and is linked to performance achievement against balanced performance measures and aligned with the principles of meritocracy. The proportion of variable pay in total pay shall be higher at senior management levels. The payment of all forms of variable pay is governed by the affordability of the Bank and based on profitability and cost income ratios. At senior management levels (and for certain employees with potential to cause material impact on risk exposure), a portion of variable compensation may be paid out in a deferred manner in order to drive prudent behaviour as well as long term & sustainable performance orientation. Long term variable pay is administered in the form of ESOPs and ESUs with an objective of enabling employee participation in the business as an active stakeholder and to usher in an 'owner-manager' culture. The quantum of grant of stock options is determined and approved by the Nomination and Remuneration Committee, in terms of the said Regulations and in line with best practices, subject to the approval of RBI. The current ESOP and ESU design has an inbuilt deferral intended to spread and manage risk.

Quantitative disclosures

a) The quantitative disclosures pertaining to the MD & CEO, Whole Time Directors and Material Risk Takers for the year ended 31 March, 2025 and 31 March, 2024 are given below:

		Particulars	31 March, 2025	31 March, 2024
a.	i)	Number of meetings held by the Remuneration Committee (main body overseeing remuneration) during the financial year	12	12
	ii)	Remuneration paid to its members (sitting fees)	₹4,800,000	₹4,700,000
b.		Number of employees having received a variable remuneration award during the financial year	28	25
c.		Number and total amount of sign-on/joining bonus made during the financial year		
	-	Share-linked instruments (number of stock options granted)	162,387	395,976
	-	Fair value of share linked instruments	₹6.41 crores[1]	₹11.75 crores[1]
	-	Cash	₹0.06 crores	-
d.		Details of severance pay, in addition to accrued benefits, if any	N.A.	N.A.
e.		Total amount of outstanding deferred remuneration, split into:		
	-	Cash	₹29.88 crores	₹24.46 crores
	-	Shares	-	-

	Particulars	31 March, 2025	31 March, 2024
	- Share-linked instruments (number of unvested stock options outstanding as on 31 March and fair value of the same)	3,275,367 options with a fair value of ₹109.52 crores[1]	3,159,624 options with a fair value of ₹87.53 crores[1]
f.	Total amount of deferred remuneration paid out in the financial year:		
	- Cash	₹11.30 crores	₹6.87 crores
	- Share-linked instruments (number of stock options vested during the year and fair value of the same)	1,440,342 Options with a fair value of ₹38.39 crores[1]	2,753,690 Options with a fair value of ₹67.02 crores[1]
g.	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred, different forms used:		
	- Fixed	₹ 70.55 crores[2]	₹66.32 crores[2]
	- Variable	₹117.41 crores	₹113.39 crores
	- Deferred	₹100.61 crores	₹100.01 crores
	- of which, cash	₹16.73 crores[1]	₹13.18 crores[1]
	- of which, share-linked instruments	₹83.88 crores fair value of 2,323,007 options granted during the year[1]	₹86.83 crores fair value of 2,877,862 options granted during the year[1]
	- Non-deferred	₹16.79 crores	₹13.38 crores
h.	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments	N.A.	N.A.
i.	Total amount of reductions during the financial year due to ex- post explicit adjustments	N.A.	N.A.
j.	Total amount of reductions during the financial year due to ex- post implicit adjustments	N.A.	N.A.
k.	Number of MRT's identified	29	27
l.	Number of cases where		
	- malus has been exercised	Nil	Nil
	- clawback has been exercised	Nil	Nil
	- both malus and clawback have been exercised	Nil	Nil
m.	The mean pay for the Bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean		
	Mean pay of the Bank[3]	₹1,228,403	₹1,186,330
	Deviation of the pay of WTDs from the mean pay for the Bank		
	- MD & CEO	₹ 79,639,332	₹77,944,261
	- DMD	₹51,751,906	₹50,569,977
	- WTD 1	₹42,363,331	₹32,619,849
	- WTD 2	₹41,763,292	₹27,804,074

1. Fair value is the weighted average fair value of stock options computed using Black-Scholes options pricing model as on the grant date
2. Fixed pay includes basic salary, supplementary allowances, superannuation, contribution to provident fund, gratuity fund and value of perquisites. The value of perquisites is calculated as cost to the Bank
3. Mean pay is computed on annualised fixed pay of all confirmed employees (excluding frontline sales and overseas employess) as on 31 March. Fixed pay includes basic salary, supplementary allowances, superannuation, contribution to provident fund, gratuity fund and value of perquisites. The value of perquisites is calculated as cost to the Bank

Disclosure for compensation of Non-executive Directors (Except Part-time Chairman):

(₹ in crores)

		31 March, 2025	31 March, 2024
a.	Amount of fixed remuneration paid during the year	2.14	1.66

1.14 Other Disclosures

a) Business ratios

As at	31 March, 2025 %	31 March, 2024 %
Interest income as a percentage to working funds[1]	8.10	8.05
Non-interest income as a percentage to working funds[1]	1.67	1.65
Cost of Deposits	5.12	4.86
Net Interest Margin[2]	3.98	4.07
Operating profit[3] as a percentage to working funds[1]	2.78	2.73
Return on assets (based on working funds[1])	1.74	1.83
Business (deposits less inter-bank deposits plus advances) per employee[4]	₹20.88 crores	₹20.19 crores
Profit per employee[4]	₹0.25 crores	₹0.25 crores

1. Working funds represent average of total assets as reported to RBI in Form X under Section 27 of the Banking Regulation Act, 1949 during the year
2. Net Interest Income/Average Earning Assets. Net Interest Income = Interest Income – Interest Expense
3. Operating profit represents total income as reduced by interest expended and operating expenses
4. Productivity ratios are based on average employee numbers for the year

b) Bancassurance business

(₹ in crores)

Sr. No.	Nature of Income	31 March, 2025	31 March, 2024
1.	For selling life insurance policies	2,746.91	1,979.26
2.	For selling non-life insurance policies	427.36	383.97
	Total	**3,174.27**	**2,363.23**

c) Marketing and Distribution business

(₹ in crores)

Sr. No.	Nature of Income	31 March, 2025	31 March, 2024
1.	Mutual funds	649.17	536.16
2.	Alternate products	206.51	166.15
3.	Government bonds	1.43	7.06
4.	Fees for display of publicity material	257.85	224.70
5.	Others	36.21	22.59
	Total	**1,151.17**	**956.66**

d) Disclosure regarding Priority Sector Lending Certificates (PSLCs) purchased/sold by the Bank:

Details of PSLCs purchased by the Bank:

(₹ in crores)

Category	31 March, 2025	31 March, 2024
PSLC – Small/Marginal Farmers	72,453.50	37,045.00
Total	**72,453.50**	**37,045.00**

Details of PSLCs sold by the Bank

(₹ in crores)

Category	31 March, 2025	31 March, 2024
PSLC – Agriculture	32,000.00	8,485.00
PSLC – Micro Enterprises	35,000.00	-
PSLC – General	-	75,294.50
Total	**67,000.00**	**83,779.50**

During the year ended 31 March, 2025, the Bank incurred a cost of ₹1,483.53 crores (previous year ₹819.38 crores) excluding taxes, towards purchase of PSLCs which forms part of 'Other Expenditure' under Schedule 16 of the Profit and Loss Account. Further, during the year ended 31 March, 2025, the Bank also earned fees of ₹196.89 crores (previous year ₹57.42 crores) excluding taxes, on sale of PSLCs which forms part of 'Miscellaneous Income' under Schedule 14 of the Profit and Loss Account.

e) 'Provisions and contingencies' recognised in the Profit and Loss Account comprise of:

(₹ in crores)

For the year ended	31 March, 2025	31 March, 2024
Provision for income tax		
- Current tax	7,477.20	7,184.37
- Deferred tax [Refer note 18 (2.8)]	495.90	1,014.26
	7,973.10	**8,198.63**
Provision for non-performing assets (including bad debts written off net of write backs and recoveries in written off accounts) [1]	7,546.77	3,680.90
Provision for restructured assets	(0.80)	(0.66)
Provision for COVID-19 restructuring & MSME restructuring	(143.48)	(279.35)
Provision towards standard assets	65.56	208.28
Provision for unhedged foreign currency exposures	(54.74)	91.57
Provision for country risk	10.57	6.13
Additional provision for delay in implementation of resolution plan	(38.44)	49.18
Provision for probable legal cases	527.55	12.56
Provision for other contingencies	(154.64)	294.48
Total	**15,731.45**	**12,261.72**

1. includes provision for non-performing advances of ₹11,578.59 crores (previous year ₹6,595.54 crores) and write-back of provision on non-performing investments of ₹222.51 crores (previous year provision of ₹142.07 crores), net of recoveries from written off accounts of ₹3,809.31 crores (previous year ₹2,772.57 crores)

f) Status of implementation of IFRS converged Indian Accounting Standards (Ind AS):

The RBI had issued a circular in February 2016 requiring banks to implement Indian Accounting Standards (Ind AS) and prepare standalone and consolidated Ind AS financial statements with effect from 1 April, 2018. Banks were also required to report the comparative financial statements for the financial year 2017-18, to be published along with the financial statement for the year beginning 1 April, 2018. However, the RBI in its press release issued on 5 April, 2018 deferred the applicability of Ind AS by one year (i.e. 1 April, 2019) for Scheduled Commercial Banks. Further, RBI in a circular issued on 22 March, 2019 has deferred the implementation of Ind AS till further notice.

During the financial year 2016-17, the Bank had undertaken a preliminary diagnostic analysis of the GAAP differences between Indian GAAP vis-a-vis Ind AS. The Bank has also identified and evaluated data gaps, processes and system changes required to implement Ind AS. The Bank is in the process of implementing necessary changes in its IT systems wherever required and other processes in a phased manner. The Bank is also submitting Proforma Ind AS financial statements to RBI on a half-yearly basis.

In line with the RBI guidelines on Ind AS implementation, the Bank has formed a Steering Committee comprising members from the concerned functional areas, headed by the Deputy Managing Director. The Steering Committee reviews the proforma Ind AS financial statements and provides guidance on critical areas of implementation on a periodic basis. A progress report on the status of Ind AS implementation in the Bank is presented to the Audit Committee and Board of Directors on a quarterly basis. Accounting impact on the application of Ind AS shall be recognized as and when it become statutorily applicable to banks and in the manner so prescribed.

g) Payment of DICGC Insurance Premium

(₹ in crores)

	31 March, 2025	31 March, 2024
Payment of DICGC Insurance Premium[1]	1,240.30	1,104.94
Arrears in payment of DICGC premium	-	-
Total	**1,240.30**	**1,104.94**

1. Amount reported is excluding GST

h) Disclosure on provisioning pertaining to Land held under 'Non-Banking assets acquired in satisfaction of claims'

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Amount of Land held under 'Non-Banking assets acquired in satisfaction of claims' at the end of the year	1,855.85	1,855.85
Provision held at the beginning of the year	1,855.85	2,068.24
Provisions made during the year by debiting profit and loss account	-	-
Provisions reversed during the year	-	(212.39)
Provisions held at the end of the year	**1,855.85**	**1,855.85**
Unamortised provision debited from 'Balance in profit and loss account' under 'Reserves and Surplus'	-	-

i) Letters of Comfort

The Bank has not issued any Letter of Comfort (LoC) on behalf of its subsidiaries during the current and previous year.

j) Portfolio-level information regarding the use of the green deposit funds as required under "Framework for acceptance of Green Deposits" issued by RBI :

Particulars	31 March, 2025	31 March, 2024	Cumulative
Total green deposits raised (A)	-	-	-
Use of green deposit funds			
1) Renewable Energy	-	-	-
2) Energy Efficiency	-	-	-
3) Clean Transportation	-	-	-
4) Climate Change Adaptation	-	-	-
5) Sustainable Water and Waste Management	-	-	-
6) Pollution Prevention and Control	-	-	-
7) Green Buildings	-	-	-
8) Sustainable Management of Living Natural Resources and Land Use	-	-	-
9) Terrestrial and Aquatic Biodiversity Conservation	-	-	-
Total Green Deposit funds allocated (B = Sum of 1 to 9)	-	-	-
Amount of Green Deposit funds not allocated (C = A – B)	-	-	-
Details of the temporary allocation of green deposit proceeds pending their allocation to the eligible green activities/projects	-	-	-

k) Details of Others (including provisions) in Other Liabilities and Provisions of Schedule 5 of Balance Sheet exceeding 1% of Total Assets

As at 31 March, 2025

Sr. No.	Particulars	(₹ in crores)
1.	Mark-to-Market (MTM) liability on forex and derivative contracts	19,928.54

As on 31 March, 2024, none of the items under Others (including provisions) in Other Liabilities and Provisions of Schedule 5 of Balance Sheet exceeded 1% of Total Assets.

l) Details of Others in Other Assets of Schedule 11 of Balance Sheet exceeding 1% of Total Assets

As at 31 March, 2025

Sr. No.	Particulars	(₹ in crores)
1.	Mark-to-Market (MTM) assets on forex and derivative contracts	20,496.42

As at 31 March, 2024

Sr. No.	Particulars	(₹ in crores)
1.	Priority Sector Shortfall Deposits	21,557.10

m) Miscellaneous income exceeding 1% of the total income

During the year ended 31 March, 2025 and 31 March, 2024, none of the items under miscellaneous income (Schedule 14 – Other Income) have exceeded 1% of total income of the Bank.

n) Expenses exceeding 1% of the total income

Details of items under other expenditure (Schedule 16 – Operating Expenses) exceeding 1% of total income of the Bank are given below:

For the year ended 31 March, 2025

Sr. No.	Nature of Expense	(₹ in crores)
1.	Commission paid to Direct Sales Agents (DSA)	2,619.66
2.	Charges paid to network partners	1,629.80
3.	Cashback charges	1,594.58
4.	Charges paid for purchase of Priority Sector Lending Certificates (excluding taxes)	1,483.53

For the year ended 31 March, 2024

Sr. No.	Nature of Expense	(₹ in crores)
1.	Commission paid to Direct Sales Agents (DSA)	1,963.00
2.	Professional fees	1,924.18
3.	Cashback charges	1,807.75
4.	Business promotion expenses	1,627.88
5.	Charges paid to network partners	1,517.65

2. Other Disclosures

2.1 Earnings Per Share ('EPS')

The details of EPS computation is set out below:

	31 March, 2025	31 March, 2024
Basic and Diluted earnings for the year (Net profit after tax) (₹ in crores)	26,373.48	24,861.43
Basic weighted average no. of shares (in crores)	309.26	308.17

	31 March, 2025	31 March, 2024
Add: Equity shares for no consideration arising on grant of stock options/units under ESOP/ ESU scheme (in crores)	1.84	2.23
Diluted weighted average no. of shares (in crores)	311.10	310.40
Basic EPS (₹)	85.28	80.67
Less: Effect of potential equity shares for no consideration arising on grant of stock options/ units under ESOP/ESU scheme (₹)	(0.51)	(0.57)
Diluted EPS (₹)	84.77	80.10
Nominal value of shares (₹)	2.00	2.00

Dilution of equity is on account of 18,432,380 stock options/units (previous year 22,287,930 stock options/units)

2.2 Employee Stock Options/Units

Over the period till 31 March 2025, pursuant to the approval of the shareholders, the Bank has framed Employee Stock Option Schemes for options aggregating 315,087,000 that vest in a graded manner over 3 to 4 years, subject to vesting conditions. The options can be exercised within five years from the date of the vesting. Further, pursuant to the approval of the shareholders in January 2023, the Bank also framed an Employee Stock Units (ESUs) Scheme aggregating to 50,000,000 units, that vest in a graded manner over 3 years, subject to vesting conditions. The ESUs can be exercised within five years from the date of the vesting. Within the respective overall ceilings of options/units, the Bank is authorised to issue options/units to eligible employees and Whole Time Directors (including those of subsidiary companies and Associate entity).

324,312,311 options and 2,704,077 ESUs have been granted under the Schemes till the previous year ended 31 March, 2024. During the year ended 31 March, 2025, pursuant to the approval of the Nomination and Remuneration Committee, the Bank granted options/units (each option representing entitlement to one equity share of the Bank) to eligible employees/directors of the Bank/subsidiary companies as set out below:

Date of grant	Options / ESUs	No. of options granted	Grant price (₹ per option/ units)
25 April, 2024	Options	7,019,246	1,063.25
25 April, 2024	ESUs	2,408,870	2.00
11 July, 2024	Options	86,261	1,291.65

Stock option activity under the Scheme for the year ended 31 March, 2025 is set out below:

	Options outstanding	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	**52,199,448**	**469.90 to 929.80**	**712.34**	**4.27**
Granted during the year	7,105,507	1,063.25 to 1,291.65	1,066.02	-
Forfeited during the year	(2,455,328)	469.90 to 1,063.25	820.58	-
Expired during the year	(102,753)	469.90 to 757.10	654.80	-
Exercised during the year	(10,393,527)	469.90 to 848.80	659.82	-
Outstanding at the end of the year	**46,353,347**	**488.35 to 1,291.65**	**772.73**	**4.01**
Exercisable at the end of the year	34,860,694	488.35 to 1,063.25	707.90	3.32

The weighted average share price in respect of options exercised during the year was ₹1,143.23.

Stock units activity under the Scheme for the year ended 31 March, 2025 is set out below:

	Units outstanding	Exercise price (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	**2,534,240**	**2.00**	**2.00**	**6.09**
Granted during the year	2,408,870	2.00	2.00	-
Forfeited during the year	(270,729)	2.00	2.00	-
Expired during the year	-	-	-	-
Exercised during the year	(405,164)	2.00	2.00	-
Outstanding at the end of the year	**4,267,217**	**2.00**	**2.00**	**5.75**
Exercisable at the end of the year	1,057,224	2.00	2.00	4.63

The weighted average share price in respect of units exercised during the year was ₹1,146.05.

Stock option activity under the Scheme for the year ended 31 March, 2024 is set out below:

	Options outstanding	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	**51,107,688**	**433.10 to 804.80**	**653.48**	**4.37**
Granted during the year	12,705,878	848.80 to 929.80	848.84	-
Forfeited during the year	(1,829,116)	469.90 to 848.80	756.94	-
Expired during the year	(82,360)	469.90 to 535.00	505.43	-
Exercised during the year	(9,702,642)	433.10 to 848.80	574.29	-
Outstanding at the end of the year	**52,199,448**	**469.90 to 929.80**	**712.34**	**4.27**
Exercisable at the end of the year	37,480,122	469.90 to 929.80	678.79	3.46

The weighted average share price in respect of options exercised during the year was ₹1,003.21.

Stock units activity under the Scheme for the year ended 31 March, 2024 is set out below:

	Units outstanding	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	**-**	**-**	**-**	**-**
Granted during the year	2,704,077	2.00	2.00	-
Forfeited during the year	(154,116)	2.00	2.00	-
Expired during the year	-	-	-	-
Exercised during the year	(15,721)	2.00	2.00	-
Outstanding at the end of the year	**2,534,240**	**2.00**	**2.00**	**6.09**
Exercisable at the end of the year	749,823	2.00	2.00	4.98

The weighted average share price in respect of units exercised during the year was ₹1,044.23.

Fair Value Methodology

In line with RBI clarification on Guidelines on Compensation of Whole Time Directors/Chief Executive Officers/ Material Risk Takers and Control Function Staff issued on 30 August, 2021, the Bank follows the fair value method for all share-linked instruments granted after 31 March, 2021 and consequently recognizes the fair value of options computed using the Black-Scholes model, without reducing estimated forfeitures, as a compensation expense over the vesting period. During the year, the Bank has recognised compensation cost of ₹365.79 crores (previous year ₹400.70 crores) for options/units granted to employees of the Bank and recovered ₹58.18 crores (previous year ₹53.63 crores) from group entities in respect of options/units granted to the employees and deputed staff at group entities.

The fair value of the options/units is estimated on the date of the grant using the Black-Scholes options pricing model, with the following assumptions:

	31 March, 2025		31 March, 2024	
	ESOP	ESU	ESOP	ESU
Dividend yield	0.09%	0.09%	0.26%	0.26%
Expected life	2.95-5.95 years	1-3 years	2.95-5.95 years	1-3 years
Risk free interest rate	6.85% to 7.09%	6.95% to 7.06%	6.79% to 7.17%	6.94% to 7.12%
Volatility	24.00% to 29.15%	19.89% to 24.01%	29.90% to 38.27%	25.28% to 31.99%

Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over a period prior to the date of grant, corresponding with the expected life of the options has been considered.

The weighted average fair value of options granted during the year ended 31 March, 2025 is ₹358.68 (previous year ₹297.95).

The weighted average fair value of units granted during the year ended 31 March, 2025 is ₹1,059.51 (previous year ₹842.45).

2.3 Proposed Dividend

The Board of Directors, in their meeting held on 24 April, 2025 have proposed a final dividend of ₹1 per equity share amounting to ₹309.74 crores. The proposal is subject to the approval of shareholders at the Annual General Meeting. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through the Companies (Accounting Standards) Rules, 2021, such proposed dividend has not been recognised as a liability as on 31 March, 2025.

During the year, the Bank paid final dividend of ₹1 per equity share amounting ₹309.09 crores pertaining to the previous year ended 31 March, 2024.

2.4 Segmental reporting

The business of the Bank is divided into four segments: Treasury, Retail Banking, Corporate/Wholesale Banking and Other Banking Business. These segments have been identified based on the RBI's revised guidelines on Segment Reporting issued on 18 April, 2007 vide Circular No. DBOD.No.BP.BC.81/21.04.018/2006-07. The principal activities of these segments are as under.

Segment	Principal Activities
Treasury	Treasury operations include investments in sovereign and corporate debt, equity and mutual funds, trading operations, derivative trading and foreign exchange operations on the proprietary account and for customers. The Treasury segment also includes the central funding unit.
Retail Banking	Constitutes lending to individuals/small businesses through the branch network and other delivery channels subject to the orientation, nature of product, granularity of the exposure and the quantum thereof. Retail Banking activities also include liability products, card services, internet banking, mobile banking, ATM services, depository, financial advisory services and NRI services.
Digital Banking (Sub- segment of Retail Banking)	In accordance with RBI circular DOR.AUT.REC.12/22.01.001/2022-23 dated 7 April 2022 on Establishment of Digital Banking Units, the Bank has presented 'Digital Banking' as a sub-segment of the Retail Banking segment.
Corporate/Wholesale Banking	Includes corporate relationships not included under Retail Banking, corporate advisory services, placements and syndication, project appraisals, capital market related services and cash management services.
Other Banking Business	Includes para banking activities like third party product distribution and other banking transactions not covered under any of the above three segments.

Unallocated assets and liabilities - All items which are reckoned at an enterprise level are classified under this segment such as deferred tax, tax paid in advance net of provision, provision for other contingencies towards potential expected losses etc.

Revenues of the Treasury segment primarily consist of fees and gains or losses from trading operations and interest income on the investment portfolio. The principal expenses of the segment consist of interest expense on funds borrowed from external sources and other internal segments, premises expenses, personnel costs, other direct overheads and allocated expenses.

Revenues of the Corporate/Wholesale Banking segment consist of interest and fees earned on loans given to customers falling under this segment and fees arising from transaction services and merchant banking activities such as syndication and debenture trusteeship. Revenues of the Retail Banking segment are derived from interest earned on loans classified under this segment, fees for banking and advisory services, ATM interchange fees and cards products. Expenses of the Corporate/Wholesale Banking and Retail Banking segments primarily comprise interest expense on deposits and funds borrowed from other internal segments, infrastructure and premises expenses for operating the branch network and other delivery channels, personnel costs, other direct overheads and allocated expenses.

Segment income includes earnings from external customers and from funds transferred to the other segments. Segment result includes revenue as reduced by interest expense and operating expenses and provisions, if any, for that segment. Segment-wise income and expenses include certain allocations. Inter segment interest income and interest expense represent the transfer price received from and paid to the Central Funding Unit (CFU) respectively. For this purpose, the funds transfer pricing mechanism presently followed by the Bank, which is based on historical matched maturity and internal benchmarks, has been used by the Bank and relied upon by the Statutory Auditors. Operating expenses other than those directly attributable to segments are allocated to the segments based on an activity-based costing methodology. All activities in the Bank are segregated segment-wise and allocated to the respective segment.

Segmental results are set out below:

(₹ in crores)

	31 March, 2025							
	Treasury	Corporate/ Wholesale Banking	Retail Banking			Other Banking Business	Unallocated	Total
			Digital Banking Business	Other Retail Banking Business	Total Retail Banking			
Segment Revenue								
Gross interest income (external customers)	25,118.44	33,445.55	15,446.07	48,298.26	63,744.33	-	368.72	1,22,677.04
Other income	3,548.12	4,686.88	7,685.28	4,615.27	12,300.55	4,721.51	-	25,257.06
Total income as per Profit and Loss Account	**28,666.56**	**38,132.43**	**23,131.35**	**52,913.53**	**76,044.88**	**4,721.51**	**368.72**	**1,47,934.10**
Add/(less) inter segment interest income	1,245.89	8,447.91	11,189.01	53,694.40	64,883.41	-	-	74,577.21
Total segment revenue	**29,912.45**	**46,580.34**	**34,320.36**	**1,06,607.93**	**1,40,928.29**	**4,721.51**	**368.72**	**2,22,511.31**
Less: Interest expense (external customers)	18,071.06	1,730.95	9,215.82	39,311.39	48,527.21	-	-	68,329.22
Less: Inter segment interest expense	5,368.43	28,066.80	7,164.82	33,977.16	41,141.98	-	-	74,577.21
Less: Operating expenses	482.91	5,381.95	10,151.13	21,225.61	31,376.74	258.35	-	37,499.95
Operating profit	**5,990.05**	**11,400.64**	**7,788.59**	**12,093.77**	**19,882.36**	**4,463.16**	**368.72**	**42,104.93**
Less: Provision for non-performing assets/others[1]	(1,182.68)	(963.43)	5,590.49	4,342.61	9,933.10	0.02	(28.66)	7,758.35
Segment result	**7,172.73**	**12,364.07**	**2,198.10**	**7,751.16**	**9,949.26**	**4,463.14**	**397.38**	**34,346.58**
Less: Provision for tax								7,973.10
Extraordinary profit/loss								-
Net Profit								**26,373.48**
Segment assets	538,714.45	425,365.09	127,728.56	510,614.06	638,342.62	776.74	6,730.98	16,09,929.88
Segment liabilities	261,334.83	232,941.73	174,174.82	754,850.49	929,025.31	54.49	7,956.58	14,31,312.94
Net assets	**2,77,379.62**	**1,92,423.36**	**(46,446.26)**	**(2,44,236.43)**	**(2,90,682.69)**	**722.25**	**(1,225.60)**	**1,78,616.94**
Capital expenditure for the year	14.88	485.49	458.99	1,463.06	1,922.04	46.90	-	2,469.31
Depreciation on fixed assets for the year	10.24	334.07	315.83	1,006.72	1,322.56	32.27	-	1,699.14

1. represents material non-cash items other than depreciation

(₹ in crores)

	31 March, 2024							
			Retail Banking					
	Treasury	Corporate/ Wholesale Banking	Digital Banking Business	Other Retail Banking Business	Total Retail Banking	Other Banking Business	Unallocated	Total
Segment Revenue								
Gross interest income (external customers)	22,244.24	30,895.03	*11,564.11*	*44,590.24*	56,154.35	75.01	-	109,368.63
Other income	3,053.43	4,401.77	*7,026.13*	*4,451.54*	11,477.67	3,509.09	-	22,441.96
Total income as per Profit and Loss Account	**25,297.67**	**35,296.80**	***18,590.24***	***49,041.78***	**67,632.02**	**3,584.10**	**-**	**131,810.59**
Add/(less) inter segment interest income	3,633.50	8,915.86	*7,526.57*	*47,065.01*	54,591.58	-	-	67,140.94
Total segment revenue	**28,931.17**	**44,212.66**	***26,116.81***	***96,106.79***	**1,22,223.60**	**3,584.10**	**-**	**1,98,951.53**
Less: Interest expense (external customers)	17,215.96	2,079.46	*6,290.16*	*33,926.31*	40,216.47	(37.74)	-	59,474.15
Less: Inter segment interest expense	5,114.69	25,575.32	*5,455.28*	*30,995.65*	36,450.93	-	-	67,140.94
Less: Operating expenses	375.93	4,769.60	*10,353.21*	*19,444.84*	29,798.05	269.70	-	35,213.28
Operating profit	**6,224.59**	**11,788.28**	***4,018.16***	***11,739.99***	**15,758.15**	**3,352.14**	**-**	**37,123.16**
Less: Provision for non-performing assets/others[1]	(4.54)	(1,474.30)	*2,895.29*	*2,647.45*	5,542.74	(0.81)	-	4,063.09
Segment result	**6,229.13**	**13,262.58**	***1,122.87***	***9,092.54***	**10,215.41**	**3,352.95**	**-**	**33,060.07**
Less: Provision for tax								8,198.64
Extraordinary profit/loss								-
Net Profit								**24,861.43**
Segment assets	484,536.90	385,984.29	*107,119.17*	*492,442.77*	599,561.94	1,061.37	6,064.10	14,77,208.60
Segment liabilities	261,497.26	226,266.46	*124,919.44*	*708,005.87*	832,925.31	62.26	6,222.31	13,26,973.60
Net assets	**223,039.64**	**1,59,717.83**	***(17,800.27)***	***(215,563.10)***	**(233,363.37)**	**999.11**	**(158.21)**	**1,50,235.00**
Capital expenditure for the year	15.44	447.59	*329.77*	*1,371.27*	1,701.05	41.30	(16.69)	2,188.67
Depreciation on fixed assets for the year	9.45	274.08	*199.44*	*842.19*	1,041.63	25.30	(16.69)	1,333.75

1. represents material non-cash items other than depreciation

Geographic Segments

(₹ in crores)

	Domestic		International		Total	
	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024
Revenue	144,612.90	128,741.80	3,321.20	3,068.79	147,934.10	131,810.59
Assets	1,553,397.93	1,425,665.61	56,531.95	51,542.99	1,609,929.88	1,477,208.60
Capital Expenditure for the year	2,462.82	2,188.18	6.49	0.49	2,469.31	2,188.67
Depreciation on fixed assets for the year	1,697.78	1,332.10	1.36	1.65	1,699.14	1,333.75

2.5 Related party disclosure

The related parties of the Bank are broadly classified as:

a) Promoters

The Bank has identified the following entities as its Promoters:

- Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI) (upto 17 July, 2023)
- Life Insurance Corporation of India (LIC)

b) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO)
- Mr. Rajiv Anand (Deputy Managing Director)
- Mr. Subrat Mohanty (Executive Director) (with effect from 17 August, 2023)
- Mr. Munish Sharda (Executive Director) (with effect from 27 February, 2024)

c) Relatives of Key Management Personnel

Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, Ms. Rajul Parekh, Ms. Chhavi Kharb, Mr. Ashok Kharb, Mr. Om Singh Chaudhry, Ms. Kusum Chaudhry, Ms. Gitanjali Anand, Ms. Tara Anand, Ms. Nandita Anand, Mr. P.L. Narain, Mr. P. Srinivas, Ms. Ratna Rao Shekar, Ms. Charu Narain, Ms. K Ramalakshmi, Ms. Smitha Mohanty, Mr. Agastya Mohanty, Mr. Rajat Mohanty, Mr. Neelima Mohanty, Mr. Narasingh Mohanty, Ms. Gitashree Mohanty, Ms. Rima Sharda, Ms. Tanya Sharda, Ms. Shashi Sharda, Mr. Rakesh Sharda, Ms. Monica Sharda.

d) Subsidiary Companies

- Axis Capital Limited
- Axis Trustee Services Limited
- Axis Asset Management Company Limited
- Axis Mutual Fund Trustee Limited
- Axis UK Limited (formerly Axis Bank UK Limited)
- Axis Finance Limited
- Axis Securities Limited
- A.Treds Limited
- Freecharge Payment Technologies Private Limited
- Freecharge Business and Technology Services Limited (with effect from 6 May, 2024)

e) Step down subsidiary companies

- Axis Capital USA LLC
- Axis Pension Fund Management Limited

f) Associate

- Axis Max Life Insurance Company Limited (formerly Max Life Insurance Company Limited)

Based on RBI guidelines, details of transactions with Promoter (Life Insurance Corporation of India) and Associate (Axis Max Life Insurance Company Limited) are not disclosed since there is only one entity/party in the aforesaid categories.

The details of transactions of the Bank with its related parties during the year ended 31 March, 2025 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel#	Subsidiaries	Step down Subsidiaries	Total
Dividend paid	0.06	-*	-	-	**0.06**
Dividend received	-	-	24.58	-	**24.58**
Interest paid	0.38	0.76	64.45	0.03	**65.62**
Interest received	0.01	-*	38.48	-	**38.49**
Investment of the Bank	-	-	888.56	-	**888.56**
Repayment of Share Capital by related party	-	-	329.28	-	**329.28**
Investment in non-equity instruments of related party	-	-	375.00	-	**375.00**
Investment of related party in the Bank	53.29	-	-	-	**53.29**
Sale of investments	-	-	554.39	-	**554.39**
Management contracts	-	-	8.20	0.39	**8.59**
Remuneration paid	27.71	-	-	-	**27.71**
Contribution to employee benefit fund	-	-	-	-	**-**
Swaps/Forward contracts	-	-	3.24	-	**3.24**
Advance granted (net)	-	0.07	123.71	-	**123.78**
Advance repaid	0.77	-	0.06	-	**0.83**
Non-funded commitments (reduction)	-	-	0.05	-	**0.05**
Purchase of loans	-	-	25.24	-	**25.24**
Receiving of services	-	-	186.09	0.05	**186.14**
Rendering of services	-*	-*	202.27	0.42	**202.69**
Sale/Purchase of foreign exchange currency to/from related party	0.14	-*	-	-	**0.14**
Royalty Received	-	-	11.82	0.01	**11.83**
Other reimbursements from related party	-	-	65.75	1.46	**67.21**
Other reimbursements to related party	-	-	5.53	-	**5.53**

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

*Denotes amount less than ₹50,000/-

The balances payable to/receivable from the related parties of the Bank as on 31 March, 2025 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel#	Subsidiaries	Step down Subsidiaries	Total
Deposits with the Bank	8.81	14.43	2,031.06	0.78	**2,055.08**
Placement of deposits	-	-	-	-	**-**
Advances	0.19	0.15	441.50	-	**441.84**
Investment of the Bank	-	-	3,807.53	7.22	**3,814.75**
Investment in non-equity instruments of related party	-	-	495.00	-	**495.00**
Investment of related party in the Bank	0.12	-*	-	-	**0.12**
Non-funded commitments	-	-	0.25	-	**0.25**
Other receivables (net)	-	-	27.16	0.07	**27.23**
Other payables (net)	-	-	73.91	-	**73.91**

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

*Denotes amount less than ₹50,000/-

The maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2025 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Step down Subsidiaries	Total
Deposits with the Bank	22.83	14.77	2,547.57	7.50	2,592.67
Placement of deposits	-	-	-	-	-
Advances	1.01	0.23	914.73	-	915.97
Investment of the Bank	-	-	3,816.60	7.22	3,823.82
Investment of related party in the Bank	0.14	-*	-	-	0.14
Investment in non-equity instruments of related party	-	-	495.00	-	495.00
Non-funded commitments	-	-	0.30	-	0.30
Other receivables (net)	-	-	27.16	0.07	27.23
Other payables (net)	-	-	135.68	0.03	135.71

*Denotes amount less than ₹50,000/-

The details of transactions of the Bank with its related parties during the year ended 31 March, 2024 are given below:

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel#	Subsidiaries	Step down Subsidiaries	Total
Dividend paid	24.49	0.05	-*	-	-	**24.54**
Dividend received	-	-	-	41.38	-	**41.38**
Interest paid	399.71	0.23	0.47	30.39	0.50	**431.30**
Interest received	-*	0.04	-*	75.51	-	**75.55**
Investment of the Bank	-	-	-	300.87	-	**300.87**
Repayment of Share Capital by related party	-	-	-	-	-	**-**
Investment in non-equity instruments of related party	-	-	-	466.48	-	**466.48**
Investment of related party in the Bank	-	20.39	-	-	-	**20.39**
Sale of investments	-	-	-	225.88	-	**225.88**
Management contracts	-	-	-	8.84	0.34	**9.18**
Remuneration paid	-	17.77	-	-	-	**17.77**
Contribution to employee benefit fund	15.95	-	-	-	-	**15.95**
Swaps/Forward contracts	-	-	-	-	-	**-**
Advance granted (net)	-	-	-	0.03	-	**0.03**
Advance repaid	-	0.42	-	392.93	-	**393.35**
Non-funded commitments (reduction)	-	-	-	-	-	**-**
Purchase of loans	-	-	-	50.04	-	**50.04**
Receiving of services	92.63	-	-	346.80	0.05	**439.48**
Rendering of services	89.83	-*	-*	89.49	0.55	**179.87**
Sale/Purchase of foreign exchange currency to/from related party	-	0.22	-	-	-	**0.22**
Royalty Received	-	-	-	8.94	-*	**8.95**
Other reimbursements from related party	-	-	-	63.21	1.14	**64.35**
Other reimbursements to related party	1.14	-	-	4.49	0.51	**6.14**

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

*Denotes amount less than ₹50,000/-

The balances payable to/receivable from the related parties of the Bank as on 31 March, 2024 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel#	Subsidiaries	Step down Subsidiaries	Total
Deposits with the Bank	7.63	8.63	1,540.48	0.07	**1,556.81**
Placement of deposits	-	-	-	-	**-**
Advances	0.98	0.06	317.86	-	**318.90**
Investment of the Bank	-	-	3,248.25	7.22	**3,255.47**
Investment in non-equity instruments of related party	-	-	120.00	-	**120.00**
Investment of related party in the Bank	0.14	-*	-	-	**0.14**
Non-funded commitments	-	-	0.30	-	**0.30**
Other receivables (net)	-	-	16.55	0.05	**16.60**
Other payables (net)	-	-	76.97	0.03	**77.00**

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

*Denotes amount less than ₹50,000/-

The maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2024 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Step down Subsidiaries	Total
Deposits with the Bank	14.09	9.12	3,230.22	23.96	**3,277.39**
Placement of deposits	-	-	-	-	**-**
Advances	1.34	0.07	1,115.34	-	**1,116.75**
Investment of the Bank	-	-	3,248.25	7.22	**3,255.47**
Investment of related party in the Bank	0.14	-*	-	-	**0.14**
Investment in non-equity instruments of related party	-	-	425.00	-	**425.00**
Non-funded commitments	-	-	0.30	-	**0.30**
Other receivables (net)	-	-	16.55	0.21	**16.76**
Other payables (net)	-	-	103.13	0.53	**103.66**

* Denotes amount less than ₹50,000/-

The transactions with Promoters and Key Management Personnel excluding those under management contracts are in the nature of the banker-customer relationship.

Details of transactions with Axis Mutual Fund, the fund floated by Axis Asset Management Company Ltd., the Bank's subsidiary has not been disclosed since the entity does not qualify as Related Party as defined under the Accounting Standard 18, Related Party Disclosure, as notified under Section 2(2) and Section 133 of the Companies Act, 2013 and as per RBI guidelines.

The significant transactions between the Bank and related parties during the year ended 31 March, 2025 and 31 March, 2024 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of the aggregate value of all related party transactions in that category:

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Dividend received		
Axis UK Limited	10.33	27.13
Axis Trustee Services Limited	14.25	14.25
Dividend paid		
Mr. Rajiv Anand	0.06	0.05
Interest paid		
Axis Capital limited	8.64	8.42
Axis Securities Limited	40.68	8.66
Interest received		
Axis Finance Limited	33.70	66.93
Axis Securities Limited	4.72	8.47
Investment in Subsidiaries		
Axis Securities Limited	250.00	-
Axis Finance Limited	598.56	300.87
Investment in non-equity instruments of related party		
Axis Finance Limited	375.00	466.48
Repayment of Share Capital by related party		
Axis UK Limited	329.28	-
Investment of related party in the Bank		
Mr. Amitabh Chaudhry	35.09	9.77
Mr. Rajiv Anand	13.97	10.62
Sale of investments		
Axis Securities Limited	554.39	225.88
Management contracts		
A.Treds Limited	3.28	4.00
Axis Capital Limited	2.33	2.13
Axis Trustee Services Limited	2.25	2.00
Axis Asset Management Company Limited	0.17	0.72
Remuneration paid		
Mr. Amitabh Chaudhry	9.80	9.10
Mr. Rajiv Anand	6.84	6.07
Mr. Subrat Mohanty	5.63	2.29

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Mr. Munish Sharda	5.44	0.31
Swaps/Forward contracts		
Axis UK Limited	3.24	-
Advance granted (net)		
Axis Finance Limited	123.71	-
Axis Securities Limited	-	0.03
Advance repaid		
Axis Finance Limited	-	391.91
Mr. Rajiv Anand	0.77	0.42
Non-funded commitments (reduction)		
Axis Asset Management Company Limited	0.05	-
Purchase of loans		
Axis UK Limited	25.24	50.04
Receiving of services		
Freecharge Payment Technologies Private Limited	183.76	343.51
Axis Securities Limited	0.03	0.02
Rendering of services		
Axis Securities Limited	64.84	24.49
Axis Asset Management Company Limited	28.78	26.38
Freecharge Payment Technologies Private Limited	87.94	23.69
Sale/Purchase of foreign exchange currency to/from related party		
Mr. Amitabh Chaudhry	0.04	0.10
Mr. Rajiv Anand	0.03	0.09
Mr. Subrat Mohanty	0.03	0.02
Mr. Munish Sharda	0.04	0.01
Royalty received		
Axis Asset Management Company Limited	2.17	1.89
Axis Capital Limited	1.06	0.79
Axis Finance Limited	6.15	4.60
Axis Securities Limited	2.23	1.59
Other reimbursements from related party		
Axis Securities Limited	12.06	7.27
Axis Capital Limited	6.66	3.22
Freecharge Payment Technologies Private Limited	2.26	3.17

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Axis Asset Management Company Limited	30.06	31.87
Axis Finance Limited	8.45	14.35
Other reimbursements to related party		
Axis Capital Limited	5.28	4.09
Axis UK Limited	-	0.16
Freecharge Payment Technologies Private Limited	0.02	0.15

*Denotes amount less than ₹50,000/-

2.6 Leases

Disclosure in respect of assets taken on operating lease

This comprises of branches, office premises/ATMs, cash deposit machines, currency chests, staff quarters, office and IT equipments.

(₹ in crores)

	31 March, 2025	31 March, 2024
Future lease rentals payable as at the end of the year:		
- Not later than one year	1,311.87	1,206.80
- Later than one year and not later than five years	4,200.71	3,774.25
- Later than five years	4,907.75	4,004.41
Total of minimum lease payments recognised in the Profit and Loss Account for the year	1,741.94	1,503.78
Total of future minimum sub-lease payments expected to be received under non-cancellable subleases	0.16	0.50
Sub-lease payments recognised in the Profit and Loss Account for the year	0.64	0.89

The Bank has sub-leased certain of its properties taken on lease.

There are no provisions relating to contingent rent.

The terms of renewal/purchase options and escalation clauses are those normally prevalent in similar agreements. There are generally no undue restrictions or onerous clauses in the agreements.

Disclosure in respect of assets given on operating lease

(₹ in crores)

	31 March, 2025	31 March, 2024
Gross carrying amount of premises at the end of the year	209.60	209.60
Accumulated depreciation at the end of the year	32.41	28.92
Total depreciation charged to profit and loss account for the year	3.49	3.49
Future lease rentals receivable as at the end of the year:		
- Not later than one year	28.66	28.66
- Later than one year and not later than five years	81.14	92.56
- Later than five years	34.17	51.41

There are no provisions relating to contingent rent.

2.7 Movement in fixed assets capitalised as application software and intangibles (included in other fixed assets)

- **Movement of fixed assets capitalized as application software**

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
At cost at the beginning of the year	**3,995.01**	**3,304.54**
Additions during the year*	1,118.13	713.88
Deductions during the year	(124.02)	(23.41)
Accumulated depreciation as at 31 March	(3,214.37)	(2,671.59)
Closing balance as at 31 March	**1,774.75**	**1,323.42**
Depreciation charge for the year	659.47	509.52

*includes movement on account of exchange rate fluctuation for assets denominated in foreign currency

- **Movement of fixed assets capitalized as intangibles and goodwill**

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
At cost at the beginning of the year	**11,932.39**	**11,949.08**
Additions during the year	-	-
Deductions during the year	-	(16.69)
Accumulated amortisation as at 31 March	11,932.39	11,932.39
Closing balance as at 31 March	**-**	**-**
Amortisation charge for the year	-	(16.69)

2.8 The major components of deferred tax assets and deferred tax liabilities arising out of timing differences are as under:

(₹ in crores)

As at	31 March, 2025	31 March, 2024
Deferred tax assets on account of provisions for loan losses	3,520.60	3,882.96
Deferred tax assets on account of provision for employee benefits	136.06	63.31
Deferred tax assets on Foreign Currency Translation Reserve (FCTR)	189.90	148.95
Deferred tax assets on other items	1,882.51	1,901.39
Deferred tax assets	**5,729.07**	**5,996.61**
Deferred tax liabilities on account of depreciation on fixed assets	83.20	74.58
Deferred tax liability on creation of Special Reserve under Income Tax Act [Refer note 18 (1.1) (b) (iv)]	863.88	606.92
Deferred tax liability on transition gain on MTM of Investments	115.62	-
Deferred tax liabilities on interest on income tax refund	90.97	-
Deferred tax liabilities on account of other items	134.39	2.81
Deferred tax liabilities	**1,288.06**	**684.31**
Net Deferred tax assets	**4,441.01**	**5,312.30**

2.9 Employee Benefits

Provident Fund

The rules of the Bank's Provident Fund administered by a Trust require that if the Board of Trustees are unable to pay interest at the rate declared for Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Bank.

Based on an actuarial valuation conducted by the independent actuary, there is no deficiency in the Trust observed as at the Balance Sheet date.

The following tables summarises the components of net benefit expenses recognised in the Profit and Loss Account and funded status and amounts recognised in the Balance Sheet for the Provident Fund benefit plan (including staff deputed at subsidiaries).

Profit and Loss Account

Net employee benefit expenses (recognised in payments to and provisions for employees)

(₹ in crores)

	31 March, 2025	31 March, 2024
Current Service Cost*	288.99	251.33
Interest on Defined Benefit Obligation	324.38	297.90
Expected Return on Plan Assets	(385.65)	(344.84)
Net Actuarial Losses/(Gains) recognised in the year	4.20	4.16
Losses / (gains) on Acquisition	-	-
Effect of the limit in Para 59(b) of Accounting Standard – 15	57.07	42.78
Total included in "Employee Benefit Expense" [Schedule 16(I)]	**288.99**	**251.33**
Actual Return on Plan Assets	453.51	381.61

* includes contribution of ₹0.32 crores towards staff deputed at subsidiaries (previous year ₹0.28 crores)

Balance Sheet

Details of provision for provident fund

(₹ in crores)

	31 March, 2025	31 March, 2024
Fair Value of Plan Assets	5,178.59	4,519.51
Present Value of Funded Obligations	(5,004.56)	(4,402.55)
Net asset	**174.03**	**116.96**
Amount not recognized as an asset (limit in Para 59(b) of Accounting Standard -15)	(174.03)	(116.96)
Net Asset/(Liability)	**-**	**-**
Amounts in Balance Sheet		
Liabilities	-	-
Assets	-	-
Net Asset/(Liability)	**-**	**-**

Changes in the present value of the defined benefit obligation are as follows:

(₹ in crores)

	31 March, 2025	31 March, 2024
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	4,402.55	3,933.75
Current Service Cost	288.99	251.33
Interest Cost	324.38	297.90
Actuarial Losses/(Gains)	72.06	40.93
Employees Contribution	479.87	442.48
Liability transferred from/to other companies	(24.13)	(118.31)
Benefits Paid	(539.16)	(445.53)
Closing Defined Benefit Obligation	**5,004.56**	**4,402.55**

Changes in the fair value of plan assets are as follows:

(₹ in crores)

	31 March, 2025	31 March, 2024
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	4,519.51	4,007.93

(₹ in crores)

	31 March, 2025	31 March, 2024
Expected Return on Plan Assets	385.65	344.84
Actuarial Gains/(Losses)	67.86	36.77
Employer contribution during the period	288.99	251.33
Employee contribution during the period	479.87	442.48
Assets transferred from/to other companies	(24.13)	(118.31)
Benefits Paid	(539.16)	(445.53)
Closing Fair Value of Plan Assets	**5,178.59**	**4,519.51**

Experience adjustments

(₹ in crores)

	31 March, 2025	31 March, 2024	31 March, 2023	31 March, 2022	31 March, 2021
Defined Benefit Obligations	5,004.56	4,402.55	3,933.75	3,404.21	2,861.59
Plan Assets	5,178.59	4,519.51	4,007.93	3,538.64	2,861.59
Surplus/(Deficit)	174.03	116.96	74.18	134.43	-
Experience Adjustments on Plan Liabilities	38.22	19.59	17.24	169.83	43.51
Experience Adjustments on Plan Assets	67.86	36.77	(106.74)	270.73	(12.88)

Major categories of plan assets (managed by Insurers) as a percentage of fair value of total plan assets

	31 March, 2025	31 March, 2024
Government securities	53%	51%
Other debt instruments	11%	11%
Equity shares	13%	11%
Others	23%	27%

Principal actuarial assumptions at the Balance Sheet date

	31 March, 2025	31 March, 2024
Discount rate for the term of the obligation	6.80%	7.20%
Average historic yield on the investment portfolio	8.19%	8.34%
Discount rate for the remaining term to maturity of the investment portfolio	6.80%	7.20%
Expected investment return	8.19%	8.34%
Guaranteed rate of return	8.25%	8.25%

The contribution to the employee's provident fund (including Employee Pension Scheme) amounted to ₹421.12 crores for the year (previous year ₹377.52 crores) .

Superannuation

The Bank contributed ₹15.04 crores (previous year ₹15.95 crores) to the superannuation plan for the year.

The Bank has also accrued ₹12.93 crores (previous year ₹16.09 crores) for the eligible employees who had moved to the Bank as part of the Citibank India consumer business acquisition as they are entitled to receive a lumpsum corpus amount under a separate Superannuation scheme with vesting criteria of 10 years as a defined contribution plan.

National Pension Scheme (NPS)

During the year, the Bank contributed ₹20.67 crores (previous year ₹15.50 crores) to the NPS for employees who have opted for the scheme.

Gratuity

The following tables summarises the components of net benefit expenses recognised in the Profit and Loss Account and funded status and amounts recognised in the Balance Sheet for the Gratuity benefit plan.

Profit and Loss Account

Net employee benefit expenses (recognised in payments to and provisions for employees)

(₹ in crores)

	31 March, 2025	31 March, 2024
Current Service Cost	111.00	87.80
Interest on Defined Benefit Obligation	63.22	53.62
Expected Return on Plan Assets	(50.19)	(47.05)
Net Actuarial Losses/(Gains) recognised in the year	7.36	75.61
Losses / (gains) on Acquisition	-	-
Past Service Cost	-	-
Total included in "Employee Benefit Expense" [Schedule 16(I)]	**131.39**	**169.98**
Actual Return on Plan Assets	64.24	44.60

Balance Sheet

Details of provision for gratuity

(₹ in crores)

	31 March, 2025	31 March, 2024
Fair Value of Plan Assets	914.54	726.76
Present Value of Funded Obligations	(947.96)	(816.79)
Unrecognised past service cost	-	-
Net Asset/ (Liability)	**(33.42)**	**(90.03)**
Amounts in Balance Sheet		
Liabilities	33.42	90.03
Assets	-	-
Net Asset/(Liability) (included under Schedule 11 Other Assets /Schedule 5 – Other Liabilities)	**(33.42)**	**(90.03)**

Changes in the present value of the defined benefit obligation are as follows:

(₹ in crores)

	31 March, 2025	31 March, 2024
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	816.79	677.86
Current Service Cost	111.00	87.80
Interest Cost	63.22	53.62
Actuarial Losses/(Gains)	21.42	73.16
Liabilities assumed on acquisition	-	-
Benefits Paid	(64.47)	(75.65)
Closing Defined Benefit Obligation	**947.96**	**816.79**

Changes in the fair value of plan assets are as follows:

(₹ in crores)

	31 March, 2025	31 March, 2024
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	726.76	678.09
Expected Return on Plan Assets	50.19	47.05
Actuarial Gains/(Losses)	14.06	(2.46)
Contributions by Employer	188.00	79.73
Assets acquired on acquisition	-	-
Benefits Paid	(64.47)	(75.65)
Closing Fair Value of Plan Assets	**914.54**	**726.76**

Experience adjustments

(₹ in crores)

	31 March, 2025	31 March, 2024	31 March, 2023	31 March, 2022	31 March, 2021
Defined Benefit Obligations	947.96	816.79	677.86	547.55	516.43
Plan Assets	914.54	726.76	678.09	559.68	508.22
Surplus/(Deficit)	(33.42)	(90.03)	0.23	12.13	(8.21)
Experience Adjustments on Plan Liabilities	(5.36)	11.62	3.97	25.88	(9.28)
Experience Adjustments on Plan Assets	14.06	(2.46)	(19.73)	9.45	6.38

Major categories of plan assets (managed by Insurers) as a percentage of fair value of total plan assets

	31 March, 2025	31 March, 2024
Government securities	53%	42%
Bonds, debentures and other fixed income instruments	38%	30%
Money market instruments	3%	2%
Equity shares	4%	3%
Balance in bank & others	2%	23%

Principal actuarial assumptions at the Balance Sheet date:

	31 March, 2025	31 March, 2024
Discount Rate	6.80% p.a.	7.20% p.a.
Expected Rate of Return on Plan Assets	7.00% p.a.	7.00% p.a.
Salary Escalation Rate	8.00% p.a.	8.00% p.a.
Employee Turnover		
- 21 to 30 (age in years)	24.00%	24.00%
- 31 to 44 (age in years)	14.00%	14.00%
- 45 to 59 (age in years)	8.00%	8.00%

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

The expected rate of return on plan assets is based on the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

As the contribution expected to be paid to the plan during the annual period beginning after the balance sheet date is based on various internal/external factors, a best estimate of the contribution is not determinable.

The above information is as certified by the actuary and relied upon by the auditors.

Resettlement allowance

Profit and Loss account

During the year ended 31 March, 2025, the Bank made a provision of ₹0.21 crores (previous year ₹Nil) towards liability in respect of resettlement allowance based on actuarial valuation conducted by an independent actuary.

Balance Sheet

(₹ in crores)

	31 March, 2025	31 March, 2024
Current liability	0.46	0.54
Non current liability	3.24	2.95
Net Liability as per actuarial valuation (included under Schedule 5 – Other Liabilities)	**3.70**	**3.49**

Principal actuarial assumptions at the Balance Sheet date:

	31 March, 2025	31 March, 2024
Discount Rate	6.80% p.a.	7.20% p.a.
Salary Escalation Rate	8.00% p.a.	8.00% p.a.
Employee Turnover		
- 21 to 30 (age in years)	24.00%	24.00%
- 31 to 44 (age in years)	14.00%	14.00%
- 45 to 59 (age in years)	8.00%	8.00%

Provision towards probable impact on account of Code of Social Security 2020

The Bank on a prudent basis as per internal policy, based on an actuarial valuation holds a provision of ₹367.85 crores as on 31 March 2025 (₹287.60 crores as on 31 March, 2024) towards the gratuity liability on account of probable impact due to Code of Social Security 2020. This is over and above the provisions made in normal course based on extant rules and as reported in the above disclosure.

The above information is as certified by the actuary and relied upon by the auditors.

2.10 Provisions and contingencies

a) Movement in provision for frauds included under other liabilities is set out below:

(₹ in crores)

	31 March, 2025	31 March, 2024
Opening balance at the beginning of the year	214.33	178.06
Additions during the year	56.88	54.72
Reductions on account of payments/reversals during the year	(28.52)	(18.45)
Closing balance at the end of the year	**242.69**	**214.33**

b) Other liabilities include provision for reward points made on actuarial basis, the movement of which is set out below:

(₹ in crores)

	31 March, 2025	31 March, 2024
Opening provision at the beginning of the year	997.08	711.54
Provision made during the year	1,024.16	495.53
Reductions during the year	(842.79)	(209.99)
Closing provision at the end of the year	**1,178.45**	**997.08**

c) Movement in provision for other contingencies is set out below:

(₹ in crores)

	31 March, 2025	31 March, 2024
Opening provision at the beginning of the year	7,429.46	3,784.70
Reclassification from provision on standard advances[1]	-	3,130.18
Additions during the year[2]	784.19	785.91
Reductions during the year	(463.94)	(271.33)
Closing provision at the end of the year[3]	**7,749.71**	**7,429.46**

1. During the previous year ended 31 March, 2024, the World Health Organisation (WHO) has declared that COVID-19 is no longer a public health emergency of international concern, hence the provision of ₹5,012 crores carried by the Bank towards COVID-19 related risks is no longer required. Consequently, post approval of the Board of Directors, the Bank's management prudently elected to carry forward the aforesaid provision amount in its entirety, towards potential expected losses on certain standard advances and / or exposures. The said amount was accordingly reclassified to provision for other contingencies and disclosed as other liabilities under Schedule 5 of the Balance Sheet as on reporting date

2. Includes movement on account of exchange rate fluctuation

3. Closing provision includes provision for legal cases, additional provision for delay in implementation of resolution plan, provision on AIF investments, provision for future expected losses and provision for other contingencies

2.11 Small and Micro Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. Following are the details of delayed payments to MSMED registered vendors.

(₹ in crores)

Particulars	31 March, 2025		31 March, 2024	
	Principal	Interest	Principal	Interest
The principal amount and the interest due thereon remaining unpaid to any supplier	11.94	0.01	12.05	0.00*
The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date	3.07	0.02	4.37	0.03
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under MSMED Act, 2006	N.A.	N.A.	N.A.	N.A.
The amount of interest accrued and remaining unpaid	N.A.	0.30	N.A.	0.29
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowed as a deductible expenditure under Section 23	N.A.	0.30	N.A.	0.29

*Denotes amount less than ₹50,000/-

The above is based on the information available with the Bank which has been relied upon by the auditors.

2.12 Corporate Social Responsibility (CSR)

a) Amount required to be spent by the Bank on CSR during the year ₹425.92 crores (previous year ₹267.15 crores). The details of CSR activities carried out in line with the CSR Policy of the Bank are given below:

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Amount required to be spent by the Bank during the year	425.92	267.15
Amount of expenditure incurred	286.92	217.42
Accrual towards unspent obligations (shortfall) in relation to ongoing project	139.65	51.24
Nature of CSR activities	- Lives & Livelihoods - Financial Literacy & Financial Inclusion - Education - Environmental Sustainability - Humanitarian & Relief - Health & Nutrition - Sports	- Lives & Livelihoods - Financial Literacy & Financial Inclusion - Education - Environmental Sustainability - Humanitarian & Relief - Health & Nutrition

b) Amount spent towards CSR during the year and recognized as expense in the profit and loss account on CSR related activities is ₹426.57 crores (previous year ₹268.66 crores), which comprises of following-

(₹ in crores)

	31 March, 2025			31 March, 2024		
	In cash	Yet to be paid in cash (i.e. provision)[1]	Total	In cash	Yet to be paid in cash (i.e. provision)	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purpose other than above	286.92	139.65	426.57	217.42	51.24	268.66

1. Transferred to the "Axis Bank Limited-Unspent CSR Account for FY 2024-25" to be utilized towards on-going project(s)/program(s) in line with the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

c) Movement in the provision towards unspent CSR amount

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
Opening balance at the beginning of the year	56.68	29.61
Additions during the year	139.65	51.24
Reduction during the year	(55.46)	(24.17)
Closing balance at the end of the year	**140.87**	**56.68**

2.13 Disclosure required as per Ministry of Corporate Affairs notification dated 24 March, 2021

During the year ended 31 March, 2025 and 31 March, 2024, other than the transactions undertaken in the normal course of banking business and in accordance with extant regulatory guidelines and Bank's internal policies, as applicable:

1. the Bank has not granted any advance/loans or investments or provided guarantee or security to any other person(s) or entities with an understanding, whether recorded in writing or otherwise, to further lend or invest on behalf of the Bank or provide guarantee or security or the like to any other person identified by the Bank.

2. the Bank has not received any funds from any person(s) or entities with an understanding, whether recorded in writing or otherwise, that the Bank shall further lend or invest or provide guarantee or security or the like in any other person on behalf of and identified by such person(s)/entities.

2.14 Description of contingent liabilities

a) Claims against the Bank not acknowledged as debts

These represent claims filed against the Bank in the normal course of business relating to various legal cases currently in progress. These also include demands raised by tax authorities and other statutory authorities which are disputed by the Bank. The Bank holds provision of ₹896.77 crores as on 31 March, 2025 (previous year ₹369.37 crores) towards claims assessed as probable.

b) Liability for partly paid investments

This represents amounts remaining unpaid towards liability for partly paid investments.

c) Liability on account of forward exchange contracts

The Bank enters into foreign exchange contracts, including non-deliverable forward (NDF) contracts on its own account and on OTC for customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. A non-deliverable forward contract is a currency derivatives contract to exchange cash flows between the contracted forward exchange rate and prevailing spot rates. The amount of contingent liability represents the notional principal of respective forward exchange contracts. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.

d) Liability on account of derivative contracts

The Bank enters into derivative contracts in the form of currency options/swaps, exchange traded currency options, non-deliverable derivatives and interest rate/ currency futures on its own account and on OTC for customers. Currency swaps are commitments between two counterparties to exchange streams of interest payments and/or principal amounts in different currencies on specified dates over the duration of the swap at a pre-agreed exchange rate. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. Interest rate futures are standardised, exchange-traded contracts that represent a pledge to undertake a certain interest rate transaction at a specified price, on a specified future date. Forward rate agreements (FRA) are financial contracts between two counterparties, in which a buyer will pay or receive, on the settlement date, the difference between a pre-determined fixed rate (FRA rate) and a reference interest rate, applied on a notional principal amount, for a specified forward period. A foreign currency option is an agreement between two parties in which one grants to the other the right to buy or sell a specified amount of currency at a specific price within a specified time period or at a specified future time. An Exchange Traded Currency Option contract is a standardised foreign exchange derivative contract, which gives the buyer the right, but not the obligation, to exchange money denominated in one currency into another currency at a pre-agreed exchange rate on a specified date on the date of expiry. A non-deliverable option contract is a currency derivatives contract that offers the right, but not the obligation to either purchase or sell a currency against another currency and the contract is settled at the difference between the contracted exchange rate and prevailing spot rate on the expiry date. Currency Futures contract is a standardised, exchange-traded contract, to buy or sell a certain underlying currency at a certain date in the future, at a specified price. The amount of contingent liability represents the notional principal of respective derivative contracts. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.

e) Guarantees given on behalf of constituents

As a part of its banking activities, the Bank issues guarantees on behalf of its customers to enhance their credit standing. Guarantees represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations. These are stated net of cash margin held with the Bank as on the reporting date in Schedule 12 – Contingent Liabilities of the Balance Sheet.

f) Acceptances, endorsements and other obligations

These include documentary credit issued by the Bank on behalf of its customers and bills drawn by the Bank's customers that are accepted or endorsed by the Bank. These are stated net of cash margin held with the Bank as on the reporting date in Schedule 12 – Contingent Liabilities of the Balance Sheet.

g) Other items for which the Bank is contingently liable

Other items represent outstanding amount of bills rediscounted by the Bank, estimated amount of contracts remaining to be executed on capital account, notional principal on account of outstanding Tom/Spot foreign exchange contracts, contracts for purchase of investments where settlement is due post balance sheet date, deed of indemnity issued to liquidator of overseas subsidiary, contingent liability relating to undertakings issued towards settlements under resolution plan in respect of non-performing assets, commitments towards underwriting and investment in equity through bids under Initial Public Offering (IPO) of corporates, commitment for investment in Associate entity and amount transferred to Depositor Education and Awareness Fund (DEAF).

The Bank has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Bank has reviewed and recorded adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) in the books of account and disclosed the same under the relevant notes in the financial statements, where applicable.

3. Previous year figures have been regrouped and reclassified, where necessary to conform to current year's presentation.

In terms of our report attached.

For M M Nissim & Co LLP
ICAI Firm Registration No.: 107122W/W100672
Chartered Accountants

Sanjay Khemani
Partner
Membership No.: 044577

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.: 105146W/W100621
Chartered Accountants

Gautam Shah
Partner
Membership No.: 117348

Date : 24 April, 2025
Place: Mumbai

For Axis Bank Ltd.

N. S. Vishwanathan
Chairman

Girish Paranjpe
Director

Rajiv Anand
Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

Pranam Wahi
Director

Meena Ganesh
Director

Mini Ipe
Director

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

Independent Auditor's Report

To The Members of Axis Bank Limited

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of **Axis Bank Limited** ('the Holding Company' or 'the Bank'), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at 31 March 2025, and the Consolidated Profit and Loss Account, and the Consolidated Cash Flow Statement for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information ('the Consolidated Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of such subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Banking Regulation Act, 1949, as well as the Companies Act, 2013 ('the Act') and circulars and guidelines issued by the Reserve Bank of India ('RBI'), in the manner so required for banking companies and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021 ('AS') and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group at 31 March 2025, and its Consolidated Profit, and its Consolidated Cash Flow for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, along with the consideration of audit reports of the other auditors referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

   We have determined the matters described below to be the Key Audit Matters:

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Information Technology (IT) Systems and controls over financial reporting**	
	As the Bank operates on Core Banking Solution across its branches and asset centres, the reliability and security of Information technology ("IT") systems plays a key role in the business operations. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner.	In assessing the controls over the IT systems of the Bank, we involved our specialists to understand the IT control environment, IT infrastructure and IT systems.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Information Technology (IT) Systems and controls over financial reporting**	
	IT infrastructure is critical for smooth functioning and accurate accounting and financial reporting process. Due to the pervasive nature and complexity of the IT environment, we have ascertained key IT systems used in financial reporting process and its related controls as a key audit matter.	We conducted an assessment and identified key IT systems that are critical for accounting and financial reporting process and are relevant for our audit and tested their internal controls. In particular: • We obtained an understanding of the Bank's IT control environment and key changes during the audit period that may be relevant to the audit; • We tested the design, implementation and operating effectiveness of the Bank's General IT controls over the key IT systems that are critical to accounting and financial reporting. This included evaluation of Bank's controls for user access management, program change management, database management, network operations, incident management and other IT operations performed by the Bank during the period of audit; • We tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit; and • We also tested compensating controls and performed alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements.

2.	**Income Recognition, Asset Classification and Provisioning on Advances (IRAC) as per the regulatory requirements.** Total Loans and Advances (Net of Provision) as at 31 March 2025: INR 1,040,811 crore Provision for Non-Performing Advances as at 31 March 2025: INR 10,272.49 crore Refer Schedule 9, Schedule 17(5.3) and Schedule 18(1) Note 1.4 of Standalone Financial Statements	
	The Bank is required to comply with the Master Circular issued by the Reserve Bank of India ('RBI') on 'Prudential Norms for Income Recognition, Asset Classification and Provisioning pertaining to Advances' (the 'IRAC norms') and amendments thereto ("RBI guidelines") which prescribes the norms for identification and classification of Non-performing Assets ('NPAs') and the minimum provision required for such assets. The Bank is also required to apply its judgement to determine the identification and provision required against NPAs considering various quantitative as well as qualitative factors. As the identification of and provisioning against NPAs requires considerable level of management estimation, application of various regulatory requirements and its significance to the overall audit due to stakeholder and regulatory focus, we have identified this as a key audit matter.	Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular: • We have evaluated and understood the Bank's internal control system in adhering to the RBI guidelines; • We have analysed and understood key IT systems/ applications used and tested the design and implementation and operational effectiveness of relevant controls in relation to income recognition, asset classification, viz., standard, sub-standard, doubtful and loss with reference to RBI guidelines and provisioning pertaining to advances; and • We test checked advances to examine the validity and accuracy of the recorded amounts, provision for NPAs, and compliance with IRAC norms. • Assessed appropriateness & the adequacy of disclosures as per RBI guidelines relating to NPAs.

The auditors of Axis Securities Limited, vide their audit report dated 15 April 2025, have expressed an unmodified opinion on the financial statements. Based on consideration of their report, the following Key Audit Matter was included in their audit report.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Information Technology (IT) Systems and controls over financial reporting**	
	The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information system, such that there exists a risk that gaps in the Information Technology General Control environment could result in a misstatement in the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and control over system change over key financial accounting and reporting systems, as a key audit matter.	Our Audit Approach: With the assistance of our IT Specialists, we obtained an understanding of the Company's IT Applications, databases and operating systems relevant to the financial reporting and the control environment. Our audit approach was combination of test of internal controls and substantive procedures on the areas of the IT infrastructure, which majorly focused access security (including controls over privileged access), program change controls, database management and network operations. In particular, our activity included the following: **General IT controls design, observation and operation:** • Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. • Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. **User access controls operation:** • Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations. • Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights. **Application controls:** • We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. • For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedures. • Our tests also included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements. • Considered the reports for certain applications on test check basis, as issued by the professional consultants with respect to VAPT testing done on such applications. • Considered the reports issued by the professional consultants with respect to Information Systems (IS) Audit and IT Infrastructure of the Company and of certain applications at group level relevant for the Company.

The auditors of Axis Finance Limited, vide their audit report dated 17 April 2025, have expressed an unmodified opinion on the financial statements. Based on consideration of their report, the following Key Audit Matter was included in their audit report.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Information Technology (IT) Systems and controls over financial reporting**	
	The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information system, such that there exists a risk that gaps in the Information Technology General Control environment could result in a misstatement in the financial accounting and reporting records. Proper IT general and application controls are essential to ensure accurate, complete and consistent data processing for reliable financial reporting. Accordingly, we have considered user access management, segregation of duties and control over system change over key financial accounting and reporting systems, as a key audit matter.	Our Audit Approach: With the assistance of our IT Specialists, we obtained an understanding of the Company's IT Applications, databases and operating systems relevant to the financial reporting and the control environment. Our audit approach was combination of test of internal controls and substantive procedures on the areas of the IT infrastructure, which majorly focused access security (including controls over privileged access), program change controls, database management and network operations. In particular, our activity included the following: **General IT controls design, observation and operation** • Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. • Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. **User access controls operation:** • Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations. • Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights. **Application controls:** • We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. • For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedures. • Our tests also included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements.

Other Information

5. The Bank's Board of Directors are responsible for the other information. The Other Information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our Auditors' Report thereon. The Other Information is expected to be made available to us after the date of this Auditors' Report.

6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

8. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The Bank's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the Consolidated State of Affairs, Consolidated Profit and Consolidated Cash Flows of the Group in accordance with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, and other accounting principles generally accepted in India and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the RBI from time to time ('RBI Guidelines'). The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act and the RBI Guidelines for safeguarding of the assets of the Group of its associates and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and directors of the Bank, as aforesaid.

10. In preparing the Consolidated Financial Statements, the respective Management and the Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the respective companies included in the Group and associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    13.1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    13.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.

    13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

13.4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

13.5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

13.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. We communicate with those charged with governance of the Bank regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

17. We did not audit the Financial Statements of nine subsidiaries and two stepdown subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹53,118.53 crore as at 31 March 2025, total revenues (before consolidation adjustments) of ₹8,503.40 crore, total net profit after tax (before consolidation adjustments) of ₹1,768.24 crore and net cash inflows (before consolidation adjustments) amounting to ₹359.39 crore for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors. Further, of these subsidiaries, one subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by its auditors under generally accepted auditing standards applicable in that country. The Parent's management has converted the financial statements of such subsidiary from generally accepted accounting principles applicable in that country to generally accepted accounting principles applicable in India. Our audit report in so far as it relates to the balances and affairs of such subsidiary located outside India, is based on the report of other auditor. According to the information and explanations given to us by the Management, the financial statements of this subsidiary is not material to the Group. Our opinion is not modified in respect of these matters.

18. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹13.41 crore as at 31 March 2025, total revenues (before consolidation adjustments) of

₹12.53 crore, total net profit after tax (before consolidation adjustments) of ₹0.34 crore and net cash flows amounting (before consolidation adjustments) to ₹411.60 crore for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Board of Directors and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of section 143(3) of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. This subsidiary is located outside India, whose financial statements have been prepared in accordance with accounting principles generally accepted in its country. The Parent's management has converted the financial results of such subsidiary from generally accepted accounting principles applicable in its country to generally accepted accounting principles applicable in India. According to the information and explanations given to us by the management, the financial statements of this subsidiary is not material to the Group. Our opinion is not modified in respect of this matter.

19. The Consolidated Financial Statements also include the Group's share of net profit of ₹79.06 crore for the year ended 31 March 2025, as considered in the Consolidated Financial Statements, in respect of one associate based on management's best estimate in the absence of the financial information which has been relied upon by us. According to the information and explanations given to us by the Management, the financial information of the associate is not material to the group.

20. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

21. Attention is drawn to the fact that the consolidated financial statements of the Bank for the year ended 31 March 2024 were audited by predecessor auditors whose report dated 24 April 2024 expressed an unmodified opinion on those consolidated financial statements.

    Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

22. The Consolidated Balance Sheet and the Consolidated Profit And Loss Account have been drawn up in accordance with the provisions of section 29 of the Banking Regulation Act, 1949 and section 133 of the Act.

23. Further, as required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and associates, we report, to the extent applicable, that:

    23.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    23.2. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 24.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    23.3. The Consolidated Balance Sheet, the Consolidated Profit and Loss account, and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

    23.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with the relevant rules thereunder to the extent they are not inconsistent with the accounting policies prescribed by the RBI.

    23.5. On the basis of the written representations received from the directors of the Bank as on 31 March 2025 taken on record by the Board of Directors of the Bank and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

23.6. The observation relating to the maintenance of accounts and other matters connected therewith as stated in the paragraph 23.2 above on reporting under Section 143(3)(b) of the Act and paragraph 24.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

23.7. With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Bank, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

23.8. In our opinion and according to the information and explanation given to us and based on reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, except in case of an associate which is unaudited, the remuneration paid during the current year by the subsidiaries incorporated in India to its directors is in accordance with the provisions of and the limits laid down under section 197 of the Act. The remuneration paid to any director by the subsidiary companies incorporated in India is not in excess of limit laid down under section 197 of the Act. Further, since the Bank is a banking company, as defined under Banking Regulation Act, 1949, the reporting under section 197(16) in relation to whether the remuneration paid by the Bank is in accordance with the provisions of section 197 of the Act and whether any excess remuneration has been paid in accordance with the aforesaid section, is not applicable.

24. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of other auditors on separate financial statements of such subsidiaries as noted in the 'Other Matters' paragraph:

24.1. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group, its associate – Refer Schedule 12 of the consolidated financial statements.

24.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Schedule 5 and 12 read with Note No. 1.18 of Schedule 18 to the Consolidated Financial Statements in respect of such items as it relates to the Group, its associate and the Group's share of net profit in respect of its associate.

24.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank and its subsidiary companies incorporated in India during the year ended 31 March 2025.

24.4. The respective managements of the Bank and its subsidiaries in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank or any of such subsidiaries ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

24.5. The respective managements of the Bank and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively, to best of their knowledge and belief, that no funds have been received by the Bank or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Bank or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

24.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by auditors of the subsidiaries incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representation under para 24.4 and 24.5 contain any material misstatement.

24.7. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year by the Bank is in compliance with Section 123 of the Act.

24.8. Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except in case of one subsidiary where the component auditor has reported that the audit trail logs in Oracle with respect to any modification in the master related to banking details of vendor's were enabled from 16 April 2024 and in case of an associate which is unaudited, the Bank and its subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Bank and above referred subsidiaries as per the statutory requirements for record retention except in case of 2 subsidiaries where the respective component auditors have reported that the audit trail was not maintained for previous year and/or part of current year and hence not retained in respect of three accounting software of which one has been decommissioned effective 30 September 2023.

For M M Nissim & Co LLP
Chartered Accountants
Firm Registration Number: 107122W/W100672

Sanjay Khemani
Partner
ICAI Membership No: 044577
UDIN: 25044577BMOBDV9966

Place: Mumbai
Date: 24 April 2025

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Gautam Shah
Partner
ICAI Membership No: 117348
UDIN: 25117348BMOBBW6965

Place: Mumbai
Date: 24 April 2025

Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of Axis Bank Limited for the year ended 31 March 2025

(Referred to in paragraph '23.7' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of Axis Bank Limited as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Axis Bank Limited ('Bank') and its subsidiary companies which are companies incorporated in India, as of that date.

2. In our opinion, the Bank, and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The respective Board of Directors of the Bank, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Bank, its subsidiaries, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Financial Statements includes those policies and procedures that

   (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

   (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

   (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to Nine subsidiaries and One Stepdown Subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For M M Nissim & Co LLP
Chartered Accountants
Firm Registration Number: 107122W/W100672

Sanjay Khemani
Partner
ICAI Membership No: 044577
UDIN: 25044577BMOBDV9966

Place: Mumbai
Date: 24 April 2025

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Gautam Shah
Partner
ICAI Membership No: 117348
UDIN: 25117348BMOBBW6965

Place: Mumbai
Date: 24 April 2025

Consolidated Balance Sheet

As on 31 March, 2025

(₹ in crores)

	Schedule No.	As on 31-03-2025	As on 31-03-2024
Capital and Liabilities			
Capital	1	619.47	617.31
Employees' Stock Options Outstanding	1A	1,182.66	894.49
Reserves & Surplus	2	185,433.36	155,511.72
Minority Interest	2A	635.13	499.44
Deposits	3	1,170,920.89	1,067,102.40
Borrowings	4	220,686.75	228,199.55
Other Liabilities and Provisions	5	77,484.35	65,413.62
Total Capital and Liabilities		**1,656,962.61**	**1,518,238.53**
Assets			
Cash and Balances with Reserve Bank of India	6	73,638.44	86,077.49
Balances with Banks and Money at Call and Short Notice	7	29,060.26	30,415.69
Investments	8	396,685.07	332,353.74
Advances	9	1,081,229.47	999,333.48
Fixed Assets	10	6,492.08	5,837.56
Other Assets	11	69,568.05	63,931.33
Goodwill on Consolidation		289.24	289.24
Total Assets		**1,656,962.61**	**1,518,238.53**
Contingent Liabilities	12	2,878,200.52	1,912,125.37
Bills for Collection		76,931.20	73,543.06
Significant Accounting Policies and Notes to Accounts	17 & 18		

Schedules referred to above form an integral part of the Consolidated Balance Sheet

In terms of our report attached.

For M M Nissim & Co LLP
ICAI Firm Registration No.: 107122W/W100672
Chartered Accountants

Sanjay Khemani
Partner
Membership No.: 044577

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.: 105146W/W100621
Chartered Accountants

Gautam Shah
Partner
Membership No.: 117348

Date : 24 April, 2025
Place: Mumbai

For Axis Bank Ltd.

N. S. Vishwanathan
Chairman

Girish Paranjpe
Director

Rajiv Anand
Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

Pranam Wahi
Director

Meena Ganesh
Director

Mini Ipe
Director

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

Consolidated Profit and Loss Account

For the year ended 31 March, 2025

(₹ in crores)

		Schedule No.	Year ended 31-03-2025	Year ended 31-03-2024
I	**Income**			
	Interest Earned	13	127,374.09	112,759.05
	Other Income	14	28,542.77	25,230.31
	Total Income		**155,916.86**	**137,989.36**
II	**Expenditure**			
	Interest Expended	15	71,036.31	61,390.74
	Operating Expenses	16	39,992.04	37,242.55
	Provisions and Contingencies	18 (1.1)	16,776.77	12,932.53
	Total Expenditure		**127,805.12**	**111,565.82**
III	**Net Profit for the Year**		**28,111.74**	**26,423.54**
	Share of earnings/(loss) in Associate		79.06	68.71
	Consolidated Net Profit for the Year Before Deducting Minority Interest		**28,190.80**	**26,492.25**
	Minority interest		(135.69)	(106.05)
IV	**Consolidated Net Profit for the Year Attributable to Group**	18.1	**28,055.11**	**26,386.20**
	Brought forward consolidated profit/(loss) attributable to the Group		65,281.17	47,769.25
V	**Amount Available for Appropriation/Transfers**		**93,336.28**	**74,155.45**
VI	**Appropriations/Transfers:**			
	Transfer to Statutory Reserve		6,593.37	6,215.36
	Transfer to Special Reserve		1,024.73	968.13
	Transfer to Investment Reserve		-	242.29
	Transfer to General Reserve		2.16	2.47
	Transfer to Capital Reserve		214.35	139.55
	Transfer to Reserve Fund u/s 45 IC of RBI Act, 1934		130.50	119.50
	Transfer to Investment Fluctuation Reserve		248.00	879.00
	Dividend Paid During the Year	18 (1.6)	309.09	307.98
	Balance carried over to Consolidated Balance sheet		84,814.08	65,281.17
	Total		**93,336.28**	**74,155.45**
VII	**Earnings Per Equity Share (Face value ₹2/- per share)**	18 (1.4)		
	Basic (in ₹)		90.72	85.62
	Diluted (in ₹)		90.18	85.01
	Significant Accounting Policies and Notes to Accounts	17 & 18		

Schedules referred to above form an integral part of the Consolidated Profit and Loss Account

In terms of our report attached.

For Axis Bank Ltd.

For M M Nissim & Co LLP
ICAI Firm Registration No.: 107122W/W100672
Chartered Accountants

N. S. Vishwanathan
Chairman

Sanjay Khemani
Partner
Membership No.: 044577

Girish Paranjpe
Director

Rajiv Anand
Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.: 105146W/W100621
Chartered Accountants

Pranam Wahi
Director

Meena Ganesh
Director

Mini Ipe
Director

Gautam Shah
Partner
Membership No.: 117348

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

Date : 24 April, 2025
Place: Mumbai

Consolidated Cash Flow Statement

For the year ended 31 March, 2025

(₹ in crores)

		Year ended 31-03-2025	Year ended 31-03-2024
Cash flow from/(used in) operating activities			
Net profit before taxes		36,586.47	35,071.95
Adjustments for:			
Depreciation and amortisation on fixed assets, intangibles and goodwill		1,766.97	1,388.46
Mark-to-Market (gain)/loss on investments		(700.52)	(431.32)
Amortisation of premium/discount on investments		651.60	894.18
Provision for Non Performing Assets (including bad debts)/restructured assets		11,643.69	6,533.43
Provision on standard assets and other contingencies		349.86	424.15
Profit/(Loss) on sale of land, buildings and other assets (net)		10.29	4.42
Employee stock options/units expense		430.54	519.57
	(i)	50,738.90	44,404.84
Adjustments for:			
(Increase)/Decrease in investments		(13,441.73)	(38,129.02)
(Increase)/Decrease in advances		(93,762.98)	(137,622.10)
Increase /(Decrease) in deposits		103,818.49	121,277.69
(Increase)/Decrease in other assets		(5,449.90)	9,145.17
Increase/(Decrease) in other liabilities & provisions		10,628.91	2,599.86
	(ii)	1,792.79	(42,728.40)
Direct taxes paid	(iii)	(8,148.01)	(7,231.11)
Net cash flow from/(used in) operating activities (i)+(ii)+(iii)	**(A)**	**44,383.68**	**(5,554.67)**
Cash flow from/(used in) investing activities			
Purchase of fixed assets		(2,445.54)	(2,385.41)
Purchase consideration for acquistion of Citibank India Consumer Business		-	(329.85)
(Increase)/Decrease in Held to Maturity investments		(47,170.10)	(6,381.97)
Increase in investment in Associate		(1,612.00)	-
Proceeds from sale of fixed assets		12.51	9.07
Net cash from/(used in) investing activities	**(B)**	**(51,215.13)**	**(9,088.16)**
Cash flow from/(used in) financing activities			
Proceeds from issue of subordinated debt, Additional Tier I instruments		-	-
Repayment of subordinated debt, Additional Tier I instruments		(826.45)	-
Increase/(Decrease) in borrowings (other than subordinated debt, Additional Tier I instruments (net))		(6,686.35)	21,985.98
Proceeds from issue of share capital		2.16	1.94
Proceeds from share premium (net of share issue expenses)		683.68	555.26
Payment of dividend		(309.09)	(307.98)
Increase in minority interest		135.69	106.05
Net cash generated from/(used in) financing activities	**(C)**	**(7,000.36)**	**22,341.25**

(₹ in crores)

		Year ended 31-03-2025	Year ended 31-03-2024
Effect of exchange fluctuation translation reserve	**(D)**	37.33	86.83
Net increase in cash and cash equivalents (A)+(B)+(C)+(D)		**(13,794.48)**	**7,785.25**
Cash and cash equivalents at the beginning of the year		116,493.18	108,707.93
Cash and cash equivalents at the end of the year		**102,698.70**	**116,493.18**
Notes to the Cash Flow Statement:			
1. Cash and cash equivalents includes the following			
Cash and Balances with Reserve Bank of India (Refer Schedule 6)		73,638.44	86,077.49
Balances with Banks and Money at Call and Short Notice (Refer Schedule 7)		29,060.26	30,415.69
Cash and cash equivalents at the end of the year		**102,698.70**	**116,493.18**
2. Amount of Corporate Social Responsibility related expenses spent during the year in cash ₹324.26 crores (previous year ₹247.71 crores)			

In terms of our report attached.

For Axis Bank Ltd.

For M M Nissim & Co LLP
ICAI Firm Registration No.: 107122W/W100672
Chartered Accountants

N. S. Vishwanathan
Chairman

Sanjay Khemani
Partner
Membership No.: 044577

Girish Paranjpe
Director

Rajiv Anand
Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.: 105146W/W100621
Chartered Accountants

Pranam Wahi
Director

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Mini Ipe
Director

Gautam Shah
Partner
Membership No.: 117348

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

Date : 24 April, 2025
Place: Mumbai

Schedules forming part of the Consolidated Balance Sheet

As on 31 March, 2025

Schedule 1 - Capital

(₹ in crores)

	As on 31-03-2025	As on 31-03-2024
Authorised Capital		
4,250,000,000 (Previous year - 4,250,000,000) Equity Shares of ₹2/- each	850.00	850.00
Issued, Subscribed and Paid-up Capital		
3,097,369,066 (Previous year - 3,086,570,375) Equity Shares of ₹2/- each fully paid-up	619.47	617.31

Schedule 1A - Employees' Stock Options Outstanding

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	**Opening Balance**	894.49	426.09
	Additions during the year[1]	430.53	519.57
	Deductions during the year[2]	(142.36)	(51.17)
	Closing Balance	**1,182.66**	**894.49**

1. Represents cost of employee stock options/units recognised during the year
2. Represents amount transferred to share premium on account of exercise of employee stock options/units and to General Reserve on lapses of employee stock options

Schedule 2 - Reserves and Surplus

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	**Statutory Reserve**		
	Opening Balance	26,665.70	20,450.34
	Additions during the year	6,593.37	6,215.36
	Deductions during the year	-	-
	Closing Balance	**33,259.07**	**26,665.70**
II.	**Capital Reserve**		
	Opening Balance	3,929.62	3,790.07
	Additions during the year	214.35	139.55
	Deductions during the year	-	-
	Closing Balance	**4,143.97**	**3,929.62**
III.	**Share Premium Account**		
	Opening Balance	52,540.00	51,935.78
	Additions during the year	818.10	604.22
	Less: Share issue expenses	(0.03)	-
	Closing Balance	**53,358.07**	**52,540.00**
IV.	**Reserve Fund u/s 45 IC of RBI Act, 1934**		
	Opening Balance	555.17	435.67
	Additions during the year	130.50	119.50
	Deductions during the year	-	-
	Closing Balance	**685.67**	**555.17**

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
V.	**Revenue and Other Reserves**		
(A)	**Special Reserve**		
	Opening Balance	2,418.32	1,450.19
	Additions during the year	1,024.73	968.13
	Deductions during the year	-	-
	Closing Balance	**3,443.05**	**2,418.32**
(B)	**Investment Reserve Account**		
	Opening balance	242.29	-
	Additions during the year	-	242.29
	Deductions during the year	(242.29)	-
	Closing Balance	-	242.29
(C)	**General Reserve**		
	Opening Balance	437.04	432.37
	Additions during the year	1,470.28	4.67
	Deductions during the year	-	-
	Closing Balance	**1,907.32**	**437.04**
(D)	**Foreign Currency Translation Reserve [Refer Schedule 17 (5.7)]**		
	Opening Balance	781.41	694.58
	Additions during the year	37.34	86.83
	Deductions during the year		-
	Closing Balance	**818.75**	**781.41**
(E)	**Investment Fluctuation Reserve**		
	Opening Balance	2,661.00	1,782.00
	Additions during the year	248.00	879.00
	Deductions during the year	-	-
	Closing Balance	**2,909.00**	**2,661.00**
(F)	**Available for Sale (AFS) Reserve**		
	Opening Balance	-	-
	Additions during the year	110.39	-
	Deductions during the year	-	-
	Closing Balance	**110.39**	**-**
(G)	**Cash Flow Hedge Reserve**		
	Opening Balance	-	-
	Additions during the year	(16.01)	-
	Deductions during the year	-	-
	Closing Balance	**(16.01)**	**-**
VI.	**Balance in Profit & Loss Account brought forward**	**84,814.08**	**65,281.17**
	Total	**185,433.36**	**155,511.72**

Schedule 2A - Minority Interest

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	Minority Interest at the date on which the parent-subsidiary relationship came into existence	40.23	40.23
	Subsequent increase	594.90	459.21
	Closing Minority Interest	**635.13**	**499.44**

Schedule 3 - Deposits

(₹ in crores)

				As on 31-03-2025	As on 31-03-2024
A.	I.	Demand Deposits			
		(i)	From banks	4,184.17	4,695.28
		(ii)	From others	161,593.70	151,659.07
	II.	Savings Bank Deposits		311,389.33	302,132.58
	III.	Term Deposits			
		(i)	From banks	45,851.59	43,698.36
		(ii)	From others	647,902.10	564,917.11
		Total (I, II and III)[1]		**1,170,920.89**	**1,067,102.40**
B.	I.	Deposits of branches in India		1,140,897.26	1,052,137.32
	II.	Deposits of branches/subsidiaries outside India		30,023.63	14,965.08
		Total (I and II)[1]		**1,170,920.89**	**1,067,102.40**

1. Includes deposits under lien amounting to ₹101,109.57 crores (previous year ₹86,359.61 crores)

Schedule 4 - Borrowings

(₹ in crores)

			As on 31-03-2025	As on 31-03-2024
I.	Borrowings in India			
	(i)	Reserve Bank of India	-	-
	(ii)	Other banks[1]	16,285.19	15,891.26
	(iii)	Other institutions & agencies[2]	168,384.40	176,230.70
II.	Borrowings outside India[3]		36,017.16	36,077.59
	Total (I and II)		**220,686.75**	**228,199.55**
	Secured borrowings included in I & II above		28,805.17	22,953.85

1. Borrowings from other banks include Subordinated Debt of ₹129.10 crores (previous year ₹15.60 crores) in the nature of Non-Convertible Debentures [Also refer Schedule 18 (1.2)(b)]
2. Borrowings from other institutions & agencies include Subordinated Debt of ₹25,068.86 crores (previous year ₹24,432.36 crores) in the nature of Non-Convertible Debentures and Perpetual Debt amounting to ₹640.00 crores (previous year ₹490.00 crores)
   [Also refer Schedule 18 (1.2)(b)]
3. Borrowings outside india include Additional Tier I Bonds in the nature of Perpetual Debt amounting to $600 million (₹5,128.50 crores); previous year $600 million (₹5,004.30 crores) [Also refer Schedule 18 (1.2)(b)]

Schedule 5 - Other Liabilities and Provisions

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	Bills Payable	6,193.80	6,713.89
II.	Inter-office adjustments (net)	-	-
III.	Interest accrued	3,810.98	3,658.22
IV.	General provision against standard assets	5,217.40	5,113.43
V.	MTM loss on forex & derivative contracts	19,928.54	12,806.36
VI.	Provision for tax (net)	1,077.99	-
VII.	Deferred tax liabilities (net)	0.53	-
VIII.	Others (including provisions) [Refer Schedule 18 (1.14)(C)]	41,255.11	37,121.72
	Total	**77,484.35**	**65,413.62**

Schedule 6 - Cash and Balances with Reserve Bank of India

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	Cash in hand (including foreign currency notes)	8,073.94	9,634.81
II.	Balances with Reserve Bank of India:		
	(i) in Current Account	44,623.50	48,193.68
	(ii) in Other Accounts (includes reverse repo under Liquidity Adjustment Facility)	20,941.00	28,249.00
	Total (I and II)	**73,638.44**	**86,077.49**

Schedule 7 - Balances With Banks and Money at Call and Short Notice

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	**In India**		
	(i) Balance with Banks		
	(a) in Current Accounts	102.82	721.23
	(b) in Other Deposit Accounts	2,527.19	2,931.78
	(ii) Money at Call and Short Notice		
	(a) With banks	-	100.00
	(b) With other institutions	5,024.02	6,149.77
	Total (i and ii)	**7,654.03**	**9,902.78**
II.	**Outside India**		
	(i) in Current Accounts	4,545.43	4,182.88
	(ii) in Other Deposit Accounts	11,954.53	9,321.34
	(iii) Money at Call & Short Notice	4,906.27	7,008.69
	Total (i, ii and iii)	**21,406.23**	**20,512.91**
	Grand Total (I+II)	**29,060.26**	**30,415.69**

Schedule 8 - Investments

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	**Investments in India in -**		
	(i) Government Securities[1]	293,400.66	238,963.72
	(ii) Other approved securities	-	-
	(iii) Shares	2,745.67	1,317.01
	(iv) Debentures and Bonds	73,723.01	74,702.09
	(v) Associates[2]	2,623.51	932.45
	(vi) Others [include investments in Mutual Funds, Security Receipts, Alternative Investment Funds, Venture Capital Funds, Real Estate Investment Trusts, Infrastructure Investment Trusts, Pass Through Certificates and Private Equity Fund (LLP)]	8,393.69	6,769.42
	Total Investments in India	**380,886.54**	**322,684.69**
II.	**Investments outside India in -**		
	(i) Government Securities (including local authorities)	15,435.27	9,421.86
	(ii) Associates	-	-
	(iii) Others (include Equity Shares and Bonds)	363.26	247.19
	Total Investments outside India	**15,798.53**	**9,669.05**
	Grand Total (I+II)	**396,685.07**	**332,353.74**
III.	**Investments in India**		
	(i) Gross value of investments	380,436.45	323,730.81
	(ii) Aggregate of provisions for depreciation (includes provision for non-perfoming investments)[3]	450.09	(1,046.12)
	(iii) Net investments	**380,886.54**	**322,684.69**

(₹ in crores)

			As on 31-03-2025	As on 31-03-2024
IV.	**Investments outside India**			
	(i)	Gross Value of Investments	16,033.99	9,913.83
	(ii)	Aggregate of provisions for depreciation (includes provision for non-perfoming investments)[3]	(235.46)	(244.78)
	(iii)	Net Investments	15,798.53	9,669.05
	Grand Total (III+IV)		**396,685.07**	**332,353.74**

1. Includes securities of face value ₹1,70,046.36 crores (previous year ₹1,52,280.19 crores) pledged for availment of fund transfer facility, clearing facility, repo contracts and margin requirements
2. Includes goodwill on acquisition of Associate amounting to ₹1,596.73 crores (previous year ₹368.54 crores)
3. Includes MTM gain/(loss) on investments

Schedule 9 - Advances

(₹ in crores)

					As on 31-03-2025	As on 31-03-2024
A.	(i)	Bills purchased and discounted			16,818.24	16,438.20
	(ii)	Cash credits, overdrafts and loans repayable on demand[1]			327,319.22	278,456.50
	(iii)	Term loans			737,092.01	704,438.78
		Total (i, ii and iii)			**1,081,229.47**	**999,333.48**
B.	(i)	Secured by tangible assets[2]			791,209.33	699,357.61
	(ii)	Covered by Bank/Government Guarantees[3]			2,028.63	4,413.20
	(iii)	Unsecured			287,991.51	295,562.67
		Total (i, ii and iii)			**1,081,229.47**	**999,333.48**
C.	I.	Advances in India				
		(i)	Priority Sector		384,558.93	369,070.11
		(ii)	Public Sector		12,080.58	17,132.94
		(iii)	Banks		15,744.40	15,646.12
		(iv)	Others		639,134.82	568,840.19
		Total (i, ii, iii and iv)			**1,051,518.73**	**970,689.36**
	II.	Advances Outside India				
		(i)	Due from Banks		337.63	241.87
		(ii)	Due from Others -			
			(a)	Bills purchased and discounted	6,406.75	6,295.36
			(b)	Syndicated loans	-	-
			(c)	Others	22,966.36	22,106.89
		Total (i and ii)			29,710.74	28,644.12
		Grand Total [C.I.+C.II.]			**1,081,229.47**	**999,333.48**

1. Net of borrowings under Inter Bank Participation Certificate (IBPC) ₹20,192.94 crores (previous year ₹19,999.61 crores), includes lending under IBPC ₹1,350.00 crores (previous year Nil)
2. Includes advances against Book Debts
3. Includes advances against L/Cs issued by other banks

Schedule 10 - Fixed Assets

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	**Premises**		
	At cost as on 31 March of the preceding year	1,812.59	1,663.59
	Additions during the year	-	149.00
	Deductions during the year	-	-
	Depreciation to date	(299.99)	(275.29)
	Net Block	**1,512.60**	**1,537.30**

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
IA.	**Premises Under Construction**	-	-
II.	**Other fixed assets (including furniture & fixtures and intangibles)**		
	At cost as on 31 March of the preceding year	24,193.67	22,443.96
	Additions on account of acquisition of Citibank India Consumer Business	-	(16.69)
	Additions during the year[1]	2,591.78	2,128.34
	Deductions during the year	(708.16)	(361.94)
	Depreciation to date	(21,395.58)	(20,340.99)
	Net Block	**4,681.71**	**3,852.68**
IIA.	**Leased Assets (Premises given on lease)**		
	At cost as on 31 March of the preceding year	209.60	209.60
	Additions during the year including adjustments	-	-
	Deductions during the year including provisions	-	-
	Depreciation to date	(32.41)	(28.92)
	Net Block	**177.19**	**180.68**
	Grand Total (I,IA,II and IIA)	**6,371.50**	**5,570.66**
III.	**Capital-Work-in Progress (including Leased Assets) Net of Provisions**	**120.58**	**266.90**
	Grand Total (I,IA,II,IIA and III)	**6,492.08**	**5,837.56**

1. includes movement on account of exchange rate fluctuation

Schedule 11 - Other Assets

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	Inter-office adjustments (net)	-	-
II.	Interest Accrued	14,326.54	11,712.69
III.	Tax paid in advance/tax deducted at source (net of provisions)	1,200.97	196.31
IV.	Stationery and stamps	3.46	2.76
V.	Non banking assets acquired in satisfaction of claims[1]	-	-
VI.	Deferred Tax assets (net)	4,615.16	5,434.97
VII.	MTM gain on forex & derivative contracts	20,496.42	12,430.07
VIII.	Others[2]	28,925.50	34,154.53
	Total	**69,568.05**	**63,931.33**

1. Represents balance net of provision of ₹1,855.85 crores (previous year ₹1,855.85 crores) on Land held as non-banking asset
2. Includes Priority Sector Shortfall Deposits of ₹14,450.47 crores (previous year ₹21,557.10 crores)

Schedule 12 - Contingent Liabilities

(₹ in crores)

		As on 31-03-2025	As on 31-03-2024
I.	Claims against the Group not acknowledged as debts	1,766.98	2,594.92
II.	Liability for partly paid investments	280.63	125.74
III.	Liability on account of outstanding forward exchange contracts[1]	1,256,588.46	840,386.68
IV.	Liability on account of outstanding derivative contracts[1]	1,369,593.38	821,623.49
V.	Guarantees given on behalf of constituents		
	(a) In India	121,698.90	106,812.19
	(b) Outside India	19,490.11	21,330.35
VI.	Acceptances, endorsements and other obligations	55,341.43	59,087.51
VII.	Other items for which the Group is contingently liable	53,440.63	60,164.49
	Total [Refer Schedule 18 (1.18)]	**2,878,200.52**	**1,912,125.37**

1. Represents notional amount

Schedules Forming Part of the Consolidated Profit & Loss Account

For the year ended 31 March, 2025

Schedule 13 - Interest Earned

(₹ in crores)

		Year ended 31-03-2025	Year ended 31-03-2024
I.	Interest/discount on advances/bills	101,582.06	90,314.02
II.	Income on investments (including dividend)	23,057.01	20,082.39
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	1,243.23	923.74
IV.	Others	1,491.79	1,438.90
	Total	**127,374.09**	**112,759.05**

Schedule 14 - Other Income

(₹ in crores)

		Year ended 31-03-2025	Year ended 31-03-2024
I.	Commission, exchange and brokerage	23,787.78	21,023.88
II.	Profit/(loss) on sale of land, buildings and other assets (net)[1]	(10.29)	(4.42)
III.	Profit/(loss) on exchange/derivative transactions (net)	2,164.88	1,936.22
IV.	Profit/(loss) on sale of investments (net)	1,344.70	1,438.12
V.	Profit/(loss) on revaluation of investments (net)	700.52	431.32
VI.	Lease finance income (including management fee, overdue charges and interest on lease rent receivables)	-	-
VII.	Miscellaneous Income	555.18	405.19
	Total	**28,542.77**	**25,230.31**

1. includes provision for diminution in value of fixed assets

Schedule 15 - Interest Expended

(₹ in crores)

		Year ended 31-03-2025	Year ended 31-03-2024
I.	Interest on deposits	53,837.24	45,510.91
II.	Interest on Reserve Bank of India/Inter-bank borrowings	2,055.96	2,280.22
III.	Others	15,143.11	13,599.61
	Total	**71,036.31**	**61,390.74**

Schedule 16 - Operating Expenses

(₹ in crores)

		Year ended 31-03-2025	Year ended 31-03-2024
I.	Payments to and provisions for employees	13,661.28	12,193.68
II.	Rent, taxes and lighting	2,090.16	1,833.85
III.	Printing and stationery	373.82	357.29
IV.	Advertisement and publicity	175.40	167.22
V.	Depreciation on Group's property		
	a) Other than Leased Assets	1,763.48	1,384.97
	b) On Leased Assets	3.49	3.49
VI.	Directors' fees, allowance and expenses	11.84	11.30
VII.	Auditors' fees and expenses	7.42	9.05
VIII.	Law charges	212.92	192.76
IX.	Postage, telegrams, telephones etc.	467.50	447.75
X.	Repairs and maintenance	2,329.69	1,939.23
XI.	Insurance	1,794.96	1,610.56
XII.	Other expenditure	17,100.08	17,091.40
	Total	**39,992.04**	**37,242.55**

1. Includes commission paid to direct selling agents, charges paid to network partners, cashback expenses, fees paid for purchase of Priority Sector Lending Certificates, professional fees, technology expenses, business promotion expenses and miscellaneous expenses

17. SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March, 2025

1. Principles of consolidation

The Consolidated Financial Statements comprise the financial statements of Axis Bank Limited ('the Bank'), its Subsidiaries and Associate (together 'the Group'). As on 31 March, 2025, the Bank has overseas branches at Singapore, DIFC - Dubai and an Offshore Banking Unit at the International Financial Service Centre (IFSC), Gujarat International Finance Tec-City (GIFT City), Gandhinagar, India.

The Bank consolidates its Subsidiaries in accordance with Accounting Standard ('AS') 21, Consolidated Financial Statements notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021 on a line-by-line basis by adding together the like items of assets, liabilities, income and expenditure. All significant inter-company accounts and transactions are eliminated on consolidation.

Investment in entities where the Bank has the ability to exercise significant influence are accounted for under the equity method of accounting as prescribed under Accounting Standard (AS) 23 "Accounting for investments in Associates in Consolidated Financial Statements" and the pro-rata share of their profit/(loss) is included in the consolidated Profit and Loss account.

2. Basis of preparation

a) The consolidated financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ('GAAP'), unless otherwise stated by the Reserve Bank of India ('RBI'), to comply with the statutory requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949, the circulars, notifications, guidelines and directives issued by the RBI from time to time and the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021 to the extent applicable and practices generally prevalent in the banking industry in India. Accounting policies applied have been consistent with the previous year except otherwise stated.

b) The consolidated financial statements present the accounts of the Bank including the following entities:

Name	Relation	Country of Incorporation	Ownership Interest
Axis Capital Ltd.	Subsidiary	India	100.00%
Axis Trustee Services Ltd.	Subsidiary	India	100.00%
Axis Mutual Fund Trustee Ltd.	Subsidiary	India	75.00%
Axis Asset Management Company Ltd.	Subsidiary	India	75.00%
Axis Finance Ltd.	Subsidiary	India	100.00%
Axis Securities Ltd.	Subsidiary	India	100.00%
Freecharge Payment Technologies Pvt. Ltd.	Subsidiary	India	100.00%
A.Treds Ltd.	Subsidiary	India	67.00%
Axis U.K. Ltd. (formerly Axis Bank UK Ltd.)	Subsidiary	U.K.	100.00%
Freecharge Business and Technology Services Ltd.	Subsidiary	India	100.00%
Axis Capital USA LLC	Step down subsidiary	USA	100.00%
Axis Pension Fund Management Ltd.	Step down subsidiary	India	47.27%
Axis Max Life Insurance Ltd. (formerly Max Life Insurance Company Ltd.)	Associate	India	19.02%

c) The financial statements of certain subsidiaries have been prepared in accordance with notified Indian Accounting Standards ('Ind-AS'). The financial statements of such subsidiaries used for consolidation are special purpose financial statements prepared in accordance with GAAP specified under section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 and the companies (Accounting Standards) Rules, 2021.

d) The audited financial statements of the above subsidiaries/step-down subsidiaries have been drawn up to the same reporting date as that of the Bank, i.e. 31 March, 2025.

e) The financial statements of the Bank's foreign subsidiary, Axis U.K. Limited ('the Company') are prepared in accordance with UK adopted international accounting standards which have been converted to Indian GAAP for the purpose of consolidated financial statements of the Group. Considering that the Company is currently under liquidation, the financial statements of the Company have been prepared on a basis other than that of a going concern. Basis the size and scale of operations of the Company, the impact of the above is not material on the financial statements/position of the Group.

f) The Group's share of net profit after tax for the year ended 31 March, 2025 as included in the consolidated financial statements in respect of the Associate entity is based on management's best estimate in the absence of financial information of such Associate.

3. Use of estimates

The preparation of the consolidated financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements, revenues and expenses during the reporting period. Actual results could differ from those estimates. The Management believes that the estimates and assumptions used in the preparation of the financial statements are prudent and reasonable. Any revisions, as and when carried out, to the accounting estimates are recognised prospectively in the current and future periods.

4. Changes in accounting policies-

Effective 1 April, 2024, the Bank has carried out the following changes in its accounting policies:

Classification and Valuation of Investments

Effective 1 April, 2024 the Bank has adopted the revised framework as detailed in RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on 12 September, 2023 ('RBI Investment Direction 2023'). Accordingly, as prescribed under the transition provisions of the aforesaid framework the Bank has (1) transferred the balance in Investment Reserve Account as at 31 March, 2024 of ₹242.29 crores to the general reserve (2) transferred an amount of ₹1,217.86 crores (net of tax) to the general reserve, resulting into increase in the net worth of the Bank, on account of reversal of balance in provision for depreciation on investments as at 31 March, 2024 and adjustment for the difference between the carrying value of its investment portfolio as per the revised framework and the previous carrying value as at 31 March, 2024.

Further, in compliance with the said RBI Investment Direction 2023, the valuation gains and losses at the period ended 31 March, 2025, across all performing investments held under Available for Sale (AFS) category are aggregated and the net appreciation amounting to ₹110.39 crores (net of tax) has been directly recognised in AFS Reserve. The securities held in Fair Value through Profit and Loss ('FVTPL') category are fair valued at the period ended 31 March, 2025 and the net gain of ₹700.51 crores for the year ended 31 March, 2025, arising on such valuation has been recognised in the Profit and Loss Account. Figures for the previous year are not comparable to that extent.

5. Significant accounting policies

5.1 Investments

Axis Bank Ltd.

Significant accounting policies for investments applicable for FY25

Classification

In accordance with the RBI Investment Direction, 2023, investments (except investments in subsidiaries, joint ventures and associates) are classified at the time of acquisition as:

- Held to Maturity ('HTM');
- Available for Sale ('AFS') and
- Fair Value through Profit and Loss (FVTPL) with Held for Trading (HFT) as a separate investment subcategory within FVTPL.

Classification of Investments in the Balance sheet

For disclosure in the Balance Sheet, investments in India are classified under six categories - Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Investment in Subsidiaries/Joint Ventures/Associates and Others. Investments made outside India are classified under three categories - Government Securities, Subsidiaries and/or Joint Ventures abroad and Others.

All investments are accounted for on settlement date, except investments in equity shares which are accounted for on trade date.

i. Held to Maturity ('HTM')

The Bank classifies investments as HTM, if both of the following conditions are met:

- The investment is acquired with the intention and objective of holding it to maturity, i.e., the financial assets are held with an objective to collect the contractual cash flows; and
- The contractual terms of the investment give rise to cash flows that are solely payments of principal and interest on principal outstanding ('SPPI criterion') on specified dates.

ii. Available for Sale ('AFS')

The Bank classifies investments as AFS, if both the following conditions are met:

- The investment is acquired with an objective which is achieved by both collecting contractual cash flows and selling securities; and
- The contractual terms of the investment give rise to cash flows that meet SPPI criterion on specified dates.

The Bank, upon initial recognition, may make an irrevocable election to classify an equity instrument as an AFS that is not held with the objective of trading.

iii. Fair Value through Profit and Loss (FVTPL)

The investments that are not classified as HTM or AFS are classified as FVTPL. The Bank classifies investments in FVTPL category as either FVTPL-Held for Trading ('HFT') or FVTPL Non-HFT. Any investment held by the Bank for one or more of the following purposes is, when it is first recognised on its books, designated as a FVTPL HFT:

- short-term resale;
- profiting from short-term price movements;
- locking in arbitrage profits; or
- hedging risks that arise from instruments meeting all of the above

Investments in listed equities, trading-related repo-style transactions, instruments resulting from market-making activities, equity investments in a fund are included in FVTPL HFT category. Investments in unlisted equities are included in FVTPL Non-HFT category.

All other investments forming part of FVTPL category are classified as FVTPL Non-HFT.

Investments in Subsidiaries, Associates and Joint Ventures

All investments in subsidiaries, associates and joint ventures held by Bank are classified under this category separately from the aforesaid investment categories.

Initial recognition

The Bank measures all investments at fair value on initial recognition. Unless facts and circumstances suggest that the fair value is materially different from the acquisition cost, it is presumed that the acquisition cost is the fair value.

i. Acquisition cost

Costs incurred at the time of acquisition, pertaining to investments, such as brokerage, commission etc. are charged to the Profit and Loss Account. Broken period interest is charged to the Profit and Loss Account. Cost of investments is computed based on the weighted average cost method.

ii. Day 1 gain/loss

Day 1 Gain/loss is the difference between the fair value at initial recognition and acquisition cost.

Any Day 1 gain/loss arising on quoted investments is recognized in the Profit and Loss Account. Any Day 1 loss arising from Level 3 investments is recognised immediately. Any Day 1 gains arising from Level 3 investments is deferred. In the case of debt instruments, the Day 1 gain is amortized on a straight-line basis up to the maturity date (or earliest call date for perpetual instruments), while for unquoted equity instruments, the gain is set aside as a liability until the security is listed or derecognised.

iii. Subsequent measurement

a. Investments classified under the HTM category

Investments held in HTM category are carried at cost and are not Mark-to-Market ('MTM') after initial recognition. Any discount or premium on the investments under HTM category is amortised over the remaining life of the instrument. The amortised amount is reflected under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.

Realised gains on sale of investments in HTM category are recognised in the Profit and Loss Account and subsequently appropriated to the Capital Reserve Account (net of taxes and transfer to statutory reserves) in accordance with the RBI guidelines. Realised losses are recognised in the Profit and Loss Account.

b. Investments classified under AFS category

Investments held in AFS category are fair valued. Any discount or premium on the acquisition of debt securities under AFS is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.

The net valuation gains and losses across all performing investments under AFS is aggregated and the net appreciation or depreciation (net of tax) is directly credited or debited to the AFS Reserve without routing through the Profit & Loss Account.

The AFS-Reserve is reckoned as Common Equity Tier (CET) 1 capital but not available for distribution of dividend and coupon on Additional Tier I instruments

On sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS Reserve is transferred from the AFS Reserve and recognized in the Profit and Loss Account.

In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments is transferred from AFS Reserve to Capital Reserve in accordance with the RBI Investment Direction, 2023.

c. **Investments classified under FVTPL category**

Investments held under FVTPL category are fair valued and the net gain or loss arising on such valuation is directly credited or debited to the Profit and Loss Account.

Any discount or premium on the debt securities under FVTPL category is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.

d. **Investments in Subsidiaries, Associates and Joint Ventures**

The Bank measures all the investments (i.e., including debt and equity) in subsidiaries, associates and joint ventures at acquisition cost.

Any discount or premium on the acquisition of debt securities of subsidiaries, associates and joint ventures is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned'.

Valuation

The Bank determines the fair values of its investments according to the following hierarchy:

Level 1: Valuation based on quoted market price: These investments are valued with quoted prices (unadjusted) for identical instruments in active markets that the Bank can access at the measurement date.

Level 2: Valuation based on using observable inputs: These investments are valued with inputs other than quoted prices included within Level 1, that are observable, either directly or indirectly.

Level 3: Valuation technique with significant unobservable inputs: These investments are valued using valuation techniques where one or more significant inputs are unobservable.

The fair value of various types of instruments is determined as per the valuation norms laid down in RBI Investment Direction 2023, as follows:

- The fair value of quoted investments (other than discounted instruments) included in the AFS and FVTPL categories is considered as available from the trades/quotes on the stock exchanges or prices, yield and spread matrix declared by the Fixed Income Money Market and Derivatives Association of India ('FIMMDA')/Financial Benchmark India Private Limited ('FBIL'), periodically.
- Treasury Bills, Exchange Funded Bills, Commercial Paper and Certificate of Deposits being discounted instruments, are valued at carrying cost which includes discount accreted over the period to maturity.
- Units of mutual funds are valued at the latest repurchase price/Net Asset Value ('NAV') declared by the mutual fund.
- Units of Venture Capital Funds ('VCF') and Unquoted Alternative Investment Fund (AIFs) are valued at Net Asset Value (NAV) declared by the funds. Where an AIF fails to carry out and disclose the valuation of its investments by an independent valuer as per the frequency mandated by SEBI (Alternative Investment Fund) Regulations, 2012 the value of its units is treated as Re. 1. In case AIF is not registered under SEBI (Alternative Investment Fund) Regulations, 2012 and the latest disclosed valuation of its investments by an independent valuer precedes the date of valuation by more than 18 months, the value of its units is treated as Re. 1.
- Investments in Subsidiaries, Associates and Joint Ventures category are assessed for impairment to determine permanent diminution, if any, in accordance with the RBI guidelines and suitable provisions are made.
- The fair value of investments where current quotations are not available, is determined in accordance with the norms prescribed by the RBI/FIMMDA/FBIL as under:

a) The fair value of unquoted government securities which are in the nature of Statutory Liquidity Ratio ('SLR') securities forming part of AFS, FVTPL-HFT and FVTPL Non-HFT categories are computed as per the rates published by FIMMDA/FBIL.

b) In case of special bonds issued by the Government of India that do not qualify for SLR purposes, unquoted bonds, debentures and preference shares where interest/dividend is received regularly (i.e. not overdue beyond 90 days), the market price is derived based on the Yield to maturity ('YTM') for such securities as published by FIMMDA/FBIL and suitably marked up for credit risk applicable to the credit rating of the instrument. The matrix for credit risk mark-up for each category and credit ratings along with residual maturity issued by FIMMDA/FBIL is adopted for this purpose.

c) In case of bonds & debentures where interest is not received regularly (i.e. overdue beyond 90 days), the valuation is in accordance with prudential norms for provisioning as prescribed by the RBI.

d) Pass Through Certificates (PTCs) are valued as per extant RBI/FIMMDA guidelines.

e) Equity shares, for which current quotations are not available or where the shares are not quoted on the stock exchanges, are valued at break-up value (without considering revaluation reserves, if any) which is ascertained from the company's latest Balance Sheet (not older than 18 months). In case the latest Balance Sheet is not available, the shares are valued at Re. 1 per company.

f) Valuation of investments in private equity funds and limited liability partnership funds is based on valuation of their underlying exposures.

g) Investments in listed instruments of Real Estate Investment Trust ('REIT')/Infrastructure Investment Trust ('INVIT') are valued at the closing price on the recognised stock exchange. In case the instruments are not traded on any stock exchange, valuation is carried out based on the latest NAV (not older than 1 year) submitted by the trust.

h) Investments in Government guaranteed Security Receipts ('SRs') are valued periodically by reckoning the Net Asset Value (NAV) declared by the Asset Reconstruction Company ('ARC') based on the recovery ratings received for such instruments. Any Government guaranteed SRs outstanding after the final settlement of the Government guarantee or the expiry of the guarantee period, whichever is earlier, are valued at one rupee (₹1).

Investments in other SRs are valued as per the NAV declared by the issuing ARC or net book value of loans transferred or estimated recoverable value based on Bank's internal assessment on case to case basis, whichever is lower. Investments in such Security Receipts where original maturity period has expired are valued at one rupee (₹1). In case of investments in SRs which are backed by more than 10 percent of the stressed assets sold by the Bank, the valuation of such SRs is additionally subject to a floor of face value of the SRs reduced by the provisioning rate as per the extant asset classification and provisioning norms as applicable to the underlying loans, assuming that the loan notionally continued in the books of the Bank.

Investment asset classification and provisioning

Investments under HTM, AFS and FVTPL category are subjected to income recognition, asset classification and provisioning norms of RBI. Non-performing Investments (NPIs) are identified and provision is made thereon in the Profit and Loss account, as per the RBI guidelines. Once an investment become NPI, the Bank segregates it from rest of the portfolio and does not consider it for netting valuation gains and losses. A NPI investment is segregated from other investments within the same category [i.e., HTM, AFS, or FVTPL] under which it was classified at initial recognition. Interest on NPIs is not recognized in the Profit and Loss Account until received. MTM appreciation in case of NPIs over and above the book value is not recognized and ignored.

Reclassification between categories

Reclassification of investments between categories (viz. HTM, AFS and FVTPL) if any is carried out only after, prior approval of Board of Directors and RBI and the same is accounted for in accordance with the RBI guidelines.

Short sales

In accordance with the RBI guidelines, the Bank undertakes short sale transactions in Central Government dated securities. Such short positions are categorised under FVTPL category and netted off from investments in the Balance Sheet. These positions are marked-to-market along with the other securities under FVTPL portfolio and the resultant MTM gains/losses are accounted for as per the relevant RBI guidelines for valuation of investments.

Significant accounting policies for investments applicable for FY24

Classification

In accordance with the RBI guidelines, investments are classified at the time of purchase as:

- Held for Trading ('HFT');
- Available for Sale ('AFS'); and
- Held to Maturity ('HTM').

Investments that are held principally for sale within a short period are classified as HFT securities. As per the RBI guidelines, HFT securities, which remain unsold for a period of 90 days are transferred to AFS securities.

Investments that the Bank intends to hold till maturity are classified under the HTM category. Investments in the equity of subsidiaries/joint ventures and investments under TLTRO guidelines are categorised as HTM in accordance with the RBI guidelines.

All other investments are classified as AFS securities.

For disclosure in the Balance Sheet, investments in India are classified under six categories - Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Investment in Subsidiaries/Joint Ventures and Others. Investments made outside India are classified under three categories - Government Securities, Subsidiaries and/or Joint Ventures abroad and Others.

All investments are accounted for on settlement date, except investments in equity shares which are accounted for on trade date.

Transfer of security between categories

Transfer of security between categories of investments is accounted for as per the RBI guidelines.

Acquisition cost

Costs incurred at the time of acquisition, pertaining to investments, such as brokerage, commission etc. are charged to the Profit and Loss Account.

Broken period interest on debt instruments and government securities is charged to the Profit and Loss Account.

Cost of investments is computed based on the weighted average cost method.

Valuation

Investments classified under the HTM category: Investments are carried at acquisition cost unless it is more than the face value, in which case the premium is amortised over the period remaining to maturity on a constant yield to maturity basis. Such amortization of premium is adjusted against interest income under the head 'Income from Investments' under Schedule 13 in Profit and Loss Account. As per the RBI guidelines, discount on securities held under HTM category is not accrued and such securities are held at the acquisition cost till maturity.

Investments in subsidiaries/joint ventures are categorised as HTM and assessed for impairment to determine permanent diminution, if any, in accordance with the RBI guidelines and suitable provisions are made.

Investments classified under the AFS and HFT categories: Investments under these categories are marked to market. The market/fair value of quoted investments included in the AFS and HFT categories is the market price of the scrip as available from the trades/quotes on the stock exchanges or prices declared by the Fixed Income Money Market and Derivatives Association of India ('FIMMDA')/ Financial Benchmark India Private Limited ('FBIL'), periodically. Net depreciation, if any, within each category of each investment classification is recognised in the Profit and Loss Account. The net appreciation if any, under each category of each investment classification is ignored. Net depreciation on each type of investments falling under the residual category of 'Others' (i.e. mutual funds, Pass Through Certificates (PTCs), security receipts etc.) is not offset against gain in another class of investment falling within the 'Others' category. Further, in case of standard investments classified as weak as per the Bank's internal framework (including certain internally unrated investments), the Bank recognizes net depreciation without availing the benefit of set-off against appreciation within the same class of investments as permitted under the extant RBI circular. The depreciation on securities acquired by way of conversion of outstanding loans is provided in accordance with the RBI guidelines. Provision for depreciation on investments is classified under Schedule-14 'Other Income'. The book value of individual securities is not changed consequent to the periodic valuation of investments.

Non-performing investments are identified and provision is made thereon as per the RBI guidelines. Provision for depreciation on such non-performing investments is not set off against the appreciation in respect of other performing securities as per RBI guidelines. Interest on non-performing investments is not recognized in the Profit and Loss Account until received.

Treasury Bills, Exchange Funded Bills, Commercial Paper and Certificate of Deposits being discounted instruments, are valued at carrying cost which includes discount accreted over the period to maturity.

Units of mutual funds are valued at the latest repurchase price/Net Asset Value ('NAV') declared by the mutual fund.

Market value of investments where current quotations are not available, is determined in accordance with the norms prescribed by the RBI as under:

The market/fair value of unquoted government securities which are in the nature of Statutory Liquidity Ratio ('SLR') securities forming part of AFS and HFT categories is computed as per the rates published by FIMMDA/ FBIL.

In case of special bonds issued by the Government of India that do not qualify for SLR purposes, unquoted bonds, debentures, and preference shares where interest/dividend is received regularly (i.e. not overdue beyond 90 days), the market price is derived based on the Yield to maturity ('YTM') for Government Securities as published by FIMMDA/ FBIL and suitably marked up for credit risk applicable to the credit rating of the instrument. The matrix for credit risk mark-up for each category and credit ratings along with residual maturity issued by FIMMDA/FBIL is adopted for this purpose.

In case of bonds & debentures where interest is not received regularly (i.e. overdue beyond 90 days), the valuation is in accordance with prudential norms for provisioning as prescribed by the RBI.

PTC and Priority Sector PTCs are valued as per extant FIMMDA guidelines.

Equity shares, for which current quotations are not available or where the shares are not quoted on the stock exchanges, are valued at break-up value (without considering revaluation reserves, if any) which is ascertained from the Company's latest Balance Sheet (not older than 18 months). In case the latest Balance Sheet is not available, the shares are valued at ₹1 per company.

Investments in listed instruments of Real Estate Investment Trust ('REIT')/Infrastructure Investment Trust ('INVIT') are valued at the closing price on the recognised stock exchange. In case the instruments are not traded on any stock exchange, valuation is carried out based on the latest NAV (not older than 1 year) submitted by the trust.

Units of Venture Capital Funds ('VCF') / Alternative Investment Funds ('AIF') held under AFS category where current quotations are not available are valued based on NAV as published in the latest audited financial statements of the fund or NAV as provided by the fund. In case the audited financials are not available for a period beyond 18 months, the investments are valued at ₹1 per VCF/AIF. Investment in unquoted VCF/AIF may be categorized under HTM category for the initial period of three years and are valued at cost as per the RBI guidelines.

Investments in Security Receipts ('SRs') are valued as per the NAV declared by the issuing Asset Reconstruction Company ('ARC') or net book value of loans transferred or estimated recoverable value based on Bank's internal assessment on case to case basis, whichever is lower. In case of investments in SRs which are backed by more than 10 percent of the stressed assets sold by the Bank, the valuation of such SRs is additionally subject to a floor of face value of the SRs reduced by the provisioning rate as per the extant asset classification and provisioning norms as applicable to the underlying loans, assuming that the loan notionally continued in the books of the Bank.

Disposal of investments

Investments classified under the HTM category: Realised gains are recognised in the Profit and Loss Account and subsequently appropriated to Capital Reserve Account (net of taxes and transfer to statutory reserves) in accordance with the RBI guidelines. Losses are recognised in the Profit and Loss Account.

Investments classified under the AFS and HFT categories: Realised gains/losses are recognised in the Profit and Loss Account.

Short sales

In accordance with the RBI guidelines, the Bank undertakes short sale transactions in Central Government dated securities. Such short positions are categorised under HFT category and netted off from investments in the Balance Sheet. These positions are marked-to-market along with the other securities under HFT portfolio and the resultant Mark-to-Market ('MTM') gains/losses are accounted for as per the relevant RBI guidelines for valuation of investments.

Subsidiaries

Investments are initially recognised at cost which comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Any reduction in the carrying amount and any reversal of such reductions are charged or credited to the Profit and Loss Account.

Long term investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of such investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Profit and Loss Account.

5.2 Repurchase and reverse repurchase transactions

Axis Bank Ltd.

Repurchase transactions ('Repos')

Repurchase transactions in Government securities and corporate debt securities including those conducted under the Liquidity Adjustment Facility ('LAF') and Marginal Standby Facility ('MSF') with RBI are accounted for as collateralised borrowings. Accordingly, securities given as collateral under an agreement to repurchase them, continue to be held under the investment account and the Bank continues to accrue the coupon on the security during the repo period. Borrowing cost on such repo transactions is accounted as interest expense in "Schedule 15 – Interest Expended" in the Profit and Loss Account.

Reverse repurchase transactions ('Reverse repos')

Reverse repurchase transactions with RBI with original maturity upto 14 days, including those conducted under the Liquidity Adjustment Facility ('LAF') and Standing Deposit Facility ('SDF') are accounted for as collateralised lending under "Schedule 6 - Balances with RBI - in Other Accounts". Reverse repurchase transactions with banks and other financial institutions with original maturity upto 14 days, are accounted for as collateralised lending under "Schedule 7 - Balances with Banks and Money at call and short notice". Revenue on such reverse repos is accounted for as interest income under "Schedule 13 – Interest Earned – Interest on balances with Reserve Bank of India and Other Inter-bank Funds" in the Profit and Loss Account.

Reverse repos with original maturity of more than 14 days are accounted for as collateralised lending under "Schedule 9 - Advances". Revenue on such reverse repos is accounted for as interest income under "Schedule 13 - Interest Earned – Interest/discount on advances/bills" in the Profit and Loss account.

5.3 Advances

Axis Bank Ltd.

Classification and measurement of advances

Advances are classified into performing and non-performing advances ('NPAs') as per the RBI guidelines and are stated net of bills rediscounted, inter-bank participation certificates, specific provisions made towards NPAs, interest in suspense for NPAs, claims received from Export Credit Guarantee Corporation, provisions for funded interest on term loans classified as NPAs and floating provisions. Structured collateralised foreign currency loans extended to customers and deposits received from the same customer are reported on a net basis.

The Bank transfers advances through inter-bank participation with and without risk. In accordance with the RBI guidelines, in the case of participation with risk, the aggregate amount of the participation issued by the Bank is reduced from advances and where the Bank is participating, the aggregate amount of the participation is classified under advances. In the case of participation without risk, the aggregate amount of participation issued by the Bank is classified under borrowings and where the Bank is participating, the aggregate amount of participation is shown as due from banks under advances.

Non-performing advances and provision on non-performing advances

NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the RBI. Advances held at the overseas branches that are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per the RBI guidelines, are classified as NPAs to the extent of amount outstanding in the host country. NPAs are upgraded to standard as per the extant RBI guidelines.

Provisions for NPAs are made for sub-standard and doubtful assets at rates as prescribed by the RBI with the exception of schematic retail advances, agriculture advances and advances to Commercial Banking segment. In respect of schematic retail advances, provisions are made in terms of a bucket-wise policy upon reaching specified stages of delinquency (90 days or more of delinquency) under each type of loan, which satisfies the RBI prudential norms on provisioning. Provisions in respect of Commercial Banking segment advances and agriculture advances classified into sub-standard and doubtful assets are made at rates which are higher than those prescribed by the RBI.

Provisions for advances booked in overseas branches, which are standard as per the RBI guidelines but are identified as impaired as per host country regulations for reasons other than record of recovery, are made as per the host country regulations.

In case of NPAs referred to the National Company Law Tribunal ('NCLT') under the Insolvency and Bankruptcy Code, 2016 ('IBC') where resolution plan or liquidation order has been approved by NCLT, provision is maintained at higher of the requirement under the RBI guidelines or the likely haircut as per resolution plan or liquidation order.

Loans reported as fraud are classified as loss assets, and fully provided for immediately without considering the value of security.

Provision on restructured assets

Restructured assets including compromise settlements where the time for payment of the agreed settlement amount exceeds three months are classified and provided for in accordance with the guidelines issued by the RBI from time to time.

In respect of advances where resolution plan has been implemented under the RBI guidelines on "Resolution Framework for COVID 19-related Stress" and "Micro, Small and Medium Enterprises (MSME) Sector – Restructuring of Advances", provisions are maintained as per the internal framework of the Bank at rates which are higher than those specified under the extant RBI guidelines. Restructured loans are upgraded to standard as per the extant RBI guidelines.

Provisions held on restructured assets are reported in Schedule 5 – Other Liabilities and Provisions in the Balance Sheet.

Write-offs and recoveries from written-off accounts

Write-offs are carried out in accordance with the Bank's policy.

Amounts recovered against debts written off are recognised in the Profit and Loss Account as a credit to Provision and Contingencies.

Appropriation of funds for standard advances

In case of Equated Monthly Instalment (EMI) based standard retail advances, funds received from customers are appropriated in the order of principal, interest and charges. In case of other standard advances, funds received from customers are appropriated in the order of charges, interest and principal.

Other provisions on advances classified under Schedule 5 – 'Other Liabilities and Provisions' in the Balance Sheet

The Bank recognises additional provisions as per the RBI's guidelines on accounts in default and with aggregate exposure above the threshold limits as laid down in the guidelines where the resolution plan is not implemented within the specified timelines. These provisions are written back on satisfying the conditions for reversal as per RBI guidelines.

In respect of borrowers classified as non-cooperative or wilful defaulters the Bank makes accelerated provisions as per the extant RBI guidelines.

In the case of one-time settlements with borrowers that are entered into but not closed as on the reporting date, the Bank makes provisions which is the higher of (i) the provision required based on asset classification; and (ii) the amount of contracted sacrifice, on a portfolio basis.

The Bank makes incremental provisioning (determined based on a time scale and on occurrence of predefined events) on all outstanding advances and investments relating to borrowers tagged as Red Flagged Accounts ('RFA').

For entities with Unhedged Foreign Currency Exposure ('UFCE'), provision is made in accordance with the guidelines issued by the RBI, which requires ascertaining the amount of UFCE, estimating the extent of likely loss and estimating the riskiness of the unhedged position. Further, incremental capital is maintained in respect of such borrower counter parties in the highest risk category, in line with stipulations by the RBI.

The Bank maintains provisions for incremental exposure of the banking system to specified borrowers beyond the Normally Permitted Lending Limit ('NPLL') in proportion to the Bank's funded exposure to the specified borrowers as per the RBI guidelines.

The Bank maintains a general provision on standard advances at the rates prescribed by the RBI. In respect of advances to stressed sectors, such general provision is made at rates higher than the regulatory minimum as per the internal policy of the Bank. The general provision on corporate standard advances internally rated 'BB and Below' or 'Unrated' and all Special Mention Accounts-2 ('SMA-2') advances as reported to Central Repository of Information on Large Credits ('CRILC'), maintained at rates that are higher than those prescribed by RBI. In case of overseas branches, general provision on standard advances is maintained at the higher of the levels stipulated by the respective overseas regulator or by the extant RBI guidelines. The Bank also maintains general provision on positive Mark-to-Market (MTM) on derivative transactions at the rates prescribed under the extant RBI guidelines.

The Bank also maintains additional provision on standard accounts in a particular borrower group where one or more entity in the group is classified as NPA, subject to the aggregate outstanding of such entities being above a certain threshold limit. Such provision is in addition to and at rates higher than the provision for standard assets as prescribed by RBI.

The Bank also maintains provision on non-funded outstanding in relation to NPAs, prudentially written off accounts, corporate standard advances internally rated 'BB and Below' or 'Unrated' and all SMA-2 advances as reported to CRILC.

Under its home loan portfolio, the Bank offers housing loans with certain features involving waiver of EMIs for a specific period subject to fulfilment of certain conditions by the borrower. The Bank makes provision against the probable loss that could be incurred in future on account of these waivers to eligible borrowers, based on actuarial valuation conducted by an independent actuary.

As approved by the Board of Directors, the Bank holds prudent provision under other contingencies of ₹5,012 crores, towards potential expected losses on certain standard advances and / or exposures.

Axis Finance Ltd.

Advances are classified into performing and non-performing advances ('NPAs') as per the RBI guidelines and are stated net of specific provisions made towards NPAs. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the RBI.

Provisions for standard assets and NPAs are made at rates as prescribed by the Company policy which is over and above the minimum requirements under the RBI guidelines.

5.4 Country risk

Axis Bank Ltd.

In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposure (other than for home country as per the RBI guidelines). Such provisions are held only in respect of those countries where the net funded exposure of the Bank exceeds 1% of its total assets. For this purpose, the countries are categorized into seven risk categories namely insignificant, low, moderate, high, very high, restricted and off-credit as per internal parameters in accordance with RBI guidelines. Provision is made on exposures exceeding 180 days on a graded scale ranging from 0.25% to 100%. For exposures with contractual maturity of less than 180 days, 25% of the normal provision requirement is held. If the net funded exposure of the Bank in respect of each country does not exceed 1% of the total assets, no provision is maintained on such country exposure in accordance with RBI guidelines. Indirect exposure is reckoned at 50% of the exposure. This provision is classified under Schedule 5 – Other Liabilities and Provisions in the Balance Sheet.

5.5 Securitisation and transfer of assets

Axis Bank Ltd.

Securitisation of Standard Assets

The Bank enters into purchase/sale of corporate and retail loans through direct assignment/Special Purpose Vehicle ('SPV'). In most cases, post securitisation, the Bank continues to service the loans transferred to the assignee/SPV. The Bank also provides credit enhancement in the form of cash collaterals and/or by subordination of cash flows to Senior Pass Through Certificate holders. In respect of credit enhancements provided or recourse obligations (projected delinquencies, future servicing etc.) accepted by the Bank, appropriate provision/disclosure is made at the time of sale in accordance with AS-29, Provisions, Contingent Liabilities and Contingent Assets as notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021.In accordance with RBI guidelines on Securitisation of Standard Assets, any loss, profit or premium realised at the time of the sale is accounted for in the Profit & Loss Account for the accounting period during which the sale is completed. However, in case of unrealised gains arising out of sale of underlying assets to the SPV, the profit is recognised in Profit and Loss Account only when such unrealised gains associated with such income is redeemed in cash.

Transfer of Loan Exposures

In accordance with RBI guidelines on Transfer of Loan exposures, any profit or loss arising post transfer of loans, which is realised, is accounted for and reflected in the Profit & Loss Account for the accounting period during which the transfer is completed. Loans acquired are carried at acquisition cost unless it is more than the outstanding principal at the time of the transfer, in which case the premium paid is amortised based on a straight line method.

Axis Finance Limited

The Company enters into purchase/sale of corporate and retail loans through direct assignment/securitisation. The loans are recognised/derecognised in the books based on the risk and reward associated with the underlying loans in compliance with RBI guidelines on 'Transfer of loan assets' and 'Securitization of assets'.

5.6 Priority Sector Lending Certificates

Axis Bank Ltd.

The Bank enters into transactions for the sale or purchase of Priority Sector Lending Certificates ('PSLCs'). In the case of a sale transaction, the Bank sells the fulfilment of priority sector obligation and in the case of a purchase transaction the Bank buys the fulfilment of priority sector obligation through the RBI trading platform. There is no transfer of loan assets in PSLC transactions.

5.7 Translation of Foreign Currency items

Group

In respect of domestic operations, transactions denominated in foreign currencies are accounted for at the rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated at the closing rates of exchange as notified by the Foreign Exchange Dealers Association of India ('FEDAI'). All profits/losses resulting from year end revaluations are recognised in the Profit and Loss Account.

Financial statements of foreign branches classified as non-integral foreign operations as per the RBI guidelines, are translated as follows:

Assets and liabilities (both monetary and non-monetary as well as contingent liabilities) are translated at closing exchange rates notified by FEDAI at the Balance Sheet date.

Income and expenses are translated at the rates prevailing on the date of the transactions.

All resulting exchange differences are accumulated in a separate 'Foreign Currency Translation Reserve' (FCTR) till the disposal of the net investments. Any realised gains or losses on such disposal are recognised in the Profit and Loss Account except for those that relate to repatriation of accumulated profits which are reclassified from FCTR to 'Balance in Profit and Loss Account' under Schedule 2 – Reserves and Surplus in the Balance Sheet.

Contingent liabilities on account of forward exchange and derivative contracts, guarantees, acceptances, endorsements and other obligations denominated in foreign currencies are disclosed at closing rates of exchange notified by FEDAI.

5.8 Foreign exchange and derivative contracts

Axis Bank Ltd.

Derivative transactions comprise of forward contracts, swaps and options which are disclosed as contingent liabilities. The forwards, swaps and options are categorised as trading or hedge transactions.

Trading derivatives

Trading derivative contracts are revalued based on actual traded and/or derived from curves published by external market sources or FBIL with the resulting unrealised gain or loss being recognised in the Profit and Loss Account and correspondingly in other assets (representing positive MTM) and in other liabilities (representing negative MTM) on a gross basis.

Outstanding forward exchange contracts including tom/spot contracts (excluding swaps undertaken to hedge foreign currency assets/liabilities and funding swaps) as at Balance Sheet date are revalued at closing spot and forward rates as applicable as notified by FEDAI/FBIL and at interpolated rates for contracts of interim maturities. Valuation is considered on present value basis by discounting the forward value till cash date using Alternative Reference Rate ('ARR') curve and converting the foreign currency amount using the respective spot rates as notified by FEDAI/FBIL. The resulting gains or losses on revaluation are included in the Profit and Loss Account.

Currency futures contracts are mark-to-market using the daily settlement price on a trading day, which is the closing price of the respective futures contracts on that day. While the daily settlement price is computed based on the last half an hour weighted average price of such contracts, the final settlement price is taken as the RBI reference rate on the last trading day of the futures contracts or as may be specified by the relevant authority from time to time. All open positions are marked-to-market based on the settlement price and the resultant MTM profit/loss is daily settled with the exchange.

Valuation of Exchange Traded Currency Options ('ETCO') is carried out using internal pricing models and valuation of Interest Rate Futures ('IRF') is carried out on the basis of the daily settlement price of each contract provided by the exchange.

Premium on options is recognized as income/expense on expiry or early termination of the transaction.

Hedging derivatives including funding swaps

Foreign exchange forward contracts not intended for trading (including funding swaps that are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction), and are outstanding at the Balance Sheet date, are effectively valued at the closing spot rate.

The premium or discount arising at the inception of such forward exchange contract is amortised on a straight line basis as expense or income over the life of the contract.

For hedge transactions through other derivatives, the Bank identifies the hedged item (asset or liability) at the inception of transaction itself. The effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. In case of a fair value hedge, the changes in the fair value of the hedging instruments and hedged items are recognized in the Profit and Loss Account and in case of cash flow hedges, the change in fair value of hedging instrument for the effective portion is recognised in Schedule 2- 'Reserves and Surplus' under 'Cash Flow Hedge Reserve' and the ineffective portion of an effective hedging relationship, if any, is recognised in the Profit and Loss Account. The accumulated balance in the Cash Flow Hedge Reserve, in an effective hedging relationship, is recycled in the Profit and Loss Account at the same time that the impact from the hedged item is recognised in the Profit and Loss Account.

Provisioning

Pursuant to the RBI guidelines any receivables under derivative contracts comprising of crystallised receivables as well as positive MTM in respect of future receivables which remain overdue for more than 90 days are reversed through the Profit and Loss account and are held in a separate suspense account under Schedule 5 – 'Other Liabilities and Provisions'.

Axis Finance Limited

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Profit and Loss Account depends on the nature of the hedging relationship and the nature of the hedged item.

Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that (i) is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or a firm commitment in respect of foreign currency and (ii) could affect the statement of profit and loss. Under a cash flow hedge, the hedging instrument is measured at fair value, but any gain or loss that is determined to be an effective hedge is recognized in equity, e.g., cash flow hedge reserve. The ineffective portion of the gain or loss on the hedging instrument is recognized immediately in the Profit and Loss Account.

Fair Value Hedges

A fair value hedge is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect the statement of profit and loss. When applying fair value hedge accounting, the hedging instrument is measured at fair value with changes in fair value recognised in the statement of profit and loss. The hedged item is remeasured to fair value in respect of the hedged risk even if normally it is measured at cost, e.g., a fixed rate borrowing. Any resulting adjustment to the carrying amount of the hedged item related to the hedged risk is recognised in the Profit and Loss Account even if normally such a change may not be recognised, e.g., for inventory being hedged for fair value changes. The fair value changes of the hedged item and the hedging instrument will offset and result in no net impact in the Profit and Loss Account except for the impact of ineffectiveness.

5.9 Revenue recognition

Axis Bank Ltd.

Interest income is recognised on an accrual basis in accordance with AS–9, Revenue Recognition as notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014, the Companies (Accounting Standards) Rules, 2021 and the RBI guidelines except in the case of interest income on non-performing assets where it is recognised on receipt basis as per the income recognition and asset classification norms of RBI. Any discount or premium on the investments in debt-securities is amortised as interest income over the remaining life of the instrument. Interest income on investments in PTCs is recognized on a constant yield basis.

Commission on Guarantees and Letters of Credit ('LC') is recognised on a pro-rata basis over the period of the Guarantee/LC. Locker rent is recognized on a straight-line basis over the period of contract. Annual fee for credit cards and debit cards is recognised on a straight-line basis over the period of service. Arrangership/syndication fee is accounted for on completion of the agreed service and when the right to receive is established.

Loan processing fee is accounted for upfront when due, where the Bank is reasonably certain of ultimate collection. Penal charges on loans are recognized as income on actual realization.

Other fees and commission income are recognised when due, where the Bank is reasonably certain of ultimate collection. Payouts made to network partners and entities with co-branded arrangements, in the nature of sharing of fees or based on driver of volume/spends are netted off from the respective fee and commission income.

Dividend income is accounted on an accrual basis when the right to receive the dividend is established.

Gain/loss on sell down of loans and advances through direct assignment is recognised at the time of sale.

Fees paid for purchase of PSLCs are amortised on straight-line basis over the tenor of the certificate as 'Other Expenditure' under Schedule 16 of the Profit and Loss Account. Fees received on sale of PSLCs are amortised on straight-line basis over the tenor of the certificate as 'Miscellaneous Income' under Schedule 14 of the Profit and Loss Account.

In accordance with RBI guidelines on sale of non-performing advances, if the sale is at a price below the net book value (i.e. book value less provisions held), the shortfall is charged to the Profit and Loss Account. If the sale is for a value higher than the net book value, the excess provision is credited to the Profit and Loss Account in the year the amounts are received.

The Bank deals in bullion on a consignment basis. The difference between the amount recovered from customers and cost of bullion is accounted for at the time of sale to the customers. The Bank also deals in bullion on a borrowing and lending basis and the interest paid/received is accounted for on an accrual basis.

Subsidiaries

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Fee income is recognised on the basis of accrual when all the services are performed and there is reasonable certainty of ultimate collection.

Interest income is recognised on an accrual basis.

Dividend income is accounted on an accrual basis when the right to receive the dividend is established.

Income from sale of investments is determined on weighted average basis and recognised on the trade date basis.

Axis Capital Limited

Brokerage income in relation to stock broking activity is recognised as per contracted rates at the execution of transactions on behalf of the customers on a trade date basis. Gains/losses on dealing in securities are recognised on a trade date basis.

Revenue from issue management, loan syndication, and financial advisory services is recognised based on the stage of completion of assignments and terms of agreement with the client.

Selling commissions/brokerage generated from primary market operations i.e. procuring subscriptions from investors for public offerings of companies, mutual funds, etc. are recorded on determination of the amount due to the Company, once the allotment of securities are completed.

Axis Trustee Services Limited

Annual fees for trusteeship services and servicing fees are recognised, on a straight line basis, over the period when services are performed. Initial acceptance fee for trusteeship services is recognised as and when the 'Offer Letter' for the services to be rendered is accepted by the customer.

A provision for doubtful debts is recognized where, in the case of Initial Acceptance Fees, the receivables are not realized within 90 days from the date of invoice, and in the case of Annual Fees, the receivables are not realized within 90 days from the end of the period for which the invoice is issued. Where doubtful debt remains unrecovered till the end of the year, the same is written off and reversed from the debtors account. Specific provisions are created in certain cases where recovery is assessed as doubtful even before the due date.

Realised gains and losses on mutual funds are dealt with in the Profit and Loss Account. The cost of units in mutual fund sold is determined on FIFO basis for the purpose of calculating gains or losses on sale/redemption of such units.

Axis Asset Management Company Limited

Management fees are recognised on accrual basis. The fees charged are in accordance with the terms of scheme information documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

Management fees from Portfolio Management Services, Alternate Investment Fund and Investment advisory fees-offshore are recognized on an accrual basis as per the terms of the contract with the customers.

Axis Mutual Fund Trustee Limited

Trustee fee is recognised on accrual basis, at the specific rates/amount approved by the Board of Directors of the Company, within the limits specified under the Deed of Trust, and is applied on the net assets of each scheme of Axis Mutual Fund.

Axis Finance Limited

Interest income is recognized on an accrual basis except in the case of interest income on non-performing assets where it is recognised upon realisation, as per the income recognition and asset classification norms prescribed by the RBI.

Income on discounted instruments is recognised over the tenure of the instrument on a straight-line method.

Front end fees on processing of loans are recognised upfront as income.

Axis Securities Limited

Business sourcing and resource management fees are recognised on accrual basis in accordance with the terms and contracts entered between the Company and counterparty.

Brokerage income on securities is recognized as per contracted rates at the execution of transactions on behalf of the customers on the trade date.

Gains/ losses on dealing in securities are recognized on a trade date basis.

Fees earned for the provision of services are recognised over time as the customer simultaneously receives and consumes the benefits, as the services are rendered. These include brokerage fees which is fixed at inception irrespective of number of transactions executed. The revenue for such contracts is recognised on consumption of benefits and the balance unutilized plan value is recognised on maturity/ validity of the plan.

Selling commissions/brokerage generated from primary market operations i.e. procuring subscriptions from investors for public offerings of companies, mutual funds etc. are recorded on determination of the amount due to the Company, once the allotment of securities are completed.

Depository fees are recognised on completion of the transaction.

Portfolio management fees are accounted on accrual basis as follows:

- In case of fees based on fixed percentage of the corpus/fixed amount, income is accrued at the end of the quarter/month.
- In case of fees, based on the returns of the portfolio, income is accounted on each anniversary as per the agreement.

A.Treds Ltd.

Onboarding fee is a one-time fee and is recognized at the time of onboarding of buyer, seller or financier. Transaction fee is recurring in nature and is recognised on time proportion basis over the tenure of transaction. Transaction fee received from sellers is recognised upfront on the date of transaction. The Company follows recognition of annual fees on time proportion basis over the tenure of one year.

Freecharge Payment Technologies Private Ltd.

Merchant checkout fee is recognised on the basis of successful pay-out of wallet usage to the respective merchants. Revenues from operating an internet portal, providing recharge and bill payment services are recognized upon successful recharge/payment confirmation for the transaction executed. The Company collects Goods and Service Taxes (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Revenue from services i.e. sound box is recognized when the control in services is transferred as per the terms of the agreement with merchant i.e. as and when services are rendered. Revenues are disclosed net of the Goods and Services Tax charged on such services.

Revenues from ancillary activities like convenience fee, merchant monetization fees, issuance fees, system integration, paid coupon income, marketing fee etc. are recognised upon rendering of services.

Axis Pension Fund Management Company Ltd.

Investment management fees are recognised on an accrual basis net of Goods and Services Tax on the daily closing assets under management across respective schemes under pension funds.

Management fees from schemes defined by the PFRDA are recognized on an accrual basis as per the terms defined by PFRDA.

5.10 Scheme expenses

Axis Asset Management Company Ltd.

New fund offer expenses

Expenses relating to new fund offer of Axis Mutual Fund are charged to the Profit and Loss Account in the year in which they are incurred.

Commission

Commission paid on Alternate Investment Fund schemes is amortized over the minimum tenure of the scheme. The unamortized portion of the commission is carried forward as prepaid expense.

5.11 Fixed assets and depreciation

Group

Fixed assets are carried at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes initial handling and delivery charges, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future economic benefit / functioning capability from / of such assets.

Capital work-in-progress includes cost of fixed assets that are not ready for their intended use and also includes advances paid to acquire fixed assets.

Depreciation is provided over the estimated useful life of a fixed asset on a straight-line method from the date of addition. The Management believes that depreciation rates currently used, fairly reflect its estimate of the useful lives and residual values of fixed assets based on the historical experience of the Group, though these rates in certain cases are different from those prescribed under Schedule II of the Companies Act, 2013. Whenever there is a revision of the estimated useful life of an asset, the unamortised depreciable amount is charged over the revised remaining useful life of the said asset.

Asset	Estimated useful life	As per Companies Act, 2013
Leased Land	As per the term of the agreement	-
Owned premises	60 years	60 years
Furniture and Fittings including interior	9 years to 10 years	10 years
Office/Electrical equipment and installations	5 years to 10 years	5 years to 10 years
Application software	5 years	-
Vehicles	4 years	8 years
Computer hardware including printers	3 years	3 years
CCTV and video conferencing equipment	3 years	5 years

Assets costing less than ₹5,000 individually are fully depreciated in the year of purchase.

Depreciation on assets sold during the year is recognised on a pro-rata basis in the Profit and Loss Accounts till the date of sale.

Gains or losses arising from the retirement or disposal of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of assets and are recognised as income or expense in the Profit and Loss Account. Further, profit on sale of premises is appropriated to the Capital Reserve Account (net of taxes and transfer to Statutory Reserve) in accordance with RBI instructions.

5.12 Impairment of Fixed Assets

The carrying amounts of fixed assets are reviewed at each Balance Sheet date to ascertain if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

5.13 Non-banking assets

Axis Bank Ltd.

Non-banking assets ('NBAs') acquired in satisfaction of claims include land. In the case of land, the Bank creates provision and follows the accounting treatment as per specific RBI directions.

5.14 Lease Transactions

Group

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Lease payments for assets taken on operating lease are recognised as an expense in the Profit and Loss Account on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease income from assets given on operating lease is recognized as income in the Profit and Loss Account on a straight line basis over the lease term.

5.15 Employee benefits

Short-term employee benefits

Short-term employee benefits comprise salaries and other compensations payable for services which the employee has rendered during the period. These are recognized at the undiscounted amount in the Profit and Loss Account.

Defined benefit plans

The Bank has defined benefit plans in the form of provident fund, gratuity and resettlement allowance. Provident and Gratuity are in the nature of funded defined benefit plans and resettlement allowance is in the nature of unfunded defined benefit plan.

- **Provident Fund**

  Axis Bank Ltd

  Retirement benefit in the form of provident fund is a defined benefit plan wherein the contributions are charged to the Profit and Loss Account of the year when such contributions are due and when services are rendered by the employees. Further, an actuarial valuation is conducted by an independent actuary using the Projected Unit Credit Method as at 31 March each year to determine the deficiency, if any, in the interest payable on the contributions as compared to the interest liability as per the statutory rate declared by the Central Government and the shortfall if any due to fluctuations in price or impairment, in the aggregate asset values of the Trust as compared to the market value. Actuarial gains/losses are immediately recognized in the Profit and Loss Account and are not deferred.

  The overseas branches of the Bank and its eligible employees contribute a certain percentage of their salary towards respective government schemes as per local regulatory guidelines.

  Subsidiaries

  Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. The contributions are accounted for on an accrual basis and charged to the Profit & Loss Account.

- **Gratuity**

  Axis Bank Ltd.

  The Bank contributes towards gratuity fund (defined benefit retirement plan) administered by various insurers for eligible employees. Under this scheme, the settlement obligation remains with the Bank, although the insurers administer the scheme and determine the contribution premium required to be paid by the Bank. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Bank. The liability with regard to the gratuity fund is recognized based on actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at each reporting date based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition. Actuarial gains/losses are immediately recognized in the Profit and Loss Account and are not deferred.

  The Code on Social Security 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Code has been published in the Gazette of India. Pending notification of the Code and issuance of the final rules/interpretation, the Bank has adopted a prudent policy for recognition of provision in respect of the gratuity liability under the Code over and above the provisions made in the normal course based on the extant rules. Such provision is determined as at each reporting date, based on actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method.

  In respect of employees at overseas branches (other than expatriates), the liability with regard to gratuity is provided on the basis of a prescribed method as per local laws, wherever applicable.

  Subsidiaries

  Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation using Projected Unit Credit Method made at the end of each financial year. Actuarial gains/losses are immediately recognized in the Profit and Loss Account and are not deferred.

- **Resettlement Allowance**

  Axis Bank Ltd

  The Bank provides for resettlement allowance liability in the form of six months' pay at the time of separation, for certain eligible employees who moved to the Bank as part of the Citibank India Consumer Business acquisition. Provision for this liability is based on an actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at 31 March each year based on certain assumptions regarding discount rate and salary escalation rate.

- **Compensated Absences**

  Subsidiaries (Axis Capital Limited and Freecharge Payment Technologies Private Limited)

  Accumulated leaves, which are expected to be utilized within the next 12 months, is treated as short-term employee benefit. The expected cost of such absences is measured as the additional amount that is expected to be paid as a result of the unused entitlement that has accumulated at the reporting date.

  Accumulated leave which is expected to be carried forward beyond twelve months are treated as long-term employee benefit for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately recognised in the Profit and Loss Account and are not deferred.

Defined Contribution plans

- **Superannuation**

  Axis Bank Ltd.

  Employees of the Bank (other than those who moved to the Bank as part of the Citibank India Consumer Business acquisition) are entitled to receive retirement benefits under the Bank's superannuation scheme either under a cash-out option through salary or under a defined contribution plan. Through this defined contribution plan the Bank contributes annually a sum equal to 10% of the employee's eligible annual basic salary to the Life Insurance Corporation of India (LIC), which undertakes to pay the lump sum and annuity benefit payments pursuant to the scheme. Such contributions are recognised in the Profit and Loss Account in the period in which they accrue.

Eligible employees who moved to the Bank as part of the Citibank India Consumer Business acquisition are entitled to receive a lumpsum corpus amount under a separate superannuation scheme with vesting criteria of 10 years as a defined contribution plan. Through this plan, the Bank makes a defined contribution annually of a sum equal to 15% of such employee's eligible annual basic salary to a Superannuation Trust, which undertakes to pay the lump sum payments pursuant to the scheme after the vesting period. Such contributions are recognised in the Profit and Loss Account in the period in which they accrue.

- **National Pension Scheme ('NPS')**

  Group

  In respect of employees who opt for contribution to the NPS, the Group contributes a certain percentage of the total basic salary of such employees to the aforesaid scheme, a defined contribution plan, which is managed and administered by pension fund management companies. Such contributions are recognised in the Profit and Loss Account in the period in which they accrue.

- **Long term deferred variable pay structure**

  Axis Capital Ltd.

  As part of its variable pay structure, the Company operates a long term deferred variable pay structure plan in which it defers a part of the entitlement which is to be settled in installments over a period of three years at an amount which would be equivalent to the prevailing price of equity shares of Axis Bank at the time of settlement. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at the year-end using the projected unit credit method.

5.16 Reward points

Axis Bank Ltd.

The Bank runs a loyalty program which seeks to recognize and reward customers based on their relationship with the Bank. Under the program, eligible customers are granted loyalty points redeemable in future, subject to certain conditions. In addition, the Bank continues to grant reward points in respect of certain credit cards (not covered under the loyalty program). The Bank estimates the provision for such loyalty/reward points using an actuarial method at the Balance Sheet date through an independent actuary, basis assumptions such as redemption rate, lapse rate, discount rate, value of reward points etc. Provision for the said reward points is then made based on the actuarial valuation report as furnished by the said independent actuary.

5.17 Taxation

Group

Income tax expense is the aggregate amount of current tax and deferred tax charge. Current year taxes are determined in accordance with the relevant provisions of the Income Tax Act, 1961 and considering the material principles set out in the Income Computation and Disclosure Standards to the extent applicable. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off assets against liabilities representing current tax and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The impact of changes in the deferred tax assets and liabilities is recognised in the Profit and Loss Account.

Deferred tax assets are recognised and reassessed at each reporting date, based upon the Management's judgement as to whether realisation is considered as reasonably certain. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax asset can be realised against future profits.

5.18 Share issue expenses

Group

Share issue expenses are adjusted from the Share Premium Account in terms of Section 52 of the Companies Act, 2013.

5.19 Corporate Social Responsibility

Group

Expenditure towards Corporate Social Responsibility is recognised in the Profit and Loss Account in accordance with the provisions of the Companies Act, 2013.

5.20 Earnings per share

Group

The Group reports basic and diluted earnings per share in accordance with AS-20, Earnings per Share, as notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end except where the results are anti-dilutive.

5.21 Employee stock option/unit scheme

Axis Bank Ltd.

The Employee Stock Option Scheme ('the Scheme') provides for grant of stock options on equity shares of the Bank to employees and Directors of the Bank and its subsidiaries. Under the Scheme, options are granted at an exercise price, which is equal to the fair market price of the underlying equity shares at the date of the grant. The fair market price is the latest available closing price, prior to the date of grant, on the stock exchange on which the shares of the Bank are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered.

Further, the Employees Stock Unit Scheme ('the ESU Scheme') provides for grant of stock units convertible into equivalent number of fully paid-up equity share(s) of the Bank to eligible employees. The stock units are granted at an exercise price as determined by the Bank and specified at the time of grant which shall not be less than the face value of the equity shares of the Bank.

As per RBI guidelines, for options/units granted after 31 March, 2021, the Bank follows the fair value method and recognizes the fair value of such options/units computed using the Black-Scholes model without reducing estimated forfeitures, as compensation expense over the vesting period. On exercise of the stock options/units, the corresponding balance under Employee Stock Options/Units Outstanding account is transferred to the Share Premium account. In respect of the options/units which expire unexercised, the balance standing to the credit of Employee Stock Options/ Units Outstanding account is transferred to the General Reserve. In respect of Employee Stock Options/Units which are granted to the employees of the subsidiaries, the Bank recovers the cost from the subsidiaries over the vesting period.

5.22 Provisions, contingent liabilities and contingent assets

Group

In accordance with AS-29 "Provisions, Contingent Liabilities and Contingent Assets-" provision is recognised when the Group has a present obligation as a result of past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is:

- a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Group; or
- a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

5.23 Accounting for dividend

Group

As per AS-4 'Contingencies and Events occurring after the Balance Sheet date' as notified by the Ministry of Corporate Affairs through the Companies (Accounting Standards) Rules, 2021, the Group does not account for proposed dividend as a liability through appropriation from the Profit and Loss Account. The same is recognised in the year of actual payout post approval of the shareholders. However, the Bank considers proposed dividend in determining capital funds in computing the capital adequacy ratio as on the reporting date.

5.24 Cash and cash equivalents

Group

Cash and cash equivalents include cash in hand, rupee digital currency, balances with RBI, balances with other banks and money at call and short notice.

5.25 Segment Reporting

Group

The disclosure relating to segment information is made in accordance with AS-17: 'Segment Reporting' and relevant guidelines issued by the RBI.

18. NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March, 2025

1. Disclosures

1.1 'Provisions and contingencies' recognised in the Profit and Loss Account comprise of:

(₹ in crores)

For the year ended	31 March, 2025	31 March, 2024
Provision for income tax		
- Current tax	8,160.63	7,783.67
- Deferred tax [(Refer note 18 (1.11)]	449.79	970.79
	8,610.42	**8,754.46**
Provision for non-performing assets (including bad debts written off, net of write backs and recoveries in written off accounts)[1]	7,817.29	3,754.58
Provision for restructured assets	(0.80)	(0.66)
Provision for Covid-19 restructuring & MSME restructuring	(143.48)	(279.35)
Provision towards standard assets	96.12	249.74
Provision for unhedged foreign currency exposures	(54.74)	91.57
Provision for country risk	10.57	6.13
Additional provision for delay in implementation of resolution plan	(38.44)	49.18
Provision for probable legal cases	527.55	12.56
Provision for other contingencies	(47.72)	294.32
Total	**16,776.77**	**12,932.53**

1. includes provision for non-performing advances of ₹11,866.99 crores (previous year ₹6,676.16 crores) and write-back of provision on non-performing investments of ₹222.51 crores (previous year provision of ₹142.07 crores), net of recoveries from written off accounts of ₹3,827.19 crores (previous year ₹2,779.51 crores)

1.2 Capital instruments

a) Share Capital

During the years ended 31 March, 2025 and 31 March, 2024, the Bank has not raised equity capital other than through allotment of equity shares to eligible employees upon exercise of options/units under its Employees Stock Option/Unit Scheme. During the year ended 31 March, 2025, pursuant to the exercise of options/units, the Bank raised ₹685.87 crores, consisting of share capital of ₹2.16 crores and share premium of ₹683.71 crores (previous year ₹557.21 crores, consisting of share capital of ₹1.94 crores and share premium of ₹555.27 crores).

b) Other capital instruments

During the year ended 31 March, 2025, the Bank has not raised any non-equity Basel III compliant Tier-I/ Tier-II capital.

During the year ended 31 March, 2025, the Bank redeemed non-equity Basel III compliant Tier-II capital, the details of which are set out below:

Instrument	Capital	Date of maturity	Period	Coupon	Amount
Subordinated debt	Tier-II	12 February, 2025	120 months	8.45%	₹850.00 crores

During the year ended 31 March, 2024, the Bank has not raised or redeemed any non equity Basel III compliant Tier-I/Tier-II capital.

1.3 Divergence in asset classification and provisioning

In terms of RBI guidelines, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements. The disclosure is required if either or both of the following conditions are satisfied: (a) the additional provisioning for NPAs assessed by RBI exceeds 5% of the reported profit before provisions and contingencies for the reference period and (b) the additional Gross NPAs identified by RBI exceed 5% or 10% of the published incremental Gross NPAs for the reference period ended 31 March, 2024 and 31 March, 2023 respectively.

Based on the above, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's annual supervisory process for the year ended 31 March, 2024 and 31 March, 2023.

1.4 Earnings Per Share ('EPS')

The details of EPS computation is set out below:

	31 March, 2025	31 March, 2024
Basic and Diluted earnings for the year (Net profit after tax) (₹ in crores)	28,055.11	26,386.20
Basic weighted average no. of shares (in crores)	309.26	308.17
Add: Equity shares for no consideration arising on grant of stock options/units under ESOP/ ESU scheme (in crores)	1.84	2.23
Diluted weighted average no. of shares (in crores)	311.10	310.40
Basic EPS (₹)	90.72	85.62
Less: Effect of potential equity shares for no consideration arising on grant of stock options/ units under ESOP/ESU scheme (₹)	(0.54)	(0.61)
Diluted EPS (₹)	90.18	85.01
Nominal value of shares (₹)	2.00	2.00

Dilution of equity is on account of 18,432,380 stock options/units (previous year 22,287,930 stock options/units)

1.5 Employee Stock Options/Units

Over the period till 31 March 2025, pursuant to the approval of the shareholders the Bank has framed Employee Stock Option Schemes for options aggregating 315,087,000 that vest in a graded manner over 3 to 4 years, subject to vesting conditions. The options can be exercised within five years from the date of the vesting. Further, pursuant to the approval of the shareholders in January 2023, the Bank also framed an Employee Stock Units (ESUs) Scheme aggregating to 50,000,000 units that vest in a graded manner over 3 years, subject to vesting conditions. The ESUs can be exercised within five years from the date of the vesting. Within the respective overall ceiling of options/units the Bank is authorised to issue options/units to eligible employees and Whole Time Directors (including those of subsidiary companies and Associate entity).

324,312,311 options and 2,704,077 ESUs have been granted under the Schemes till the previous year ended 31 March, 2024. During the year ended 31 March, 2025, pursuant to the approval of the Nomination and Remuneration Committee, the Bank granted options/units (each option representing entitlement to one equity share of the Bank) to eligible employees/directors of the Bank/subsidiary companies as set out below:

Date of grant	Options/ESUs	No. of options granted	Grant price (₹ per option/unit)
25 April, 2024	Options	7,019,246	1,063.25
25 April, 2024	ESUs	2,408,870	2.00
11 July, 2024	Options	86,261	1,291.65

Stock option activity under the Scheme for the year ended 31 March, 2025 is set out below:

	Options outstanding	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	52,199,448	469.90 to 929.80	712.34	4.27
Granted during the year	7,105,507	1,063.25 to 1,291.65	1066.02	-
Forfeited during the year	(2,455,328)	469.90 to 1,063.25	820.58	-
Expired during the year	(102,753)	469.90 to 757.10	654.80	-
Exercised during the year	(10,393,527)	469.90 to 848.80	659.82	-
Outstanding at the end of the year	**46,353,347**	**488.35 to 1,291.65**	**772.73**	**4.01**
Exercisable at the end of the year	34,860,694	488.35 to 1,063.25	707.90	3.32

The weighted average share price in respect of options exercised during the year was ₹1,143.23.

Stock units activity under the Scheme for the year ended 31 March, 2025 is set out below:

	Units outstanding	Exercise price (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	2,534,240	2.00	2.00	6.09
Granted during the year	2,408,870	2.00	2.00	-
Forfeited during the year	(270,729)	2.00	2.00	-
Expired during the year	-	-	-	-
Exercised during the year	(405,164)	2.00	2.00	-
Outstanding at the end of the year	**4,267,217**	**2.00**	**2.00**	**5.75**
Exercisable at the end of the year	1,057,224	2.00	2.00	4.63

The weighted average share price in respect of units exercised during the year was ₹1,146.05.

Stock option activity under the Scheme for the year ended 31 March, 2024 is set out below:

	Options outstanding	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	51,107,688	433.10 to 804.80	653.48	4.37
Granted during the year	12,705,878	848.80 to 929.80	848.84	-
Forfeited during the year	(1,829,116)	469.90 to 848.80	756.94	-
Expired during the year	(82,360)	469.90 to 535.00	505.43	-
Exercised during the year	(9,702,642)	433.10 to 848.80	574.29	-
Outstanding at the end of the year	**52,199,448**	**469.90 to 929.80**	**712.34**	**4.27**
Exercisable at the end of the year	37,480,122	469.90 to 929.80	678.79	3.46

The weighted average share price in respect of options exercised during the year was ₹1,003.21.

Stock units activity under the Scheme for the year ended 31 March, 2024 is set out below:

	Units outstanding	Exercise price (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	2,704,077	2.00	2.00	-
Forfeited during the year	(154,116)	2.00	2.00	-
Expired during the year	-	-	-	-
Exercised during the year	(15,721)	2.00	2.00	-
Outstanding at the end of the year	**2,534,240**	**2.00**	**2.00**	**6.09**
Exercisable at the end of the year	749,823	2.00	2.00	4.98

The weighted average share price in respect of units exercised during the year was ₹1,044.23.

Fair Value Methodology

In line with RBI clarification on Guidelines on Compensation of Whole Time Directors/Chief Executive Officers/ Material Risk Takers and Control Function Staff issued on 30 August, 2021, the Bank follows the fair value method for all share-linked instruments granted after 31 March, 2021 and consequently recognizes the fair value of options computed using the Black-Scholes model, without reducing estimated forfeitures, as a compensation expense over the vesting period. During the year, the Group recognised compensation cost of ₹430.53 crores (Previous year ₹519.57 crores) for options/units granted to employees of the Group.

The fair value of the options/units is estimated on the date of the grant using the Black-Scholes options pricing model, with the following assumptions:

	31 March, 2025		31 March, 2024	
	ESOP	ESU	ESOP	ESU
Dividend yield	0.09%	0.09%	0.26%	0.26%
Expected life	2.95-5.95 years	1-3 years	2.95-5.95 years	1-3 years
Risk free interest rate	6.85% to 7.09%	6.95% to 7.06%	6.79% to 7.17%	6.94% to 7.12%
Volatility	24.00% to 29.15%	19.89% to 24.01%	29.90% to 38.27%	25.28% to 31.99%

Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over a period prior to the date of grant, corresponding with the expected life of the options has been considered.

The weighted average fair value of options granted during the year ended 31 March, 2025 is ₹358.68 (previous year ₹297.95).

The weighted average fair value of units granted during the year ended 31 March, 2025 is ₹1,059.51 (previous year: ₹842.45).

1.6 Proposed Dividend

The Board of Directors, in their meeting held on 24 April, 2025 have proposed a final dividend of ₹1 per equity share amounting to ₹309.74 crores. The proposal is subject to the approval of shareholders at the Annual General Meeting. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through the Companies (Accounting Standards) Rules, 2021, such proposed dividend has not been recognised as a liability as on 31 March, 2025.

During the year, the Bank paid final dividend of ₹1 per equity share amounting ₹309.09 crores pertaining to the previous year ended 31 March, 2024.

1.7 Segmental reporting

The business of the Group is divided into four segments: Treasury, Retail Banking, Corporate/Wholesale Banking and Other Banking Business. These segments have been identified and based on the RBI's revised guidelines on Segment Reporting issued on 18 April 2007 vide Circular No. DBOD.No.BP.BC.81/21.04.018/2006-07. The principal activities of these segments are as under.

Segment	Principal Activities
Treasury	Treasury operations include investments in sovereign and corporate debt, equity and mutual funds, trading operations, derivative trading and foreign exchange operations on the proprietary account and for customers. The Treasury segment also includes the central funding unit.
Retail Banking	Constitutes lending to individuals/small businesses through the branch network and other delivery channels subject to the orientation, nature of product, granularity of the exposure and the quantum thereof. Retail Banking activities also include liability products, card services, internet banking, mobile banking, ATM services, depository, financial advisory services and NRI services.
Digital Banking (Sub-segment of Retail Banking)	In accordance with RBI circular DOR.AUT.REC.12/22.01.001/2022-23 dated 7 April 2022 on Establishment of Digital Banking Units, the Bank has presented 'Digital Banking' as a sub-segment of the Retail Banking segment.
Corporate/Wholesale Banking	Includes corporate relationships not included under Retail Banking, corporate advisory services, placements and syndication, project appraisals, capital market related services and cash management services.
Other Banking Business	Includes para banking activities like third party product distribution and other banking transactions not covered under any of the above three segments.

Unallocated assets and liabilities - All items which are reckoned at an enterprise level are classified under this segment such as deferred tax, tax paid in advance net of provision, provision for other contingencies towards potential expected losses etc.

Business segments in respect of operations of the subsidiaries have been identified and reported taking into account the customer profile, the nature of product and services and the organisation structure.

Revenues of the Treasury segment primarily consist of fees and gains or losses from trading operations and interest income on the investment portfolio. The principal expenses of the segment consist of interest expense on funds borrowed from external sources and other internal segments, premises expenses, personnel costs, other direct overheads and allocated expenses.

Revenues of the Corporate/Wholesale Banking segment consist of interest and fees earned on loans given to customers falling under this segment and fees arising from transaction services and merchant banking activities such as syndication and debenture trusteeship. Revenues of the Retail Banking segment are derived from interest earned on loans classified under this segment, fees for banking and advisory services, ATM interchange fees and cards products. Expenses of the Corporate/Wholesale Banking and Retail Banking segments primarily comprise interest expense on deposits and funds borrowed from other internal segments, infrastructure and premises expenses for operating the branch network and other delivery channels, personnel costs, other direct overheads and allocated expenses.

Segment income includes earnings from external customers and from funds transferred to the other segments. Segment result includes revenue as reduced by interest expense and operating expenses and provisions, if any, for that segment. Segment-wise income and expenses include certain allocations. Inter segment interest income and interest expense represent the transfer price received from and paid to the Central Funding Unit (CFU) respectively. For this purpose, the funds transfer pricing mechanism presently followed by the Group, which is based on historical matched maturity and internal benchmarks, has been used by the Group and relied upon by the Statutory Auditors. Operating expenses other than those directly attributable to segments are allocated to the segments based on an activity-based costing methodology. All activities in the Group are segregated segment-wise and allocated to the respective segment.

Segmental results are set out below:

(₹ in crores)

	31 March, 2025							
	Treasury	Corporate/ Wholesale Banking	Retail Banking: *Digital Banking Business*	Retail Banking: *Other Retail Banking Business*	Retail Banking: Total Retail Banking	Other Banking Business	Unallocated	Total
Segment Revenue								
Gross interest income (external customers)	25,251.54	35,230.05	*15,446.07*	*51,077.71*	66,523.78	-	368.72	127,374.09
Other income	3,555.25	5,682.83	*7,685.28*	*5,658.08*	13,343.36	5,961.33	-	28,542.77
Total income as per Profit and Loss Account	**28,806.79**	**40,912.88**	***23,131.35***	***56,735.79***	**79,867.14**	**5,961.33**	**368.72**	**155,916.86**
Add/(less) inter segment interest income	3,545.25	8,447.91	*11,189.01*	*53,694.40*	64,883.41	-	-	76,876.57
Total segment revenue	**32,352.04**	**49,360.79**	***34,320.36***	***1,10,430.19***	**1,44,750.55**	**5,961.33**	**368.72**	**232,793.43**
Less: Interest expense (external customers)	20,479.18	1,705.37	*9,215.82*	*39,635.94*	48,851.76	-	-	71,036.31
Less: Inter segment interest expense	5,368.43	29,251.88	*7,164.82*	*35,091.44*	42,256.26	-	-	76,876.57
Less: Operating expenses	491.47	6,012.71	*10,151.13*	*22,477.19*	32,628.32	859.54	-	39,992.04
Operating profit	**6,012.96**	**12,390.83**	***7,788.59***	***13,225.62***	**21,014.21**	**5,101.79**	**368.72**	**44,888.51**
Less: Provision for non-performing assets/others[1]	(1,182.68)	(844.29)	*5,590.49*	*4,631.47*	10,221.96	0.02	(28.66)	8,166.35
Segment result	**7,195.64**	**13,235.12**	***2,198.10***	***8,594.15***	**10,792.25**	**5,101.77**	**397.38**	**36,722.16**
Less: Provision for tax								8,610.42
Net Profit before minority interest and earnings from Associate								**28,111.74**
Less: Minority Interest								135.69
Add: Share of Profit in Associate								79.06
Extraordinary profit/loss								-
Net Profit								**28,055.11**
Segment assets	535,932.97	445,384.54	*127,728.56*	*537,802.52*	665,531.08	3,224.78	6,889.24	1,656,962.61
Segment liabilities	294,035.21	233,574.59	*174,174.82*	*760,214.82*	934,389.64	231.22	8,679.12[2]	1,470,909.78
Net assets	**241,897.76**	**211,809.95**	***(46,446.26)***	***(222,412.30)***	**(268,858.56)**	**2,993.56**	**(1,789.88)**	**186,052.83**
Capital expenditure for the year	14.88	509.33	*458.99*	*1,522.44*	1,981.43	86.14	-	2,591.78
Depreciation on fixed assets for the year	10.24	346.36	*315.83*	*1,045.57*	1,361.40	48.97	-	1,766.97

1. represents material non-cash items other than depreciation

2. includes minority interest of ₹635.13 crores

(₹ in crores)

	31 March, 2024							
			Retail Banking					
	Treasury	Corporate/ Wholesale Banking	*Digital Banking Business*	*Other Retail Banking Business*	Total Retail Banking	Other Banking Business	Unallocated	Total
Segment Revenue								
Gross interest income (external customers)	22,327.33	32,256.89	*11,564.11*	*46,535.67*	58,099.78	75.05	-	112,759.05
Other income	3,046.26	5,214.29	*7,026.13*	*5,380.92*	12,407.05	4,562.71	-	25,230.31
Total income as per Profit and Loss Account	**25,373.59**	**37,471.18**	***18,590.24***	***51,916.59***	**70,506.83**	**4,637.76**	**-**	**137,989.36**
Add/(less) inter segment interest income	5,351.03	8,915.86	*7,526.57*	*47,065.01*	54,591.58	-	-	68,858.47
Total segment revenue	**30,724.62**	**46,387.04**	***26,116.81***	***98,981.60***	**1,25,098.41**	**4,637.76**	**-**	**206,847.83**
Less: Interest expense (external customers)	18,993.67	2,043.16	*6,290.16*	*34,101.49*	40,391.65	(37.74)	-	61,390.74
Less: Inter segment interest expense	5,114.69	26,505.30	*5,455.28*	*31,783.20*	37,238.48	-	-	68,858.47
Less: Operating expenses	386.95	5,312.09	*10,353.21*	*20,402.45*	30,755.66	787.85	-	37,242.55
Operating profit	**6,229.31**	**12,526.49**	***4,018.16***	***12,694.46***	**16,712.62**	**3,887.65**	**-**	**39,356.07**
Less: Provision for non-performing assets/others[1]	(4.54)	(1,485.81)	*2,895.29*	*2,773.93*	5,669.22	(0.80)	-	4,178.07
Segment result	**6,233.85**	**14,012.30**	***1,122.87***	***9,920.53***	**11,043.40**	**3,888.45**	**-**	**35,178.00**
Less: Provision for tax								8,754.46
Net Profit before minority interest and earnings from Associate								**26,423.54**
Less: Minority Interest								106.05
Add: Share of Profit in Associate								68.71
Extraordinary profit/loss								-
Net Profit								**26,386.20**
Segment assets	483,031.79	403,661.11	*107,119.17*	*515,184.82*	622,303.99	3,036.43	6,205.21	1,518,238.53
Segment liabilities	288,601.26	227,564.39	*1,24,919.44*	*713,992.50*	838,911.94	234.55	6,797.36[2]	1,362,109.50
Net assets	**194,430.53**	**176,096.72**	***(17,800.27)***	***(198,807.68)***	**(216,607.95)**	**2,801.88**	**(592.15)**	**156,129.03**
Capital expenditure for the year	15.44	463.33	*329.77*	*1,412.06*	1,741.83	56.73	(16.69)	2,260.64
Depreciation on fixed assets for the year	9.45	284.71	*199.44*	*876.08*	1,075.52	35.47	(16.69)	1,388.46

1. represents material non-cash items other than depreciation
2. includes minority interest of ₹499.44 crores

Geographic Segments

(₹ in crores)

	Domestic		International		Total	
	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024
Revenue	152,580.80	134,887.86	3,336.05	3,101.50	155,916.85	137,989.36
Assets	1,600,411.89	1,466,207.94	56,550.72	52,030.59	1,656,962.61	1,518,238.53
Capital expenditure for the year	2,585.29	2,260.15	6.49	0.49	2,591.78	2,260.64
Depreciation on fixed assets for the year	1,765.61	1,386.81	1.36	1.65	1,766.97	1,388.46

1.8 Related party disclosure

The related parties of the Group are broadly classified as:

a) Promoters

The Bank has identified the following entities as its Promoters:

- Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI) (upto 17 July, 2023)
- Life Insurance Corporation of India (LIC)

b) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO)
- Mr. Rajiv Anand (Deputy Managing Director)
- Mr. Subrat Mohanty (Executive Director) (with effect from 17 August, 2023)
- Mr. Munish Sharda (Executive Director) (with effect from 27 February, 2024)

c) Relatives of Key Management Personnel

Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, Ms. Rajul Parekh, Ms. Chhavi Kharb, Mr. Ashok Kharb, Mr. Om Singh Chaudhry, Ms. Kusum Chaudhry, Ms. Gitanjali Anand, Ms. Tara Anand, Ms. Nandita Anand, Mr. P.L. Narain, Mr. P. Srinivas, Ms. Ratna Rao Shekar, Ms. Charu Narain, Ms. K Ramalakshmi, Ms. Smitha Mohanty, Mr. Agastya Mohanty, Mr. Rajat Mohanty, Mr. Neelima Mohanty, Mr. Narasingh Mohanty, Ms. Gitashree Mohanty, Ms. Rima Sharda, Ms. Tanya Sharda, Ms. Shashi Sharda, Mr. Rakesh Sharda, Ms. Monica Sharda.

d) Associate

- Axis Max Life Insurance Limited (formerly Max Life Insurance Company Limited)

Based on RBI guidelines, details of transactions with Promoter (Life Insurance Corporation of India) and Associate (Axis Max Life Insurance Limited) are not disclosed since there is only one entity/party in the aforesaid categories.

The details of transactions of the Bank with its related parties during the year ended 31 March, 2025 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel#	Total
Dividend paid	0.06	-*	0.06
Interest paid	0.38	0.76	1.14
Interest received	0.01	-*	0.01
Investment of related party in the Bank	53.29	-	53.29
Remuneration paid	27.71	-	27.71
Contribution to employee benefit fund	-	-	-
Advance granted (net)	-	0.07	0.07
Advance repaid	0.77	-	0.77
Receiving of services	-	-	-
Rendering of services	0.03	-*	0.03
Sale/ Purchase of foreign exchange currency to/from related party	0.14	-*	0.14
Other reimbursements to related party	-	-	-

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

*Denotes amount less than ₹50,000/-

The balances payable to/receivable from the related parties of the Group as on 31 March, 2025 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	8.81	14.43	23.24
Advances	0.19	0.15	0.34
Investment of related party in the Bank	0.12	-*	0.12

*Denotes amount less than ₹50,000/-

The maximum balances payable to/receivable from the related parties of the Group during the year ended 31 March, 2025 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	22.83	14.77	37.60
Advances	1.01	0.23	1.24
Investment of related party in the Bank	0.14	-*	0.14

*Denotes amount less than ₹50,000/-

The details of transactions of the Group with its related parties during the year ended 31 March, 2024 are given below:

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel#	Total
Dividend paid	24.49	0.05	-*	**24.54**
Interest paid	399.71	0.23	0.47	**400.41**
Interest received	-*	0.04	-*	**0.04**
Investment of related party in the Bank	-	20.39	-	**20.39**
Redemption of Hybrid capital/Bonds of the Bank	-	-	-	**-**
Sale of investments	-	-	-	**-**
Remuneration paid	-	17.77	-	**17.77**
Contribution to employee benefit fund	15.95	-	-	**15.95**
Placement of deposits	-	-	-	**-**
Repayment of deposit	-	-	-	**-**
Advance granted (net)	-	-	-	**-**
Advance repaid	-	0.42	-	**0.42**
Receiving of services	97.24	-	-	**97.24**
Rendering of services	90.82	0.03	0.01	**90.86**
Sale/ Purchase of foreign exchange currency to/from related party	-	0.22	-	**0.22**
Other reimbursements from related party	-	-	-	**-**
Other reimbursements to related party	1.14	-	-	**1.14**

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

*Denotes amount less than ₹50,000/-

The balances payable to/receivable from the related parties of the Group as on 31 March, 2024 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	7.63	8.63	**16.26**
Placement of security deposits	-	-	**-**
Advances	0.98	0.06	**1.04**
Investment of related party in the Bank	0.14	-*	**0.14**
Non-funded commitments	-	-	
Investment of related party in Hybrid capital/ Bonds of the Bank	-	-	**-**
Other receivables (net)	-	-	**-**
Other payables (net)	-	-	**-**

*Denotes amount less than ₹50,000/-

The maximum balances payable to/receivable from the related parties of the Group during the year ended 31 March, 2024 are given below:

(₹ in crores)

Items/Related Party	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	14.09	9.12	**23.21**
Placement of security deposits	-	-	**-**
Advances	1.34	0.07	**1.41**
Investment of related party in the Bank	0.14	-*	**0.14**
Investment in non-equity instrument of related party	-	-	**-**
Non-funded commitments	-	-	**-**
Investment of related party in Hybrid capital/Bonds of the Bank	-	-	**-**
Other receivables (net)	-	-	**-**
Other payables (net)	-	-	**-**

*Denotes amount less than ₹50,000/-

The significant transactions between the Group and related parties during the year ended 31 March, 2025 and 31 March, 2024 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of the aggregate value of all related party transactions in that category:

(₹ in crores)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Dividend paid		
Mr. Rajiv Anand	0.06	0.05
Interest paid		
Om Singh Chaudhry	0.34	0.32
Preeti Chaudhry	0.25	0.09
Mr. Subrat Mohanty	0.27	0.15
Interest received		
Mr. Rajiv Anand	0.01	0.04
Mr. Rakesh Sharda	-*	-
Investment of related party in the Bank		
Mr. Amitabh Chaudhry	35.09	9.77
Mr. Rajiv Anand	13.97	10.62
Remuneration paid		
Mr. Amitabh Chaudhry	9.80	9.10
Mr. Rajiv Anand	6.84	6.07
Mr. Subrat Mohanty	5.63	2.29
Mr. Munish Sharda	5.44	0.31
Rendering of services		
Mr. Rajiv Anand	0.03	0.01
Advance repaid		
Mr. Rajiv Anand	0.77	0.42
Advance granted (net)		
Rakesh Sharda	0.07	-
Sale/ Purchase of foreign exchange currency to/from related party		
Mr. Amitabh Chaudhry	0.04	0.10
Mr. Rajiv Anand	0.03	0.09
Mr. Subrat Mohanty	0.03	0.02
Mr. Munish Sharda	0.04	0.01

*Denotes amount less than ₹50,000/-

1.9 Leases

Disclosure in respect of assets taken on operating lease

This comprises of branches, office premises/ATMs, cash deposit machines, currency chests, staff quarters, office and IT equipments.

(₹ in crores)

	31 March, 2025	31 March, 2024
Future lease rentals payable as at the end of the year:		
- Not later than one year	1,370.87	1,256.13
- Later than one year and not later than five years	4,367.42	3,934.11
- Later than five years	5,059.20	4,019.75
Total of minimum lease payments recognised in the Profit and Loss Account for the year	1,803.82	1,542.65

There are no provisions relating to contingent rent.

The terms of renewal/purchase options and escalation clauses are those normally prevalent in similar agreements. There are generally no undue restrictions or onerous clauses in the agreements.

There are generally no undue restrictions or onerous clauses in the agreements.

Disclosure in respect of assets given on operating lease

(₹ in crores)

	31 March, 2025	31 March, 2024
Gross carrying amount of premises at the end of the year	209.60	209.60
Accumulated depreciation at the end of the year	32.41	28.92
Total depreciation charged to profit and loss account for the year	3.49	3.49
Future lease rentals receivable as at the end of the year:		
- Not later than one year	28.66	28.66
- Later than one year and not later than five years	81.14	92.56
- Later than five years	34.17	51.41

There are no provisions relating to contingent rent.

1.10 Movement in fixed assets capitalized as application software and intangibles (included in other Fixed Assets)

- Movement of fixed assets capitalized as application software

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
At cost at the beginning of the year	4,155.24	3,443.83
Additions during the year[1]	1,148.96	736.53
Deductions during the year	(139.37)	(25.12)
Accumulated depreciation as at 31 March	(3,335.14)	(2,789.09)
Closing balance as at 31 March	**1,829.69**	**1,366.15**
Depreciation charge for the year	677.99	527.23

1. includes movement on account of exchange rate fluctuation for assets denominated in foreign currency.

- Movement of fixed assets capitalized as intangibles and goodwill

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
At cost at the beginning of the year	11,932.39	11,949.08
Additions during the year	-	-
Deductions during the year	-	(16.69)
Accumulated amortisation as at 31 March	11,932.39	11,932.39
Closing balance as at 31 March	**-**	**-**
Amortisation charge for the year	-	(16.69)

1.11 The major components of deferred tax assets and deferred tax liabilities arising out of timing differences are as under:

(₹ in crores)

As at	31 March, 2025	31 March, 2024
Deferred tax assets on account of provisions for loan losses / doubtful debts	3,629.94	3,949.80
Deferred tax assets on account of provision for employee benefits	147.45	71.11
Deferred tax assets on Foreign Currency Translation Reserve (FCTR)	189.90	148.95
Deferred tax assets on other items	1,950.03	1,950.24
Deferred tax assets	**5,917.32**	**6,120.10**
Deferred tax liabilities on account of depreciation on fixed assets	84.70	75.40
Deferred tax liability on creation of Special Reserve under Income Tax Act [Refer Schedule 2 (V)(A) of Consoldiated Balance Sheet]	863.88	606.92
Deferred tax liability on transition gain on MTM of Investments	115.62	-
Deferred tax liabilities on interest on income tax refund	90.97	-
Deferred tax liabilities on other items	147.53	2.81
Deferred tax liabilities	**1,302.70**	**685.13**
Net deferred tax asset	**4,614.62**	**5,434.97**

1.12 Employee Benefits

Group

Provident Fund

The contribution to the employee's provident fund (including Employee Pension Scheme) of the Group amounted to ₹460.67 crores for the year ended 31 March, 2025 (previous year ₹408.92 crores).

Axis Bank Ltd.

The rules of the Bank's Provident Fund administered by a Trust require that if the Board of Trustees are unable to pay interest at the rate declared for Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Bank.

Based on an actuarial valuation conducted by an independent actuary, there is no deficiency in the Trust observed as at the Balance Sheet date.

The following tables summarises the components of net benefit expenses recognised in the Profit and Loss Account and funded status and amounts recognised in the Balance Sheet for the Provident Fund benefit plan (including staff deputed at subsidiaries).

Profit and Loss Account

Net employee benefit expenses (recognised in payments to and provisions for employees)

(₹ in crores)

	31 March, 2025	31 March, 2024
Current Service Cost	288.99	251.33
Interest on Defined Benefit Obligation	324.38	297.90
Expected Return on Plan Assets	(385.65)	(344.84)
Net Actuarial Losses/(Gains) recognised in the year	4.20	4.16
Losses / (gains) on Acquisition	-	-
Effect of the limit in Para 59(b) of Accounting Standard – 15	57.07	42.78
Total included in "Employee Benefit Expense" [Schedule 16(I)]	**288.99**	**251.33**
Actual Return on Plan Assets	453.51	381.61

Balance Sheet

Details of provision for provident fund

(₹ in crores)

	31 March, 2025	31 March, 2024
Fair Value of Plan Assets	5,178.59	4,519.51
Present Value of Funded Obligations	(5,004.56)	(4,402.55)
Net asset	**174.03**	**116.96**
Amount not recognized as an asset (limit in Para 59(b) of Accounting Standard – 15)	(174.03)	(116.96)
Net Asset/ (Liability)	**-**	**-**
Amounts in Balance Sheet		
Liabilities	-	-
Assets	-	-
Net Asset/(Liability)	**-**	**-**

Changes in the present value of the defined benefit obligation are as follows:

(₹ in crores)

	31 March, 2025	31 March, 2024
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	4,402.55	3,933.75
Current Service Cost	288.99	251.33
Interest Cost	324.38	297.90
Actuarial Losses/(Gains)	72.06	40.93
Employees Contribution	479.87	442.48
Liability transferred from/to other companies	(24.13)	(118.31)
Benefits Paid	(539.16)	(445.53)
Closing Defined Benefit Obligation	**5,004.56**	**4,402.55**

Changes in the fair value of plan assets are as follows:

(₹ in crores)

	31 March, 2025	31 March, 2024
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	4,519.51	4,007.93
Expected Return on Plan Assets	385.65	344.84
Actuarial Gains/(Losses)	67.86	36.77
Employer contribution during the period	288.99	251.33
Employee contribution during the period	479.87	442.48
Assets transferred from/to other companies	(24.13)	(118.31)
Benefits Paid	(539.16)	(445.53)
Closing Fair Value of Plan Assets	**5,178.59**	**4,519.51**

Experience adjustments

(₹ in crores)

	31 March, 2025	31 March, 2024	31 March, 2023	31 March, 2022	31 March, 2021
Defined Benefit Obligations	5,004.56	4,402.55	3,933.75	3,404.21	2,861.59
Plan Assets	5,178.59	4,519.51	4,007.93	3,538.64	2,861.59
Surplus/(Deficit)	174.03	116.96	74.18	134.43	-
Experience Adjustments on Plan Liabilities	38.22	19.59	17.24	169.83	43.51
Experience Adjustments on Plan Assets	67.86	36.77	(106.74)	270.73	(12.88)

Major categories of plan assets (managed by Insurers) as a percentage of fair value of total plan assets

	31 March, 2025	31 March, 2024
Government securities	53%	51%
Other debt instruments	11%	11%
Equity shares	13%	11%
Others	23%	27%

Principal actuarial assumptions at the Balance Sheet date

	31 March, 2025	31 March, 2024
Discount rate for the term of the obligation	6.80%	7.20%
Average historic yield on the investment portfolio	8.19%	8.34%
Discount rate for the remaining term to maturity of the investment portfolio	6.80%	7.20%
Expected investment return	8.19%	8.34%
Guaranteed rate of return	8.25%	8.25%

Superannuation

The Group contributed ₹15.07 crores (previous year ₹15.95 crores) to the superannuation plan for the year.

The Bank has also accrued ₹12.93 crores (previous year ₹16.09 crores) for the eligible employees who had moved to the Bank as part of the Citibank India consumer business acquisition as they are entitled to receive a lumpsum corpus amount under a separate Superannuation scheme with vesting criteria of 10 years as a defined contribution plan.

National Pension Scheme (NPS)

During the year, the Group has contributed ₹22.22 crores (previous year ₹15.54 crores) to the NPS for employees who have opted for the scheme.

Leave Encashment

The liability of compensated absences of accumulated privileged leave of the employees of the Group, based on actuarial valuation is given below.

(₹ in crores)

	31 March, 2025			
	Liability - Privilege Leave	Total Expenses included under Schedule 16(I)	Assumptions	
			Discount Rate	Salary escalation rate
Axis Capital Ltd.	0.19	0.07	6.54%	7.83%
Freecharge Payment Technologies Pvt. Ltd.	6.38	2.57	6.59%	8.50%

(₹ in crores)

	31 March, 2024			
	Liability - Privilege Leave	Total Expenses included under Schedule 16(I)	Assumptions	
			Discount Rate	Salary escalation rate
Axis Capital Ltd.	0.12	(0.34)	7.18%	4.23%
A.Treds Ltd.	0.52	0.16	7.25%	10.00%
Freecharge Payment Technologies Pvt. Ltd.	5.21	1.75	7.14%	8.00%

Group

Gratuity

The following tables summarises the components of net benefit expenses recognised in the Profit and Loss Account and funded status and amounts recognised in the Balance Sheet for the Gratuity benefit plan.

Profit and Loss Account

Net employee benefit expenses (recognised in payments to and provisions for employees)

(₹ in crores)

	31 March, 2025	31 March, 2024
Current Service Cost	119.82	94.24
Interest on Defined Benefit Obligation	66.83	56.48
Expected Return on Plan Assets	(52.69)	(49.13)
Net Actuarial Losses/(Gains) recognised in the year	16.39	80.67
Losses / (gains) on Acquisition	-	-
Past Service Cost	-	2.26
Total included in "Employee Benefit Expense" [Schedule 16(1)]	**150.35**	**184.52**
Actual Return on Plan Assets	66.57	47.45

Balance Sheet

Details of provision for gratuity

(₹ in crores)

	31 March, 2025	31 March, 2024
Present Value of Funded Obligations	(1,000.67)	(858.80)
Present Value of un-funded Obligations	(9.03)	(5.54)
Fair Value of Plan Assets	955.00	762.04
Unrecognised Past Service Cost	-	-
Net Asset/ (Liability)	**(54.70)**	**(102.30)**
Amounts in Balance Sheet		
Liabilities	54.70	102.30
Assets	-	-
Net Asset/(Liability) (included under Schedule 11 Other Assets / Schedule 5 – Other Liabilities)	**(54.70)**	**(102.30)**

Changes in the present value of the defined benefit obligation are as follows:

(₹ in crores)

	31 March, 2025	31 March, 2024
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	864.34	715.67
Current Service Cost	119.81	94.24
Interest Cost	66.83	56.48
Actuarial Losses/(Gains)	30.28	78.99
Past Service Cost	-	2.26
Liabilities Assumed on Acquisition	-	-
Liabilities transferred in/(out)	0.45	(0.44)
Benefits Paid	(72.01)	(82.86)
Closing Defined Benefit Obligation	**1,009.70**	**864.34**

Changes in the fair value of plan assets are as follows:

(₹ in crores)

	31 March, 2025	31 March, 2024
Opening Fair Value of Plan Assets	762.04	706.72
Expected Return on Plan Assets	52.69	49.13
Actuarial Gains/(Losses)	13.89	(1.68)
Contributions by Employer	197.68	90.33
Assets acquired on acquisition	-	-
Assets transferred out/ Divestment	0.54	(0.67)
Benefits Paid	(71.84)	(81.79)
Closing Fair Value of Plan Assets	**955.00**	**762.04**

Experience adjustments

(₹ in crores)

	31 March, 2025	31 March, 2024	31 March, 2023	31 March, 2022	31 March, 2021
Defined Benefit Obligations	1,009.70	864.34	715.67	581.52	545.18
Plan Assets	955.00	762.04	706.72	585.56	528.33
Surplus/(Deficit)	(54.70)	(102.30)	(8.95)	4.04	(16.85)
Experience Adjustments on Plan Liabilities	(0.58)	17.34	5.20	29.03	(8.34)
Experience Adjustments on Plan Assets	13.88	(1.68)	(19.11)	9.72	7.92

Axis Bank Ltd.

Major categories of plan assets (managed by Insurers) as a percentage of fair value of total plan assets

	31 March, 2025	31 March, 2024
Government securities	53%	42%
Bonds, debentures and other fixed income instruments	38%	30%
Money market instruments	3%	2%
Equity shares	4%	3%
Balance in bank & others	2%	23%

*includes plan assets under transfer pursuant to acquisition of Citibank India Consumer Business

Principal actuarial assumptions at the balance sheet date

	31 March, 2025	31 March, 2024
Discount Rate	6.80%	7.20%
Expected rate of Return on Plan Assets	7.00%	7.00%
Salary Escalation Rate	8.00%	8.00%
Employee Turnover		
- 21 to 30 (age in years)	24.00%	24.00%
- 31 to 44 (age in years)	14.00%	14.00%
- 45 to 59 (age in years)	8.00%	8.00%

Axis Capital Ltd.

	31 March, 2025	31 March, 2024
The major categories of plan assets* as a percentage of fair value of total plan assets – Insurer Managed Funds	100.00%	100.00%

*composition of plan assets is not available

	31 March, 2025	31 March, 2024
Principal actuarial assumptions at the balance sheet date:		
Discount Rate	6.54%	7.18%
Expected rate of Return on Plan Assets	6.54%	7.18%
Salary Escalation Rate	7.83%	4.23%
Employee Turnover	37.15%	18.75%

Axis Asset Management Company Ltd.

	31 March, 2025	31 March, 2024
The major categories of plan assets* as a percentage of fair value of total plan assets – Insurer Managed Funds	100.00%	100.00%

*composition of plan assets is not available

	31 March, 2025	31 March, 2024
Principal actuarial assumptions at the balance sheet date:		
Discount Rate	6.70%	7.25%
Expected rate of Return on Plan Assets	7.00%	7.00%
Salary Escalation Rate	11.00%	11.00%
Employee Turnover	15.00% - 20.00%	15.00% - 20.00%

Axis Securities Ltd.

	31 March, 2025	31 March, 2024
The major categories of plan assets* as a percentage of fair value of total plan assets – Insurer Managed Funds	100.00%	100.00%

*composition of plan assets is not available

	31 March, 2025	31 March, 2024
Principal actuarial assumptions at the balance sheet date:		
Discount Rate	6.55%	7.15%
Expected rate of Return on Plan Assets	7.00%	7.00%
Salary Escalation Rate	10.00%	8.50%
Employee Turnover		
- 21 to 44 (age in years) (managerial)	23.00%	25.00%
- 21 to 44 (age in years) (non managerial)	45.00%	45.00%
- 45 to 59 (age in years) (managerial)	17.00%	20.00%
- 45 to 59 (age in years) (non managerial)	18.00%	18.00%

Axis Finance Ltd.

	31 March, 2025	31 March, 2024
The major categories of plan assets* as a percentage of fair value of total plan assets – Insurer Managed Funds	100.00%	100.00%

*composition of plan assets is not available

	31 March, 2025	31 March, 2024
Principal actuarial assumptions at the balance sheet date:		
Discount Rate	6.79%	7.21%
Expected rate of Return on Plan Assets	6.79%	7.21%
Salary Escalation Rate	7.00%	7.00%
Employee Turnover		
- For service 2 years and below	29.00%	29.00%
- For service more than 2 years but upto 4 years	11.00%	11.00%
- For service above 4 years	2.00%	2.00%

Axis Trustee Services Ltd.

	31 March, 2025	31 March, 2024
Principal actuarial assumptions at the balance sheet date:		
Discount Rate	6.55%	7.16%.
Expected rate of Return on Plan Assets	N.A.	N.A.
Salary Escalation Rate	10.00%	12.00%
Employee Turnover	20.00%	28.00%

A.Treds Ltd.

	31 March, 2025	31 March, 2024
The major categories of plan assets* as a percentage of fair value of total plan assets – Insurer Managed Funds	100.00%	100.00%

*composition of plan assets is not available

	31 March, 2025	31 March, 2024
Principal actuarial assumptions at the balance sheet date:		
Discount Rate	6.75%	7.25%
Expected rate of Return on Plan Assets	7.00%	7.00%
Salary Escalation Rate	10.00%	10.00%
Employee Turnover		
- 21 to 30 (age in years)	24.00%	24.00%
- 31 to 44 (age in years)	14.00%	14.00%
- 45 to 59 (age in years)	8.00%	8.00%

Freecharge Payment Technologies Pvt. Limited

	31 March, 2025	31 March, 2024
Principal actuarial assumptions at the balance sheet date:		
Discount Rate	6.59%	7.14%
Expected rate of Return on Plan Assets	N.A.	N.A.
Salary Escalation Rate	8.50%	8.00%
Employee Turnover	30.00%	35.00%

Axis Pension Fund Management Limited

	31 March, 2025	31 March, 2024
Principal actuarial assumptions at the balance sheet date:		
Discount Rate	6.70%	7.20%
Expected rate of Return on Plan Assets	N.A.	N.A.
Salary Escalation Rate	8.00%	8.00%
Employee Turnover	14.00%	14.00%

The estimates of future salary increases considered in acturial valuation take account of the inflation, seniority, promotion and other relevant factors.

The expected rate of return on plan assets is based on the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

As the contribution expected to be paid to the plan during the annual period beginning after the balance sheet date is based on various internal/external factors, a best estimate of the contribution is not determinable.

The above information is as certified by the actuary and relied upon by the auditors.

Resettlement allowance

Profit and Loss account

During the year ended 31 March, 2025, the Bank made a provision of ₹0.21 crores (previous year ₹Nil) towards liability in respect of resettlement allowance based on actuarial valuation conducted by an independent actuary.

Balance Sheet

(₹ in crores)

	31 March, 2025	31 March, 2024
Current liability	0.46	0.54
Non current liability	3.24	2.95
Net Liability as per actuarial valuation (included under Schedule 5 – Other Liabilities)	**3.70**	**3.49**

Principal actuarial assumptions at the Balance Sheet date:

	31 March, 2025	31 March, 2024
Discount Rate	6.80%	7.20%
Salary Escalation Rate	8.00%	8.00%
Employee Turnover		
- 21 to 30 (age in years)	24.00%	24.00%
- 31 to 44 (age in years)	14.00%	14.00%
- 45 to 59 (age in years)	8.00%	8.00%

Provision towards probable impact on account of Code of Social Security 2020

The Group on a prudent basis as per internal policy, based on an actuarial valuation holds a provision of ₹385.05 crores as on 31 March 2025 (₹287.60 crores as on 31 March, 2024) towards the gratuity liability on account of probable impact due to Code of Social Security 2020. This is over and above the provisions made in normal course based on extant rules and as reported in the above disclosure.

The above information is as certified by the actuary and relied upon by the auditors.

1.13 Small and Micro Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. Following are the details of delayed payments to MSMED registered vendors:

Axis Bank Ltd.

(₹ in crores)

Particulars	31 March, 2025		31 March, 2024	
	Principal	Interest	Principal	Interest
The principal amount and the interest due thereon remaining unpaid to any supplier	11.94	0.01	12.05	0.00*
The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date	3.07	0.02	4.37	0.03
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under MSMED Act, 2006	N.A.	N.A.	N.A.	N.A.
The amount of interest accrued and remaining unpaid	N.A.	0.30	N.A.	0.29
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowed as a deductible expenditure under Section 23	N.A.	0.30	N.A.	0.29

*Denotes amount less than ₹50,000/-

Subsidiaries

(₹ in crores)

Particulars	31 March, 2025	31 March, 2024
The Principal amount and the interest due thereon remaining unpaid to any supplier	4.12	2.99
The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowed as a deductible expenditure under Section 23	-	-

The above is based on the information available with the Group which has been relied upon by the auditors.

1.14 Provisions and contingencies

a) Movement in provision for frauds included under other liabilities is set out below:

(₹ in crores)

	31 March, 2025	31 March, 2024
Opening balance at the beginning of the year	214.33	178.06
Additions during the year	56.88	54.72
Reductions on account of payments/reversals during the year	(28.52)	(18.45)
Closing balance at the end of the year	**242.69**	**214.33**

b) Other liabilities include provision for reward points made on actuarial basis, the movement of which is set out below:

(₹ in crores)

	31 March, 2025	31 March, 2024
Opening provision at the beginning of the year	997.08	711.54
Provision made during the year	1,024.16	495.53
Reductions during the year	(842.79)	(209.99)
Closing provision at the end of the year	**1,178.45**	**997.08**

c) Movement in provision for other contingencies is set out below:

(₹ in crores)

	31 March, 2025	31 March, 2024
Opening provision at the beginning of the year	7,465.86	3,822.39
Reclassification from provision on standard advances[1]	-	3,130.18
Addition during the year[2]	930.86	804.04
Reductions during the year	(507.17)	(290.75)
Closing provision at the end of the year[3]	**7,889.55**	**7,465.86**

1. During the previous year ended 31 March, 2024, the World Health Organisation (WHO) has declared that COVID-19 is no longer a public health emergency of international concern, hence the provision of ₹5,012 crores carried by the Bank towards COVID-19 related risks is no longer required. Consequently, post approval of the Board of Directors, the Bank's management prudently elected to carry forward the aforesaid provision amount in its entirety, towards potential expected losses on certain standard advances and / or exposures. The said amount was accordingly reclassified to provision for other contingencies and disclosed as other liabilities under Schedule 5 of the Balance Sheet as on reporting date
2. Includes movement on account of exchange rate fluctuation
3. Closing provision includes provision for legal cases, additional provision for delay in implementation of resolution plan, provision on AIF investments, provision for future expected losses and provision for other contingencies.

1.15 Disclosure required as per Ministry of Corporate Affairs notification dated 24 March, 2021

During the year ended 31 March, 2025 and 31 March, 2024, other than the transactions undertaken in the normal course of banking business and in accordance with extant regulatory guidelines and Bank and its subsidiaries internal policies, as applicable:

1. the Bank and its subsidiaries has not granted any advance/loans or investments or provided guarantee or security to any other person(s) or entities with an understanding, whether recorded in writing or otherwise, to further lend or invest on behalf of the Bank or provide guarantee or security or the like to any other person identified by the Bank.

2. the Bank and its subsidiaries has not received any funds from any person(s) or entities with an understanding, whether recorded in writing or otherwise, that the Bank shall further lend or invest or provide guarantee or security or the like in any other person on behalf of and identified by such person(s)/entities.

1.16 Expenses exceeding 1% of the total income

Details of items under other expenditure (Schedule 16 – Operating Expenses) exceeding 1% of total income of the Group are given below:

For the year ended 31 March, 2025

Sr. No.	Nature of Expense	(₹ in crores)
1.	Commission paid to Direct Sales Agents (DSA)	2,766.48
2.	Charges paid to Network partners	1,629.80
3.	Cashback charges	1,594.58
4.	Charges paid for purchase of Priority Sector Lending Certificates (excluding taxes)	1,483.53

For the year ended 31 March, 2024

Sr. No.	Nature of Expense	(₹ in crores)
1.	Commission paid to Direct Sales Agents (DSA)	2,143.16
2.	Professional fees	2,022.52
3.	Cashback charges	1,807.75
4.	Business promotion expenses	1,654.16
5.	Charges paid to Network partners	1,517.65

1.17 Additional information pursuant to Schedule III of the Companies Act, 2013

Additional information to consolidated accounts at March 31, 2025 (Pursuant to Schedule III of the Companies Act, 2013):

(₹ in crores)

Name of the entity	Net assets as of 31 March, 2025		Profit or (loss) for the year ended 31 March, 2025	
	Amount[1]	As % of consolidated net assets[2]	Amount[1]	As % of consolidated profit or loss
Parent:				
Axis Bank Limited	1,78,616.95	96.00%	26,373.48	94.01%
Subsidiaries:				
Axis Capital Limited	1,153.10	0.62%	160.54	0.57%
Axis Trustee Services Limited	107.12	0.06%	21.55	0.08%
Axis Mutual Fund Trustee Limited	1.73	0.00%*	0.57	0.00%
Axis Asset Management Company Limited	2,361.17	1.27%	500.68	1.78%
Axis UK Limited	4.38	0.00%*	0.34	0.00%
Axis Finance Limited	5,363.83	2.88%	676.14	2.41%
Axis Securities Limited	1,887.32	1.01%	418.78	1.49%

(₹ in crores)

Name of the entity	Net assets as of 31 March, 2025		Profit or (loss) for the year ended 31 March, 2025	
	Amount[1]	As % of consolidated net assets[2]	Amount[1]	As % of consolidated profit or loss
Freecharge Payment Technologies Private Limited	349.38	0.19%	(42.29)	(0.15%)
Freecharge Business and Technology Services Limited	38.39	0.02%	(1.61)	(0.01%)
A.Treds Limited	72.40	0.04%	37.62	0.13%
Step down Subsidiaries:				
Axis Pension Fund Management Limited	58.25	0.03%	(3.86)	(0.01%)
Axis Capital USA LLC	5.09	0.00%	0.12	0.00%
Minority Interest	635.13	0.34%	(135.69)	(0.48%)
Associate:				
Axis Max Life Insurance Company Limited	-	-	79.06	0.28%

* less than 0.005%

1. Amounts are before inter-company adjustments.
2. Consolidated net assets are total assets minus total liabilities including minority interest.

Additional information to consolidated accounts at March 31, 2024 (Pursuant to Schedule III of the Companies Act, 2013) :

(₹ in crores)

Name of the entity	Net assets as of 31 March, 2024		Profit or (loss) for the year ended 31 March, 2024	
	Amount[1]	As % of consolidated net assets[2]	Amount[1]	As % of consolidated profit or loss
Parent:				
Axis Bank Limited	150,235.00	96.22%	24,861.43	94.22%
Subsidiaries:				
Axis Capital Limited	992.56	0.64%	150.42	0.57%
Axis Trustee Services Limited	99.82	0.06%	24.66	0.09%
Axis Mutual Fund Trustee Limited	1.16	0.00%*	0.17	0.00%*
Axis Asset Management Company Limited	1,860.50	1.19%	414.04	1.57%
Axis Bank UK Limited	469.14	0.30%	10.26	0.04%
Axis Finance Limited	4,103.53	2.63%	610.37	2.31%
Axis Securities Limited	1,218.54	0.78%	300.96	1.14%
Freecharge Payment Technologies Private Limited	391.67	0.25%	78.86	0.30%
A.Treds Limited	34.77	0.02%	17.81	0.07%
Step down Subsidiaries:				
Axis Pension Fund Management Limited	62.11	0.04%	(6.41)	(0.02%)
Axis Capital USA LLC	4.85	0.00%	0.12	0.00%
Minority Interest	(499.44)	(0.32%)	(106.05)	(0.40%)
Associate:				
Max Life Insurance Company Limited	-	-	68.71	0.26%

* less than 0.005%

1. Amounts are before inter-company adjustments.
2. Consolidated net assets are total assets minus total liabilities including minority interest.

1.18 Description of contingent liabilities

a) Claims against the Group not acknowledged as debts

These represent claims filed against the Group in the normal course of business relating to various legal cases currently in progress. These also include demands raised by tax authorities and other statutory authorities which are disputed by the Group. The Group holds provision of ₹904.76 crores as on 31 March, 2025 (previous year ₹372.60 crores) towards claims assessed as probable.

b) Liability for partly paid investments

This represents amounts remaining unpaid towards liability for partly paid investments.

c) Liability on account of forward exchange contracts

The Group enters into foreign exchange contracts, including non-deliverable forward (NDF) contracts on its own account and on OTC for customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. A non-deliverable forward contract is a currency derivatives contract to exchange cash flows between the contracted forward exchange rate and prevailing spot rates. The amount of contingent liability represents the notional principal of respective forward exchange contracts. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.

d) Liability on account of derivative contracts

The Group enters into derivative contracts in the form of currency options/swaps, exchange traded currency options, non-deliverable derivatives and interest rate/ currency futures on its own account and on OTC for customers. Currency swaps are commitments between two counterparties to exchange streams of interest payments and/or principal amounts in different currencies on specified dates over the duration of the swap at a pre-agreed exchange rate. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. Interest rate futures are standardised, exchange-traded contracts that represent a pledge to undertake a certain interest rate transaction at a specified price, on a specified future date. Forward rate agreements (FRA) are financial contracts between two counterparties, in which a buyer will pay or receive, on the settlement date, the difference between a pre-determined fixed rate (FRA rate) and a reference interest rate, applied on a notional principal amount, for a specified forward period. A foreign currency option is an agreement between two parties in which one grants to the other the right to buy or sell a specified amount of currency at a specific price within a specified time period or at a specified future time. An Exchange Traded Currency Option contract is a standardised foreign exchange derivative contract, which gives the buyer the right, but not the obligation, to exchange money denominated in one currency into another currency at a pre-agreed exchange rate on a specified date on the date of expiry. A non-deliverable option contract is a currency derivatives contract that offers the right, but not the obligation to either purchase or sell a currency against another currency and the contract is settled at the difference between the contracted exchange rate and prevailing spot rate on the expiry date. Currency Futures contract is a standardised, exchange-traded contract, to buy or sell a certain underlying currency at a certain date in the future, at a specified price. The amount of contingent liability represents the notional principal of respective derivative contracts. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.

e) Guarantees given on behalf of constituents

As a part of its banking activities, the Bank issues guarantees on behalf of its customers to enhance their credit standing. Guarantees represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations. These are stated net of cash margin held with the Bank as on the reporting date in Schedule 12 – Contingent Liabilities of the Balance Sheet.

f) Acceptances, endorsements and other obligations

These include documentary credit issued by the Bank on behalf of its customers and bills drawn by the Bank's customers that are accepted or endorsed by the Bank. These are stated net of cash margin held with the Bank as on the reporting date in Schedule 12 – Contingent Liabilities of the Balance Sheet.

g) Other items for which the Group is contingently liable

Other items represent outstanding amount of bills rediscounted by the Bank, estimated amount of contracts remaining to be executed on capital account, notional principal on account of outstanding Tom/ Spot foreign exchange contracts, contracts for purchase of investments where settlement is due post balance sheet date, deed of indemnity issued to liquidator of overseas subsidiary, contingent liability relating to undertakings issued towards settlements under resolution plan in respect of non-performing assets, commitments towards underwriting and investment in equity through bids under Initial Public Offering (IPO) of corporates, commitment for investment in Associate entity and the amount transferred to Depositor Education and Awareness Fund (DEAF).

The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Group has reviewed and recorded adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) in the books of account and disclosed the same under the relevant notes in the financial statements, where applicable.

2. Previous year figures have been regrouped and reclassified, where necessary to conform to current year's presentation.

In terms of our report attached.

For M M Nissim & Co LLP
ICAI Firm Registration No.: 107122W/W100672
Chartered Accountants

Sanjay Khemani
Partner
Membership No.: 044577

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.: 105146W/W100621
Chartered Accountants

Gautam Shah
Partner
Membership No.: 117348

Date : 24 April, 2025
Place: Mumbai

For Axis Bank Ltd.

N. S. Vishwanathan
Chairman

Girish Paranjpe
Director

Rajiv Anand
Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

Pranam Wahi
Director

Meena Ganesh
Director

Mini Ipe
Director

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

Form AOC-1

Statement pursuant to first proviso to Sub-Section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

As on/For the year ended 31st March 2025

(₹ in crores)

	Axis Capital Ltd.	Axis Trustee Services Ltd.	Axis Mutual Fund Trustee Ltd.	Axis Asset Management Company Ltd.	Axis Bank UK Ltd. (Refer Note a)	Axis Finance Ltd.	Axis Securities Ltd.	A.Treds Ltd.	Freecharge Payment Technologies Private Ltd.	Freecharge Business and Technology Services Limited	Axis Capital USA LLC (Refer Note b)	Axis Pension Fund Management Ltd.
The date since when subsidiary was acquired	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	6 October, 2017	N.A.	N.A.	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	USD (US$ 1 = ₹85.475)	N.A.	N.A.	N.A.	N.A.	N.A.	USD (US$ 1 = ₹85.475)	N.A.
Share capital	73.50	1.50	0.05	210.11	4.27	693.57	150.83	65.00	1,763.70	40.00	6.03	80.00
Reserves & surplus	1,079.60	105.62	1.69	2,151.06	0.10	4,670.26	1,736.49	7.39	(1,414.32)	(1.61)	(0.93)	(21.75)
Total assets (Fixed Assets + Investments + Other Assets)	2,309.58	132.89	1.95	2,543.85	13.41	39,779.15	7,711.34	104.13	429.90	38.48	5.36	61.91
Total liabilities (Deposits + Borrowings + Other Liabilities + Provisions)	1,156.48	25.77	0.21	182.68	9.04	34,415.32	5,824.02	31.74	80.52	0.09	0.27	3.66
Investments	725.62	9.06	1.58	2,254.24	-	1,519.82	60.46	-	3.71	7.97	4.40	55.77
Turnover (Total Income)	773.47	60.95	2.26	1,296.05	12.53	4,296.47	1,656.02	91.61	312.00	1.96	2.32	10.29
Profit/(Loss) before taxation	251.03	31.12	0.75	671.15	0.34	908.82	563.58	40.54	(55.72)	(1.97)	0.12	(3.86)
Provision for taxation	90.49	9.57	0.18	170.47	-	232.68	144.80	2.92	(13.43)	(0.36)	-	-
Profit/(Loss) after taxation	160.54	21.55	0.57	500.68	0.34	676.14	418.78	37.62	(42.29)	(1.61)	0.12	(3.86)
Proposed Dividend and Tax (including cess thereon) (Refer Note c)	-	15.00	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	75%	75%	100%	100%	100%	67%	100%	100%	100%	47.27%

The audited/unaudited financial statements of the above subsidiaries and step down subsidiaries have been drawn up to the same reporting date as that of the Bank, i.e. 31 March, 2025.

Notes:

a. Asset/Liability items are stated in INR equivalent of USD ($1 = ₹85.475 as on 31 March, 2025). Profit and loss items reported in INR based on rates prevailing on the date of transactions.

b. Axis Capital USA LLC is a wholly owned subsidiary of Axis Capital Ltd. (a wholly owned subsidiary of Axis Bank Ltd.), Asset/Liability items are stated in INR equivalent of USD ($1 = ₹85.475 as on 31 March, 2025).Profit and loss items are stated in INR equivalent of average rate during financial year ended 31 March 2025.

c. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through amendment to Companies (Accounting Standards) Amendment Rules, 2016, dated 30 March, 2016, proposed dividend has not been recognised as a liability by the subsidiaries as on 31 March, 2025.

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates

(₹ in crores)

Name of Associates		Max Life Insurance Company Ltd.
1.	Latest audited Balance Sheet Date	31 December, 2024
2.	Date on which the Associate was associated or acquired	6 April, 2021
3.	Shares of Associate held by Axis Bank Group at March 31, 2025	
	Number of equity shares	392,024,831
	Amount of Investment in Associate	2,367.35
	Extent of Holding %	19.02%
4.	Description of how there is significant influence	Note 3
5.	Reason why the Associate is not consolidated	N.A.
6.	Net Worth attributable to shareholding as per latest audited Balance Sheet	5,922.57
7.	Profit/(Loss) for the year	
	Considered in Consolidation	79.06
	Not considered in Consolidation	336.60

Note:

1. Names of Associate which is yet to commence operations: Nil

2. Names of Associate which have been liquidated or sold during the year: Nil

3. As per Accounting Standard 23 issued by Institute of Chartered Accountants of India (ICAI), Axis Group is deemed to have significant influence through its voting power and representation on the Board of directors of the investee company.

Part "C": Joint Ventures - Not applicable

Basel III Disclosures

As at 31 March, 2025

In accordance with RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III framework. The Bank has made these disclosures which are available on its website at the following link:

http://www.axisbank.com/investor-corner/baselIII-disclosures.aspx