

MESSAGE FROM THE MANAGEMENT -
WHOLESALE BANKING

A trusted banking partner of corporate India



Rajiv Anand
Deputy Managing Director

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

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

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

Scaling up and Strengthening our Wholesale Banking Franchise

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

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

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

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

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

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

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

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

Dominant market share in Transaction Banking

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



Leading the Way in the Corporate Bond Market

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

Digital Innovation with Project *neo*

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

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

Driving Innovation and Expanding Impact

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

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

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

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

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

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

A Chapter Closes, A Legacy Continues

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

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

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

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

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

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

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

Warm regards,

Rajiv Anand

Deputy Managing Director