AXIS BANK

Har raah dil se open

INTEGRATED ANNUAL REPORT 2024-25

Inside this report

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Promoting enduring value for our stakeholders

"Our balance sheet remains a fortress, backed by best-in-class asset quality metrics."

N. S. Vishwanathan

Independent Director and Part-time Chairman

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'One Axis' in action

One platform, infinite financial journeys

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External environment

Navigating a shifting
world order

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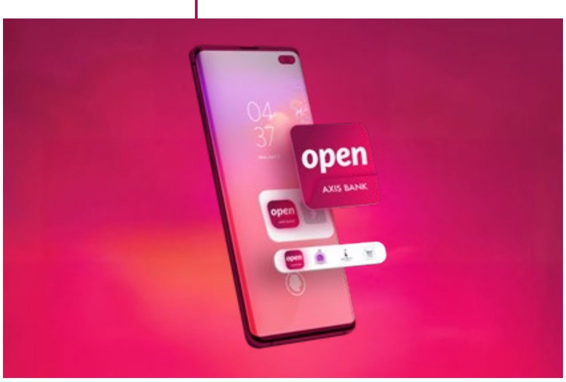
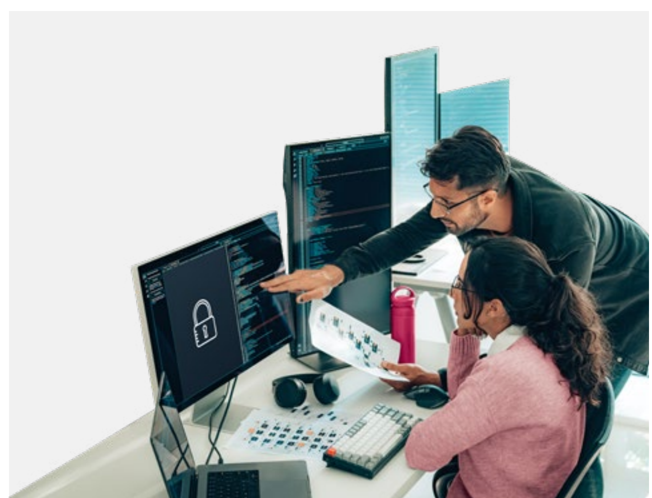
Banking in the digital-first era

Innovating with a
digital-first approach





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Cyber security and data privacy

Safeguarding customer confidence with
uncompromising security

Har raah dil se open

At Axis Bank, '***Har raah dil se open***' is a commitment we stand by, and carry forward every day. It is there in the quiet determination of our 104,000+ ***dil se open*** bankers, responsible and responsive, who take financial services to the remotest corners of the country. They represent our deeply human approach to banking — embodying our ethos of serving with empathy, integrity, and the willingness to listen and adapt. Whether it comes to serving a first–time borrower in a far–flung hamlet or supporting a digitally well–versed urban customer, our teams approach every road with their minds open to explore every possibility to deliver on expectations. With every interaction, collaboration and innovation, we ensure that banking remains inclusive, accessible and meaningful. In a world of rapid change, our openness fuels progress — not just for the Bank, but for every life we touch.

For customers

We listen with empathy and serve with integrity, bringing inclusive banking to every doorstep.

Read more pg. 120

For employees

We empower our people to grow with purpose in a culture that values care, learning, and leadership.

Read more pg. 134

For investors

We create long-term value through transparent governance and responsible, future-ready growth.

Read more pg. 146

For partners

We support national priorities through collaborations that spark innovation and drive shared success, aligning our strengths to drive inclusive development.

Read more pg. 160

For communities

We stand with communities, enabling livelihoods, inclusion, and dignity through focused social impact.

Read more pg. 152

For the environment

We embed sustainability into our investment decisions and operations to protect natural capital and enable climate resilience.

Read more pg. 164

ABOUT THE REPORT

Approach to reporting

Our second Integrated Annual Report for fiscal 2025 reflects our untiring commitment to transparency, innovation, and value creation which is open to new possibilities, open to customer aspirations, and open to sustainable progress.

Reporting Principles and Framework

This Integrated Annual Report has been prepared in accordance with the International Integrated Reporting Council <IR> Framework and SEBI's guidelines on Integrated Reporting and seeks to provide an accurate and balanced insight into the Bank's financial and non-financial performance, aligning with our strategic vision and long-term value creation approach.

This report articulates the Bank's continued commitment to integrating Environmental, Social, and Governance (ESG) imperatives into its core business operations.

It offers a structured and in-depth account of the Bank's strategic priorities, governance architecture, risk management frameworks, and value creation processes. Through comprehensive and transparent disclosures, the Bank seeks to inform stakeholders of its long-term vision, operational integrity, and dedication to sustainable and responsible growth, which is in line with reporting guidelines and frameworks as set out by regulators.

Integrated Reporting

- Integrated Reporting Framework <IR> developed by International Integrated Reporting Council (IIRC)
- SEBI Guidelines on Integrated Reporting

Statutory Reports

- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Companies Act, 2013, and amendments thereto
- Guidelines issued by other regulators as applicable

Sustainability Reporting

- SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework
- Global Reporting Initiative (GRI) Standards
- Task Force on Climate-related Financial Disclosures (TCFD) framework
- United Nations Sustainable Development Goals (UN SDGs)

Financial Statements

- The Banking Regulation Act, 1949
- Regulations, circulars, and guidelines issued by the Reserve Bank of India (RBI)
- Accounting Standards notified under Section 133 of the Companies Act, 2013
- Companies (Accounts) Rules, 2014, and Companies (Accounting Standards) Rules, 2021

Materiality and Scope

Our reporting is guided by our Materiality Assessment, which identifies key economic, environmental, social, and governance-related factors that impact our ability to create and sustain value in the short, medium and long term. We prioritise issues based on stakeholder expectations, business impact, and regulatory standards through a structured materiality assessment, aligning with <IR>, GRI, TCFD, and BRSR frameworks. This approach ensures transparent, relevant, and forward-looking disclosures, enabling stakeholders to make informed decisions while reinforcing our commitment to responsible banking and the creation of long-term value.

Reporting Period

This Integrated Annual Report presents the standalone performance of the Bank for the twelve months from April 1, 2024 to March 31, 2025, unless stated otherwise. It also captures key external factors, stakeholder insights, and strategic responses to emerging opportunities and risks.

Reporting Boundary

This report aligns with the principles of the Integrated Reporting <IR> Framework and presents an interconnected view of the Bank's financial and non-financial performance. The boundaries include:

Integrated Reporting Boundary

- Our Operating Context
- Our Business Model and Impact on the Six Capitals
- Our Strategy
- Stakeholder Engagement
- Governance

Financial Reporting Boundary

- Alignment with the financial statements and statutory reporting requirements

No significant changes in the organisation type, ownership, or reporting boundaries have occurred during the reporting period.

The previous year figures have been regrouped and reclassified, where necessary, to conform to current year's presentation ensuring comparability and continuity in measurement methods, timeframes, and disclosures.

Our Open Approach to Integrated Reporting

Integrated Thinking at Decision Making

Integrated thinking is at the core of creating, sustaining, and enhancing value for all stakeholders. It drives our strategic decision-making by ensuring a holistic, interconnected approach that aligns financial success with sustainable impact.

By embedding integrated thinking, we break silos and foster synergies across six key capitals-Financial, Manufactured, Social and Relationship, Intellectual, Human and Natural. This approach enables us to:

- Enhance long-term value creation by integrating financial performance with ESG commitments.
- Align business strategy with stakeholder priorities through proactive engagement and responsiveness.
- Leverage innovation and digital transformation to drive operational excellence and customer-centric solutions.
- Strengthen risk management and governance by considering both opportunities and challenges holistically.
- Empower and engage our people, nurturing a future-ready workforce through continuous learning, inclusivity, and a culture of performance and purpose.
- Invest in robust infrastructure and digital ecosystems, enabling secure, scalable, and accessible banking solutions across urban and rural India.

Our Integrated Reporting Universe seamlessly connects these elements, ensuring that every decision we make is open to growth, innovation, and sustainability.

Guiding Principles

Our Integrated Report is based on key guiding principles of the Integrated Reporting Framework, which ensure transparency, connectivity, and value creation for stakeholders.

- Strategic Focus and Future Orientation
- Connectivity of Information
- Stakeholder Relationships
- Materiality Orientation
- Conciseness
- Reliability and Completeness
- Consistency and Comparability

Our Integrated Reporting Process

Our Integrated Report follows a structured and transparent preparation process to ensure accuracy, relevance, and alignment with global best practices:

- A dedicated reporting team oversees the process, incorporating both internal and external feedback to enhance the quality of the report.
- Senior management and the Board provide oversight, ensuring the report aligns with the Bank's strategic vision and stakeholder expectations.
- Materiality assessment and risk management frameworks guide the identification of key themes and disclosures.
- Data and insights are sourced through leadership interviews, internal reporting mechanisms, and regulatory guidelines.

Approval by the Board of Directors

» The Bank acknowledges the integrity of the information provided in this Integrated Annual Report and believes that the report is a fair and balanced view of the Bank's performance and prospects within the Integrated Reporting Framework.

» The Board is informed that the report aligns with the Integrated Reporting Framework and acknowledges that the information provided in the Report has been reviewed and approved by the respective business units and top management.

Assurance

» The standalone and consolidated financial statements in this report have been independently audited by:

  – M/s. M M Nissim & Co LLP, Chartered Accountants (FRN 107122W/W100672)

  – M/s. KKC & Associates LLP, Chartered Accountants (FRN 105146W/W100621)

» SGS India Private Ltd. (SGS India) has externally assured the Business Responsibility and Sustainability Report (BRSR) Core. The said Assurance Statement is available on our website as part of the BRSR. 'Reasonable Assurance' is provided for the BRSR Core.

Forward–Looking Statement

This report includes certain forward–looking statements based on current expectations, market trends, and strategic assumptions. These statements are subject to risks, uncertainties, and external factors, which may cause actual results to differ materially from projections. Axis Bank is not obligated to update these statements unless required to do so by law.

Feedback

We value your feedback that would enable us to disclose relevant information in an effective and transparent manner. Please write to us at shareholders@axisbank.com

Our Material Issues

- M1 Regulatory Compliance
- M2 Corporate Governance & Ethical Business Conduct
- M3 Risk Management
- M4 Fraud & Money Laundering – Prevention, Detection & Mitigation
- M5 Privacy and Data Security
- M6 Customer Experience & Satisfaction
- M7 Innovation and Digitalisation
- M8 Impact of Climate Change
- M9 Financial Inclusion, Literacy & Access
- M10 Community Engagement & Development
- M11 Diversity, Equity, and Inclusion
- M12 Sustainable Finance & Responsible Banking
- M13 Employee Engagement, Development & Wellbeing
- M14 Policy Advocacy and Thought leadership
- M15 Return on Equity and Return to Shareholders

Financial Capital

Our financial resilience drives growth, supports responsible lending, and fosters customer-centric initiatives, ensuring sustainable profitability and long-term value creation.

Natural Capital

We are committed to building a greener, more resilient financial ecosystem through green financing, responsible resource management, and climate action.

Manufactured Capital

Our vast branch network, digital banking ecosystem, and omni-channel platforms offer a convenient, secure and accessible banking experience anytime, anywhere.

Our Capitals

Six interconnected capitals shape our approach to value creation and define our unique approach to banking-one that is ***'open'*** to possibilities, partnerships, and progress

Human Capital

We invest in nurturing talent, fostering inclusivity, and empowering employees to build a future-ready workforce driven by collaboration, agility, and excellence.

Social & Relationship Capital

We foster financial inclusion, community engagement, meaningful partnerships, and strengthening trust with customers, investors, regulators, and society.

Intellectual Capital

From AI-powered banking to data-driven insights, we harness technology, automation, and intellectual expertise to enhance efficiency, security, and customer experience-staying ahead in the digital era.

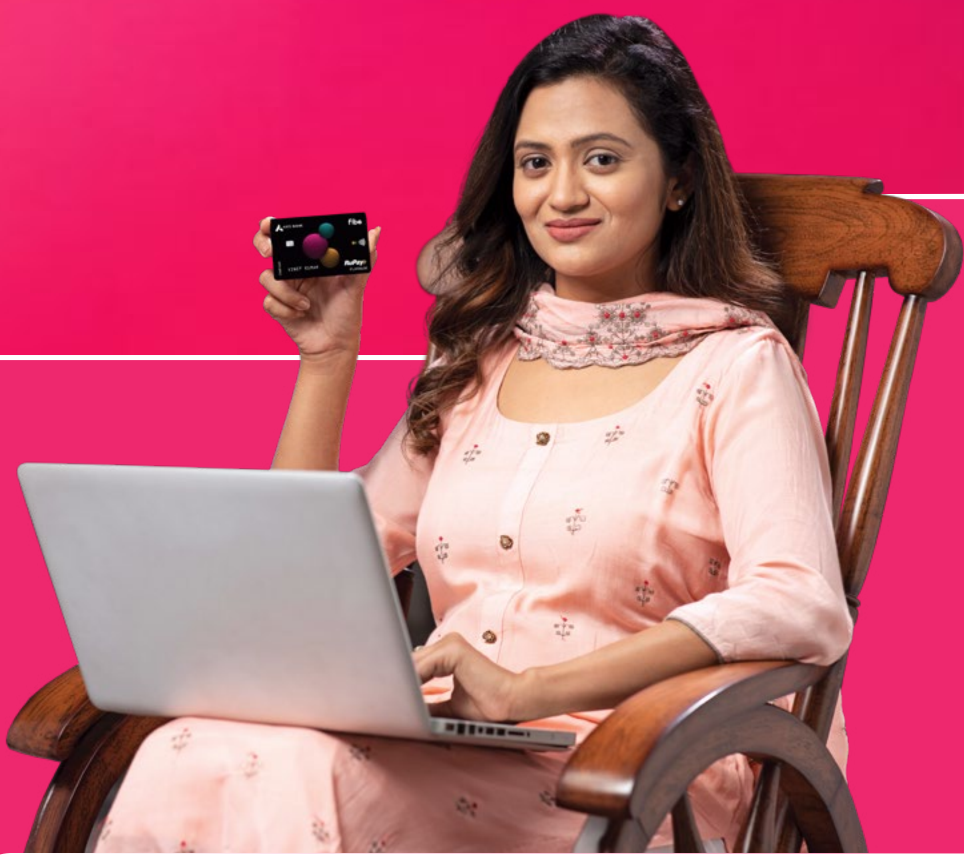
Our Stakeholders

- Shareholders & Investors
- Customers
- Employees
- Community & NGOs
- Regulators and Policymakers
- Industry and Peers
- Value Chain Partners
- Rating Agencies

Sustainable Development Goals (SDGs)

Welcome to Axis Bank

At Axis Bank, we combine our strong legacy with forward–thinking innovation to deliver meaningful banking experiences across a rapidly evolving India. Our mission is to be a customer–first, future–ready institution that builds financial resilience across society. With a strong presence across retail, corporate, rural and international banking, we aim to transform lives, power entrepreneurship, and advance inclusive growth. Our values — Customer Centricity, Ethics, Ownership, Transparency, and Teamwork — shape every interaction and decision.



ABOUT AXIS BANK

Opening the path to collective progress

The Bank is committed to delivering open, inclusive and future–ready banking. Our diversified and integrated model combines financial strength, innovation and trust to empower every stakeholder on the path to progress. As 'One Axis', we serve our customers across India, guided by a singular purpose – to serve every need on every path, with sincerity and intent.

Vision

To be the preferred financial services provider excelling in customer service delivery through insight, empowered employees, and smart use of technology

Purpose

Banking that leads to a more inclusive and equitable economy, a thriving community, and a healthier planet

Mission

To be the preferred financial solutions provider across the country, delivering customer delight by:

- Providing innovative and intuitive banking solutions
- A combination of organisational agility, digital capabilities and physical reach
- Adopting sustainable banking practices, particularly around ESG and climate change

Backed by 5 values


Customer Centricity


Ethics


Transparency


Teamwork


Ownership

Integrated Business Lines

- Retail Banking
- Wholesale and Commercial Banking
- Offerings through 'One Axis'

Our Purpose Drives our Actions

1

We leverage our digital leadership to serve the unbanked and underbanked population in the country, helping them enter the formal financial mainstream

2

We continue to create platforms for mutual growth, which give us constant support from our value chain partners

3

We have committed to significant investments in sectors that create positive environmental and social impacts

4

We aim to improve the socio-economic condition and wellbeing for communities across India, and help create new, often unprecedented opportunities for economic progress for them

5

We strive to create an inclusive and diverse work environment that promotes the overall wellbeing of our employees while providing them opportunities to grow professionally

Sustainability is deeply ingrained in our organisational philosophy as we move forward in the three core areas of our GPS strategy.

Core Areas of our GPS Strategy

Deepening a Performance-driven Culture

- Advancing the growth trajectory of business segments
- Improving profitability metrics
- Fostering a winning mindset

Building for the Future

- Digital continues to be an area of relentless focus
- Bank-wide programs to build distinctiveness
- ESG has Bank-wide sponsorship

Strengthening the Core

- Building a strong balance sheet
- Building next generation technology architecture
- Organisation-wide transformation projects to accelerate our GPS journey

Integrated Business Lines

Axis Bank's integrated business lines offer a comprehensive suite of customised financial solutions to individuals, businesses, and institutions across India. This unified approach leverages digital innovation, domain expertise, and a strong physical presence to holistically serve customers through every stage of their financial journey.

Retail Banking

Our retail banking franchise continues to deepen its connection with individuals, small businesses, and Bharat Banking customers by offering a broad spectrum of personalised solutions through digital banking and a robust physical network across India.

Products and Services

- Savings and term deposits
- Credit and debit cards
- Retail loans
- Bill payment and forex services
- Wealth management
- Third-party distribution: Insurance, mutual funds, government bonds

Y-o-Y Performance Highlights

8% ▲
Retail term deposits

7% ▲
Retail loan book

16% ▲
Burgundy Private AUM*

Read more pg. 96

*Includes deposits and assets under advice

Wholesale and Commercial Banking

We continue to serve Indian corporates and MSMEs by leveraging our domain expertise, transaction banking capabilities, and commitment to digital innovation.
Our relationship–led model is built to deliver customised financial solutions at every stage of business growth.

Products and Services

- Corporate and SME loans
- Term deposits and Payments
- Trade finance, Letters of Credit, and Guarantees
- Foreign exchange and Derivatives
- Cash Management services
- Commercial Cards

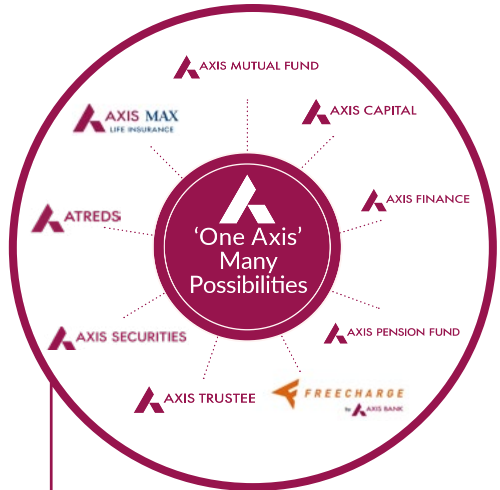
Y-o-Y Performance Highlights

8% ▲
Corporate Loans

10% ▲
Mid–Corporate loan book

14% ▲
SME loan book

Read more pg. 104



Offerings through 'One Axis'

'One Axis' brings together our full range of offerings across our business segments and subsidiaries, delivering comprehensive and seamless financial solutions. This integrated approach allows us to serve customers holistically — across life stages, business needs, and aspirations.

Products and Services

- Investments and broking
- Asset management and insurance
- MSME digital invoice discounting platform
- Trustee services and payments

Performance Highlights

₹3,812 crores
Total investment in subsidiaries (as on March 31, 2025)

₹10,650 crores
Combined net worth of domestic subsidiaries (28% y–o–y growth as on March 31, 2025)

₹1,768 crores
Combined PAT of operating subsidiaries (11% y–o–y growth for fiscal 2025)

Read more pg. 108

CHAIRMAN'S STATEMENT

Promoting enduring value for our stakeholders

N. S. Vishwanathan
Independent Director and
Part-time Chairman

Dear Shareholders,

It is with great pride and optimism that I present to you Axis Bank's Integrated Annual Report for the financial year 2024-25. This year has been a year of steady progress, thoughtful transformation, and continued focus on building a resilient and future-ready institution. Underpinning our journey has been a strong commitment to sound governance and robust compliance frameworks-ensuring that our growth is not only sustainable but also responsible.

The global economy is in flux as the U.S. undertakes structural shifts in trade, taxation, and regulation to address domestic imbalances. According to the IMF, the global economy appears to be entering a period of transition, as the long-standing economic framework of the past 80 years undergoes a reset. A key element has been the imposition of tariffs, particularly targeting China, which has disrupted global supply chains and increased costs. While some tariffs have been partially rolled back, uncertainty around future trade rules continues to delay investments and tighten financial conditions. Currency volatility and geopolitical tensions further weigh on global growth. Reflecting this uncertainty, the IMF has revised its global growth forecast for 2025 downward by 0.5% to 2.8%. However, coordinated fiscal action in Europe and China, or resolution of major conflicts, could help restore confidence and economic momentum.

India's moderated growth in fiscal 2025 reflected a period of prudent fiscal and monetary consolidation. With the temporary effects of election-related spending pauses now behind us and a more measured fiscal easing anticipated in fiscal 2026, government expenditure is poised to return to a more normalised and growth-supportive trajectory, setting the stage for a renewed momentum. On the monetary front, recent RBI actions—CRR cuts, bond purchases, and liquidity easing—are restoring credit flow and supporting growth. Inflation below 4% has shifted policy focus squarely to expansion. India remains resilient to global shocks, with strong services exports, rising competitiveness in manufacturing, and gains from the "China + 1" strategy. These structural strengths position India for a robust and broad-based economic rebound.

We delivered a consolidated RoA of 1.77% and RoE of 16.89% in fiscal 2025 and our focus on high RAROC businesses continues to drive healthy growth across our focus segment of Small Business Banking, SME, and Mid-Corporate, growing 14% y-o-y and now forming ~23% of our loan book, up ~740 bps in four years. Our balance sheet remains strong, backed by best-in-class asset quality metrics with net NPA at 0.33% and ₹11,957 crores in non-NPA provisions. With a CET-1 ratio of 14.67%, up 93 bps y-o-y largely through organic accretion, we are well-capitalised to invest in future growth. Prudent risk management, disciplined execution, and strong internal accruals continue to position us well to deliver, high-quality performance.

Our customer obsession program, Sparsh 2.0 is a bold step forward-seamlessly connecting our people-first initiatives to elevate customer experiences, driving stronger Net Promoter Score, and unlocking meaningful business growth through empathy and excellence.

We're proud to share that Axis Bank has once again been rated in the top-tier "Leadership" category in the Indian Corporate Governance Scorecard (December 2024) by IiAS. This recognition reflects our unwavering commitment to corporate governance and regulatory excellence. The evaluation, based on globally benchmarked G20/OECD principles, reaffirms our industry leadership and dedication to the highest standards of accountability and transparency.

At Axis Bank, our philosophy is anchored in sustainable growth and creating long-term value for our customers and stakeholders. In recent years, we have made substantial strides in reinforcing our governance architecture and strengthened over risk, audit, and compliance functions. Our steadfast commitment to excellence in corporate governance is reflected in the rigorous standards we uphold and the comprehensive policies we implement across every dimension of our operations.

At Axis Bank, ESG is deeply embedded in our strategic vision, with dedicated structures driving focused action. In 2021, we became the first Indian bank to establish a standalone Board-level ESG Committee, aligning diverse priorities under a unified ESG agenda. This Committee met four times in fiscal 2025, reviewing progress and guiding new initiatives. Our ESG commitments are aligned with the UN Sustainable Development Goals and India's Paris Agreement commitments. We exceeded our ₹30,000 crores sustainable wholesale lending target well ahead of the 2026 deadline, consequently, we raised our target to ₹60,000 crores by 2030, with ₹48,412 crores already achieved by March 31, 2025. We continue to maintain an exposure to coal and thermal power well within our glide path limits. Additionally, as part of our commitment to achieving 30% women representation in our workforce by fiscal 2027, we are actively scaling up diverse hiring across all businesses and support functions, while launching innovative initiatives that truly reflect our organisational values.

As a responsible corporate citizen, we continue to drive meaningful impact through our CSR arm, Axis Bank Foundation (ABF), and strategic partnerships. Since 2018, ABF has been relentlessly driving 'Mission 2 Million' to uplift 2 million households across India. By fiscal 2025, ABF not only met but surpassed this goal—impacting ~2.05 million participants across 300 districts in 32 states and union territories as of March 31, 2025. In this fiscal alone, we reached ~0.39 million participants nationwide. Moreover, we amplified our impact in the Education theme—expanding Axis DilSe® to new remote frontiers, forging powerful partnerships to strengthen education systems, and backing cutting-edge research and innovation.

Each achievement is a step toward a greater vision—one where opportunity, equity, and sustainability are accessible to all. The Bank's journey is far from over, and its commitment to creating lasting impact has never been stronger. Guided by the ***'open'*** philosophy, we will continue to push boundaries, scale impact, and build a future where inclusive growth and sustainability go hand in hand.

As we look ahead, I would like to take a moment to acknowledge Mr. Rajiv Anand, who will be retiring in August 2025 after an exceptional 16-year journey with Axis Group. His visionary leadership has been instrumental in shaping our digital and innovative solutions-led franchise. We thank him for his invaluable contributions and lasting impact on the Bank's growth and culture.

Warm regards,

N. S. Vishwanathan

Independent Director and
Part-time Chairman

STRATEGIC PILLARS

Anchored to a sound strategic framework

Our strategic pillars serve as the foundation for sustained growth, innovation, and stakeholder value creation. Anchored in customer centricity and digital excellence, they guide our journey towards building a stronger, future–ready institution.

S1

‘One Axis’ in Action

‘One Axis’ in Action
pg. 108

At the core of our distinctiveness lies the ‘One Axis’ ecosystem — a unified platform serving diverse business needs. By integrating products and expertise across segments, we deliver tailored, innovative solutions that enhance customer experience. This collective strength drives purposeful growth, deepens relationships, and contributes to broader economic progress.

S2

Redefining Banking in the Digital–first Era

Linked to ‘Banking in the Digital-first Era’ section in Customer segment in *‘Har raah dil se open’* – Stakeholder–based Value Creation
pg. 126

Our digital–first approach, led by innovations like ***‘open’*** and ‘***neo***’, is reshaping banking into a seamless, customer–centric experience. From instant onboarding to intuitive lending, we are driving strong digital engagement through continuous innovation and convenience. Multilingual and WhatsApp banking features extend our reach, making banking more inclusive, accessible, and boundaryless.

S3

Enabling Access, Driving Inclusion

Linked to Bharat Banking in Customer segment *'Har raah dil se open'* – Stakeholder-based Value Creation
pg. 130

Bharat Banking is central to our strategy of empowering rural and semi-urban India through tailored financial solutions. By expanding our reach, building strategic alliances, and leveraging digital innovations, we are making banking more accessible and impactful. With a strong focus on risk management and sustainable growth, we are driving financial inclusion and supporting broader socio-economic progress.

S4

Partnering in Nation-building

Linked to For Partners – Government
pg. 160

We further our commitment to nation-building through strategic partnerships with government bodies at all levels. By strengthening public finance, infrastructure, and service delivery, we enable seamless tax collections, Direct Benefit Transfers, Smart City initiatives, and Digital Agriculture solutions. The Bank's work across healthcare, education, transport, and social welfare activities drives efficient, transparent, and citizen-focused governance that supports India's long-term growth and transformation.

S5

Making a Difference to the Life of Every Stakeholder

Linked to Customer, Employees, Investors, Communities in *'Har raah dil se open'* – Stakeholder-based Value Creation
pgs. 120-163

We are guided by a purpose to build thriving communities by addressing the needs of all stakeholders — customers, employees, investors, partners, and society at large. With a focus on customer wellbeing, employee growth, inclusive culture, and sustainable value creation, we foster trust, innovation, and long-term relationships. By aligning our efforts with stakeholder interests, we aim to create a resilient, collaborative ecosystem that drives collective progress and shared prosperity.

S6

Embracing the Green Way

Linked to Environment segment *'Har raah dil se open'* – Stakeholder-based Value Creation
pg. 164

Our commitment to sustainable banking has positioned us as a catalyst for environmental welfare within the sector and beyond. By embedding green practices — from energy procurement and emissions monitoring to eco-friendly infrastructure — we drive meaningful impact and reduce our footprint. Through bold initiatives like Mission 2 Million (now upgraded to planting 8 million trees by 2030) Trees and innovative conservation efforts, we are setting new benchmarks in corporate sustainability and advancing our ESG goals.

ADVANCING OUR ESG AGENDA

Our action plan for a greener tomorrow

At Axis Bank, value creation is rooted in sustainable growth that benefits all stakeholders. Guided by our openness to dialogue, our responsibility, and the impact we create, our ESG strategy is anchored in strong governance and shaped by stakeholder priorities.

Material Issues Linkage

M2 M8 M10

Capital Linkage

SDGs Impacted

As a responsible financial institution, we recognise the urgency of climate action and are committed to being part of the solution. Our climate action plan is future-focused — aimed at reducing risk, enabling green growth, and building long-term resilience across our operations.

In fiscal 2025, we deepened this commitment by actively contributing to national and global climate and development goals, aligning our actions with the UN SDGs and India's Paris Agreement commitments as outlined in the updated Nationally Determined Contributions (NDCs). Under the guidance of our ESG Committee, we continued to channel capital towards promoting inclusive growth while accelerating the transition to a low-carbon and climate-resilient economy.

Our ESG-aligned Commitments

Introduced in 2021, our ESG-aligned commitments are central to how we do business today. We actively design financial solutions that serve the dual purpose of enabling growth and driving impact. Whether through sustainable financing, inclusive banking, or climate-aligned products, we continuously adapt to meet stakeholder interests, regulatory imperatives, and global sustainability standards. Regular updates to our Board's ESG Committee ensure sustained oversight and accountability as we work towards a greener, fairer future.

Key Issues Addressed by the Bank's Climate Action Plan

- Expanding environmental and social risk assessment of our overall portfolio
- Scaling up climate risk assessment at the enterprise level through climate stress testing and scenario analysis
- Reducing our operational carbon footprint
- Scaling up our environmental initiatives under CSR, supporting climate adaptation, mitigation, and resilience
- Scaling up our lending to positive impact sectors (Wholesale & Retail)
- Scaling down our exposure to carbon-intensive sectors

Progress to ESG-aligned goals

Our Commitment	Unit	Capital Impacted	Progress as of March 2023	Progress as of March 2024	Progress as of March 2025
Incremental financing of ₹30,000 crores under Wholesale Banking to sectors with positive social and environmental outcomes by fiscal 2026	Cumulative Exposure		₹20,400 crores	₹30,409 crores (Target achieved)	✓
Incremental financing of ₹60,000 crores under Wholesale Banking to sectors with positive social and environmental outcomes, by fiscal 2030 from fiscal 2021	Cumulative Exposure		Not Applicable	Not Applicable	₹48,412 Cr. (Sanctioned)
Making 5% of our Retail Two-wheeler (2W) loan portfolio electric by fiscal 2024	EV% as a share of the TW loan portfolio		2.52%	3.62%	✓
Increasing share of electric vehicle revenue (₹) in Two-wheeler loan portfolio – 6% by fiscal 2027** Increasing share of electric vehicle revenue (₹) in Four-wheeler (4W) passenger loan portfolio – 4% by fiscal 2027**	Penetration in financial year		Not Applicable	Not Applicable	7.14% penetration for two-wheeler 2.92% penetration for four-wheeler
Scaling down exposure to carbon-intensive sectors, including coal and thermal power	Progress on Glide Path		Exposure below fiscal 2023 targeted cap	Exposure below fiscal 2024 targeted cap	Exposure below fiscal 2025 targeted cap
Reaching 30% women's representation in our workforce by fiscal 2027	Overall diversity ratio		25.7%	25.0%	27.7%
Planting 2 million trees by fiscal 2027 across India as part of our contribution to creating a carbon sink#	Saplings planted		~0.83 million saplings planted	~1.33 million saplings planted	~3.27 million trees planted (including target of 2 million tree plantations, Miyawaki plantations and other tree plantation programs) (Target achieved)

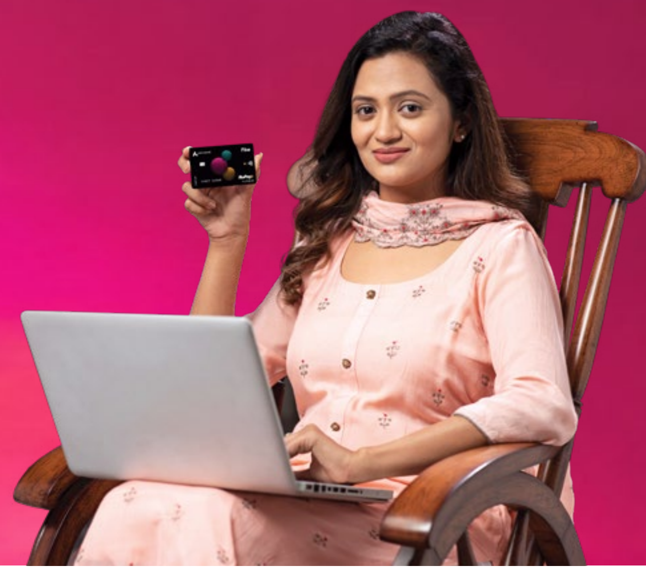
Represents new commitments made during the year

** Penetration target for each fiscal year in 4W and 2W segments respectively

Target of planting 2 million trees has been upgraded during March 2025 to planting 8 million trees by 2030

PRESENCE

Facilitating banking, anytime, anywhere



Our extensive network of branches and ATMs spans India's metros to its distant corners. Through a calibrated expansion strategy and strong presence in rural and semi–urban India, we continue to serve individuals, MSMEs, farmers, corporates and entrepreneurs with customised, locally relevant financial solutions.

Physical Reach

Our branch network spans 5,879 locations and 3,194 cities, strategically covering urban, rural and semi–urban (RuSu) India. In fiscal 2025, we added 500 new branches. This calibrated expansion supports our Bharat Banking strategy, with RuSu branches operating on an asset–led liability model and Platinum branches serving Small Banking Business (SBB) customers.

Internationally, our offices in Singapore, Dubai (DIFC) and GIFT City, along with representative offices in the UAE (Abu Dhabi, Dubai and Sharjah) and Bangladesh (Dhaka), enable us to serve global Indian businesses and NRIs with seamless, borderless banking. We continue to bring banking closer to communities, businesses, and aspirations–across India and beyond.

Scale

5,879

Domestic branches including extension counters and 3 digital banking units

(previous year: 5,380)

152

Specialised branches

13,941

ATMs and cash deposit/ withdrawal machines

234

Business correspondence banking outlets

Reach

3,194

Cities served

(previous year: 2,963)

692

Districts covered

89%

Districts in India covered by the Bank's branch and correspondent network

Material Issues Linkage

M6 M7 M9

Capital Linkage

SDGs Impacted

Branch Profile

Region-wise Distribution

30%	23%	29%	18%
Metro	Urban	Semi-urban	Rural

Geography-wise Distribution

33%	23%	21%	23%
North	South	East	West

Designed for India

- **RuSu branches:** Asset-light models to serve bottomless rural India
- **Platinum branches:** Focused on Small Banking Business (SBB) customers
- **Inclusive infrastructure:** Tailored for older people, women, and customers with disabilities

Digital Banking

Our digital banking ecosystem delivers real-time, seamless, and secure financial experiences to millions. With significant investments in technology and innovation, we are bringing end-to-end banking solutions to customers' fingertips-reducing turnaround time and enhancing efficiency for both individuals and businesses.

~3 crores
Registered customer base for mobile banking

71%
Mobile banking customers banking only on mobile application

~15 million
Non Axis Bank customers using Axis Mobile & Axis Pay apps

4.8
Rating of mobile application on Apple app store

250+
DIY services available on the mobile application

4.7
Rating of mobile application on Google play store

₹25.7 trillion
Mobile banking spends
↑ 20% y-o-y

8.7 billion
Mobile banking transactions
↑ 36% y-o-y

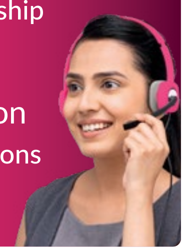
Phygital Engagement

Our virtual engagement channels make banking personalised, proactive, and frictionless, bridging online ease with human empathy. We have made it our mission to remain ***'open'*** through physical branches and every screen, tap and conversation.

8
Axis Virtual Centres (AVCs) nationwide

1,700
Virtual Relationship Managers

~106 million
Aha! Conversations in fiscal 2025



WhatsApp Banking

₹191 crores
Fixed deposits booked via WhatsApp in fiscal 2025

40
Product journeys now entirely digitised

With over 30 million registered users, WhatsApp has become a key touchpoint in our digital journey. Fully integrated with Axis Aha! Our chatbot platform supports fixed deposit bookings, card services, loan requests; Real-time transactions and balance checks; Smart Frequently Asked Questions (FAQ) handling powered by Artificial Intelligence (AI).

MILESTONES

Moments that shaped our journey

Our story is inextricably linked to India's transformation. From our early beginnings, when we began operations as UTI Bank Ltd. in April 1994—among the first private sector banks set up under the 1993 RBI guidelines, issued in line with the government's policy on financial sector reforms—to becoming one of the country's largest private banks, our journey reflects a spirit of resilience, innovation, and openness.

1990s

1994
Incorporated as UTI Bank

1995
First branch in Ahmedabad inaugurated by Dr. Manmohan Singh, Union Finance Minister

1997
Deposits cross ₹1,000 crores

1999
» Oversubscribed IPO; over 1 lakh retail investors

» Launched website: www.utibank.com

2000s

2002
Crossed 100 branches

2003
Launched 'Corporate iConnect', an internet banking facility for corporate customers

2004
7,000+ ATM access enabled via shared networks

2005
Listed on London Stock Exchange, raised $257.03 million through Global Depositary Receipts (GDRs)

2008
Renamed as Axis Bank

2020s

A Decade of Acceleration

The Bank redefined scale, inclusion, and innovation in this decade. From strategic acquisitions to ESG–first bonds, every step reflects our commitment to *'Har raah dil se open'*.

2020

Raised ₹12,500 crores via one of the largest private QIPs

2021

Strategic partnership with Max Life Insurance

2022

- Announced #ComeAsYouAre, a charter of policies for employees and customers from the LGBTQIA+ community
- Raised $600 million through India's first ESG–compliant Sustainable AT1 Bond

2023

Completed acquisition of Citibank India's Consumer Business

2024

- Celebrated the opening of our 5,000th branch in Ahmedabad
- The 4th largest credit card issuer in India

2025

Migration of 2 million+ Citibank India consumers to Axis Bank systems

Axis Bank unveils *'Har raah dil se open'* showcasing the power of 100k+ *dil se open* bankers

2010s

2010

Shikha Sharma was appointed MD & CEO

2011

- Acquired Enam Securities' investment banking and equity capital market business
- Launched online trading platform, Axis Direct

2013

Opened 10,000th ATM

2015

First all–women branch in Patna

2017

Issued Asia's first certified Green Bond ($500 mn)

2018

Opened IFSC Banking Unit at GIFT City

2019

Amitabh Chaudhry appointed MD & CEO

The years in the milestone section represent the respective financial year ending on March 31

OWNERSHIP STRUCTURE

A resilient foundation laid with trust

Our well-balanced ownership structure and strategic business mix set us apart. Through our subsidiaries, platforms, and partnerships, we cater to the financial needs of our diverse customer base.

Our ownership structure exhibits the trust of Institutional investors, mutual funds, retail, and domestic Institutional shareholders. This broad-based shareholding enables independent governance and sustained value creation while upholding the highest standards of transparency and stewardship.

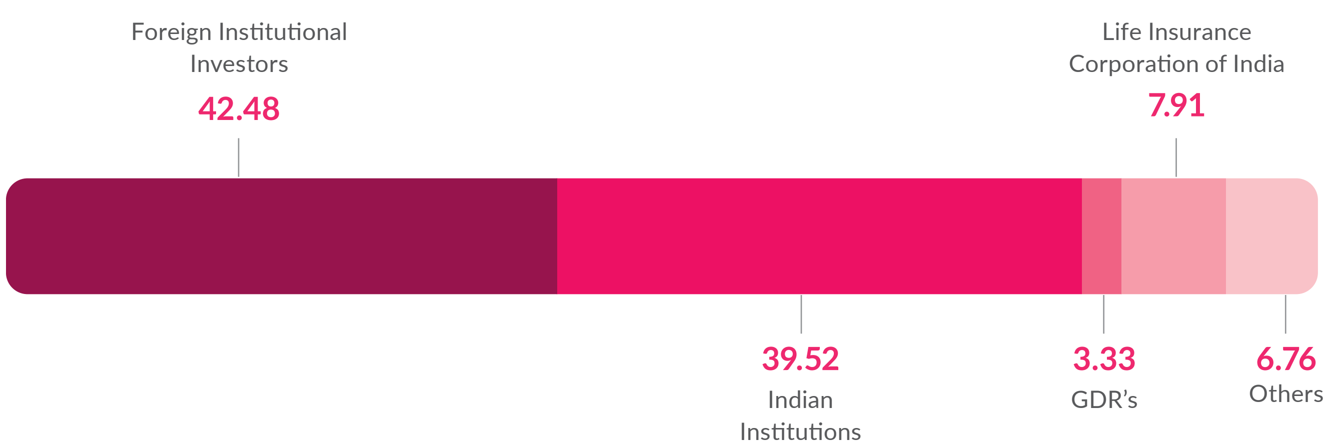
Our subsidiaries operate as strong strategic levers, enabling us to provide a comprehensive suite of services across lending, wealth management, investments, insurance, and digital distribution.

Under the 'One Axis' approach, we deliver an integrated customer experience across the financial lifecycle. The Bank and its subsidiaries collaborate seamlessly to cross-leverage their strengths, offering bundled solutions from banking to equity broking, mutual funds, insurance, advisory services, and corporate financing.

As of March 31, 2025, the Bank's total paid-up equity share capital stood at ₹619.47 crores, comprising ₹309.74 crores fully paid equity shares of ₹2 each.

Shareholding Pattern (As on March 31, 2025)

(%)



'One Axis' Ecosystem

The Bank's subsidiary portfolio reflects the strength of our universal banking model. It offers diversified financial solutions catering to the entire customer spectrum, from large corporations and MSMEs to retail investors and deposit holders. Each subsidiary plays a specialised role while remaining strategically aligned to the 'One Axis' philosophy.

Strategic Synergies under 'One Axis'

Cross-sell across the Bank's 5,000+ branches and digital channels	Integrated offerings spanning investments, protection, lending, and advisory
End-to-end journeys enabled through API integrations and common CRM platforms	Focus on profitability, customer stickiness, and product bouquet deepening

Ownership of Key Subsidiaries and Associate (as on March 31, 2025)

Subsidiary/Associate	Axis Bank Holding (%)	Core Business Segment	Fiscal 2025 Highlights	Market Positioning
Axis Finance Ltd.	100%	Consumer-focused Non-Banking Finance (NBFC)	₹676 crores PAT; ↑ 11% y-o-y	AAA rated NBFC with diversified product offerings
Axis Securities Ltd.	100%	Retail Brokerage	₹419 crores PAT; ↑ 39% y-o-y	3rd largest bank-led brokerage firm
Axis Capital Ltd.	100%	Investment Banking	₹161 crores PAT; ↑ 7% y-o-y	Leadership position in ECM deals segment
Axis Asset Management Company Ltd.	75%	Mutual Fund & PMS	₹501 crores PAT; ↑ 21% y-o-y	One of the fastest growing MF player
Axis Trustee Services Ltd.	100%	Trustee Services	Assets under custody at ₹47,447 billion ↑ 22% y-o-y	Amongst the leading trustees in India
Axis Max Life Insurance Ltd. (Associate)	19.02%[1]	Life Insurance	~₹79.06 crores share of PAT	4th largest private insurance company
Axis Pension Fund Management Ltd.	47%[2]	Assets Management	↑ 303% y-o-y Registered AUM against industry ↑ 51% y-o-y	Leading Pension Fund
Freecharge Payment Technologies Private Ltd.	100%	Fintech Platform	Freecharge Payment Gateway (FCPG) GMV ↑ 108% y-o-y	One of the major fintech players in India
A.TReDS Ltd.	67%	TReDS (discounting) Platform	14 lakh+ Invoices discounted	Leading player on TReDs platform

1. Position as on March 31, 2025 and including stakes owned by Axis Capital and Axis Securities
2. Effective stake held by Axis Group in step down subsidiary
Above are figures as on/for year ended March 31, 2025 unless otherwise mentioned

OPERATING LANDSCAPE

Staying ahead in a dynamically evolving environment

The Bank operates in a dynamic business environment, competing with large private and public sector banks, nimble digital challengers, and non-banking financial institutions. We remain differentiated through scale, discipline, and purpose-led innovation in this fast-moving ecosystem.

With a diversified model, strong capital base, and deep digital integration, we continue to grow responsibly, strengthen profitability, and deepen customer engagement.

Positioned for Progress in a Dynamic Environment

Global Economic Backdrop

Fiscal 2025 unfolded against a backdrop of subdued global momentum. Advanced economies grappled with persistent inflation, high interest rates, and tight liquidity, prompting cautious capital deployment and slower credit expansion. The swift escalation of trade tensions and extremely high levels of policy uncertainty are expected to have a significant impact on global economic activity, posing new headwinds for global growth and inflation. Global growth is projected to drop to 3% in 2026, financial markets remain sensitive to geopolitical tensions, supply chain disruptions, and diverging monetary policies.

Indian Economy & Banking Sector

Unlike global trends, India remained a bright spot with estimated GDP growth of 6.5% in fiscal 2026. Sustained demand from rural areas, an anticipated revival in urban consumption, expected recovery of fixed capital formation supported by increased government capital expenditure, higher capacity utilisation, and healthy balance sheets of corporates and banks are expected to support growth. Domestic consumption, infrastructure-led investments, and financial formalisation continued to fuel banking sector growth, particularly in retail, secured lending, and MSMEs. Simultaneously, competition intensified, driven by a maturing fintech ecosystem, NBFC innovations, and digital-first challenger models. UPI volumes, AI-enabled credit, and embedded finance redefine how services are delivered and consumed.

Regulatory Landscape

Fiscal 2025 marked a significant regulatory pivot toward risk sensitivity, digital integrity, and sustainability. The RBI tightened norms on unsecured lending, enhanced supervision of digital journeys, and released draft frameworks on climate-related financial disclosures. Concurrently, SEBI mandated BRSR Core assurance, and the Digital Personal Data Protection (DPDP) Act was enacted to strengthen data privacy rights. Regulatory bodies are now setting the tone for integrated, forward-looking governance.

The Bank's Strategic Positioning

The Bank remains strongly positioned to navigate this evolving environment. With a well-diversified credit portfolio, robust liability engine, and 96%+ digital transaction penetration, the Bank is focused on delivering sustainable, risk-aware growth. Through the 'One Axis' ecosystem, the Bank integrates banking with insurance, investments, broking, and capital markets, serving customers across geographies and segments. Our calibrated approach to compliance, technology, and customer-centricity keeps opportunities open for us across every economic cycle.

What's Reshaping Indian Banking

Trend	What's Changing	Strategic Implication
Formal Credit Expansion	MSMEs, secured retail loans, and housing finance drive credit growth amid policy support and demand revival.	We continue to expand our focus segments with calibrated growth in secured lending and deeper penetration in semi-urban and rural markets.
Deposit Mobilisation Pressure	Tight liquidity and elevated rates have intensified competition for granular deposits.	We have improved the granularisation in our deposit book and the quality of LCR deposits through targeted acquisitions, product launches, salary credits, and CASA deepening across Bharat branches.
Regulatory Tightening	RBI and SEBI introduced new frameworks on unsecured lending, ESG disclosures (BRSR Core), and data protection (DPDP Act).	We have proactively enhanced governance, upgraded risk models, and embedded compliance-by-design across digital and ESG processes.
Digital-first Consumer Behaviour	UPI, mobile onboarding, and API ecosystems are now the default channels for financial engagement.	With 96%+ digital transactions and GenAI-powered tools like Adi, ***neo*** and '*Siddhi*' we continue to lead in delivering intuitive, secure, and intelligent customer journeys.
Climate and Sustainability Integration	Climate risk is becoming integral to credit assessment and disclosure mandates.	Through Sustainable bonds, lending to ESG positive sectors, and an in-house ESG Rating model for borrower-level risk review, we are future-proofing our portfolio with responsibility.
Rise of AI and Embedded Finance	GenAI, credit scoring algorithms, and open architecture reshape product delivery and underwriting.	We are building an open, API-led, AI-enabled ecosystem—integrating our offerings into platforms, partners, and everyday financial flows.

Competitive Advantages as on/for the year ended March 31, 2025

Metric	Axis Bank	Our Competitive Positioning Commentary
Total Assets	₹16.10 lakh crores	3rd largest private bank in India
Net Advances	8% y-o-y	Balanced growth with stable asset quality
Retail Loan	7% y-o-y	60% share of book
CASA Ratio	41%	Among the best-in-class across peer private sector banks
NIM	3.98%	Sustained margins driven by better mix
Net NPA	0.33%	Among the lowest across peer banks
Consolidated ROE	16.89%	Competitive profitability
Credit Cards CIF	~14% market share	4th largest issuer
UPI Payer PSP Share	~33%	Strong position
POS Acquiring	2nd rank	Market share in POS terminals - ~20%; Leader in Android SmartPOS

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

What Differentiates Us

The Bank's competitive strength lies in its ability to blend scale with service, technology with trust, and strategy with social consciousness. In a market that is crowded with financial choices, we stand apart for our openness to possibilities, partnerships, and progress.

Ecosystem Partnerships that Unlock New Frontiers

We co-create digital journeys with some of India's most trusted names, including Flipkart, Airtel, Indian Oil and CSCs, embedding the Bank into the daily lives of individuals, entrepreneurs, and communities. Our open architecture, API stack, and fintech collaborations keep us ahead in embedded banking.

Deeper Financial Inclusion through Bharat Outreach

Our calibrated RuSu strategy has expanded the Bank's footprint into India's hinterlands. With over 2,736 Bharat Banking branches, 28,000+ CSC entrepreneurs, and a strong network of Business Correspondents, we enable access to formal finance where it matters most.

Digital Intelligence that Empowers People

Our technology is designed to transact and transform. Platforms like 'Adi' (a GenAI chatbot for employees), '***neo***' (a GenAI-powered corporate banking tool), and digital transaction adoption are helping us scale personalised, frictionless, and future-ready banking.

A Risk-Aware, Responsible Approach to Growth

We lead with integrity, backed by robust governance, Board-level risk oversight, and an enterprise-wide compliance culture. Understanding and implementing measures to mitigate macroeconomic, regulatory, and customer-level risks drives our business growth.

'One Axis', a Unified Financial Services Platform

With 100% or majority ownership in subsidiaries spanning NBFC lending, broking, investment banking, AMC, and insurance, our 'One Axis' model offers seamless, full-spectrum financial solutions from wealth to working capital and coverage credit.

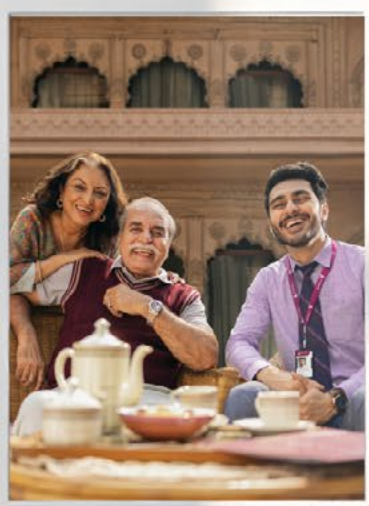

This
REPUBLIC DAY
let's celebrate the power of
Devanagari.

Building the most loved brand

Har raah **dil se open**

Agri Loans

neo for Business



Fixed Deposits

Axis Bank's commitment to being warm, open, positive, caring, and empathetic has become our key differentiator. Our campaign, '***Har raah dil se open***', celebrates over 100,000 dedicated employees who drive consumer satisfaction and delight. Through five compelling films, we showcased the unseen efforts of our employees in supporting the dreams and aspirations of diverse customer segments: salaried individuals, senior citizens, start-ups, corporates, HNIs, and customers from rural and semi-urban India. This campaign truly highlights the heart and soul of Axis Bank.

Burgundy

Suvidha Salary A/C

Dil Se Open Celebrations

This year at Axis Bank, we celebrated the festive season across regions, embracing the unique traditions of Ganesh Utsav, Onam, Navratri, and Diwali. Building on the insight that festival-inspired goodness fades away once festivities end, we launched our campaign #AchhaiKabhiRukniNahiChahiye to encourage customers to carry this spirit into everyday life, positioning our credit card not just as a celebration tool but as an enabler of everyday goodness.

Achh.ai

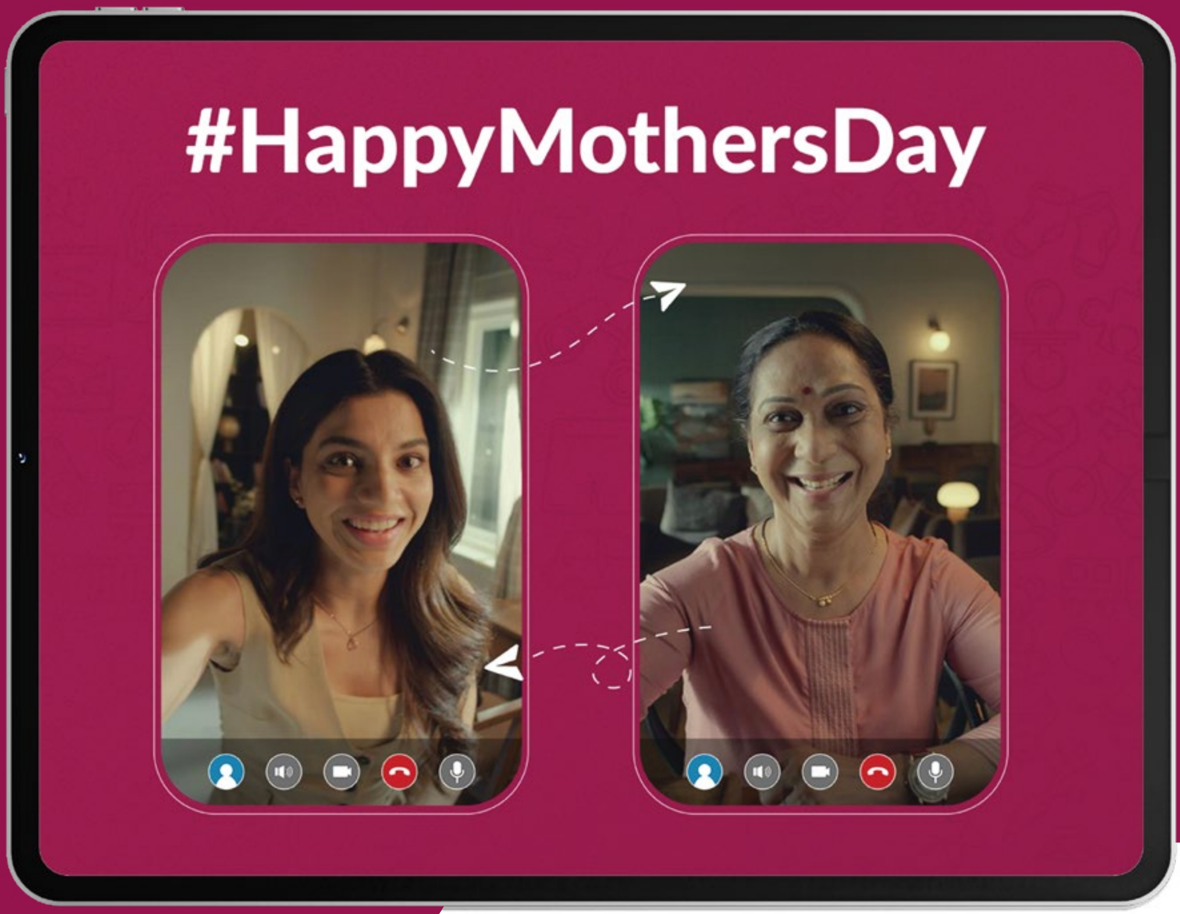
This festive season, we introduced ACHH.AI–a first-of-its-kind platform designed to make celebrations smarter, more rewarding, and truly meaningful. Harnessing the power of Generative AI, ACHH.AI brought consumers a curated selection of the best Axis Bank offers, revolutionising how they discover deals across shopping, travel, dining, and more. With a sleek, easy-to-use microsite, finding the perfect offer was just a click away. But ACHH.AI wasn't just about amazing deals — it also inspired thoughtful gifting and sustainable choices, reminding everyone that while celebrations may come and go, kindness and meaningful gestures leave a lasting impact.

Burgundy Private EXPERIENCES

Burgundy Private Experiences are a selection of exclusive money–can't–buy events crafted for the discerning Burgundy Private client. In fiscal 2025, we curated 18 events across 5+ cities, engaging over 1,200 clients. Aligned with the UHNI pillars of arts, culture, lifestyle, and insights, these experiences were created in collaboration with renowned partners such as BookMyShow, NMACC, MAP and ASIC, among others. These thoughtfully designed engagements have significantly deepened client relationships, further reinforcing Burgundy Private's standing as a leading name in the world of private banking.

Splash

Axis Bank SPLASH, an annual art competition for kids to unleash their creativity a imagination, received an overwhelming response from customers. The campaign, guided by our ***dil se open*** philosophy, embraced the theme of 'Gratitude' this year, encouraging young minds to appreciate positive influences in their lives.
The campaign achieved remarkable success with nearly 1 million registrations, engaging over 3,300 schools, 450 RWAs/Clubs, 500+ partner outlets and all our branches.

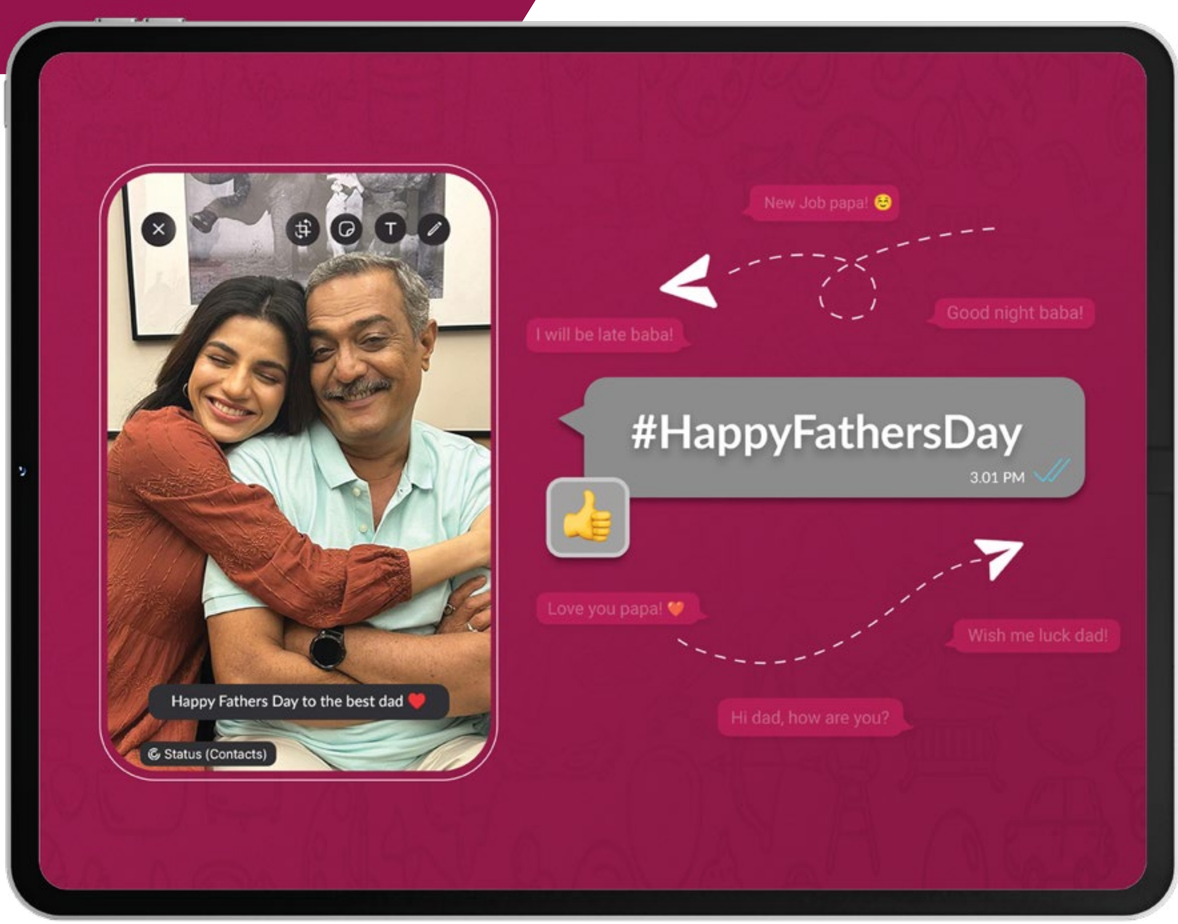


Mother’s Day

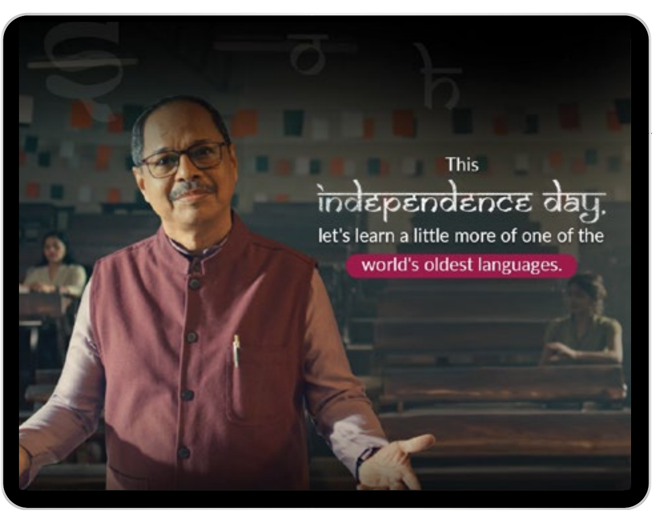
Our heartfelt campaign beautifully captured the tender emotion of a mother celebrating her daughter’s new job. It revealed how, even in a moment of personal joy, a mother’s thoughts instinctively turn to her child’s future. Through this simple yet powerful moment, we highlighted how a mother’s trust in Fixed Deposits is born from pure love and a deep desire to secure a safe and prosperous future for her child.

Father's Day

We launched a heartwarming campaign that brought to life a familiar, endearing quirk of fathers—the ever–present "thumbs up" in chat conversations. The narrative captured an emotional moment when a daughter's decision to invest in Fixed Deposits earned her father's silent yet powerful approval, expressed through a burst of heart emojis. Through this simple and relatable story, we highlighted the deep sense of trust, pride, and security that Fixed Deposits represent for Indian families.



Sanskrit Password

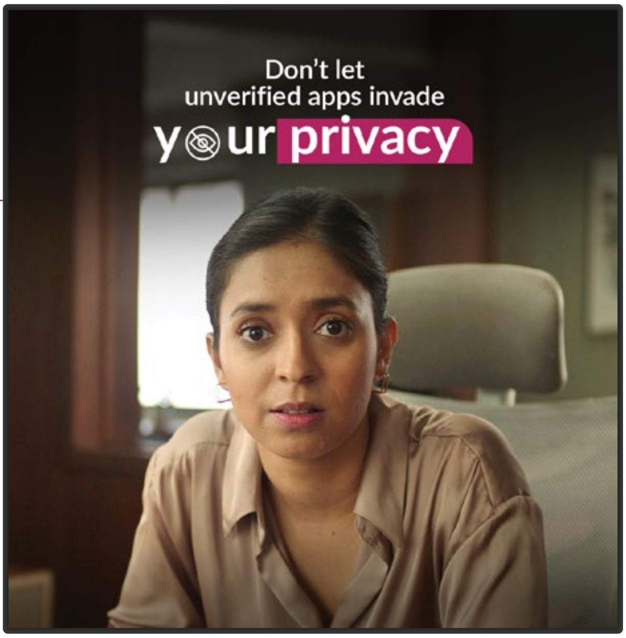


On Independence Day, we launched #SanskritPassword, a unique campaign that combined cyber security innovation with India's rich cultural legacy. Through sanskritpassword.com, we introduced a smarter and stronger password system that leverages the complexity and uniqueness of Sanskrit – one of the world's oldest and least commonly used languages today. By tapping into Sanskrit's grammatical richness and unfamiliarity in the digital space, we offered users a highly secure alternative to conventional passwords, making it far more resistant to modern hacking tools. This initiative positioned Sanskrit not just as a cultural symbol but as a groundbreaking solution for next-generation cyber security.

Devanagari PIN

We are constantly innovating to make banking safer and more personal for our customers. This Republic Day, we introduced #DevanagariPIN — a new way to create secure, personalised PINs by converting any word into a unique numeric code using the Devanagari script. Through a simple microsite, customers could enter any word and instantly generate a secure PIN. By moving away from predictable choices like birthdays, this initiative not only offered a smarter approach to digital security but also celebrated India's rich linguistic heritage.

Personal Loan Fraud Awareness

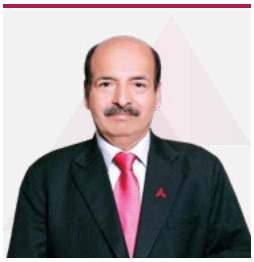


During Fraud Awareness Week, we launched a campaign to raise awareness about a growing digital threat – Instant Personal Loan App Fraud. Our campaign highlighted how unverified loan apps lure users with promises of quick, easy loans, while secretly exploiting mobile permissions to access personal and confidential information. By illustrating these hidden risks, we aimed to drive awareness about the importance of managing app permissions carefully and downloading only from verified sources – because ultimately #PermissionMatters.

BOARD OF DIRECTORS

Governance rooted in responsibility

The Board at Axis Bank is the cornerstone of responsible governance. With expertise across financial services, risk, technology, and public policy, it ensures our strategy is future-focused and anchored in integrity, compliance, and transparency. The Board's insight shapes a governance framework that safeguards stakeholder interests, upholds regulatory excellence, and drives long-term value creation.



N. S. Vishwanathan
Independent Director and part-time Chairman

Amitabh Chaudhry
Managing Director & CEO

Girish Paranjpe
Independent Director

Meena Ganesh
Independent Director

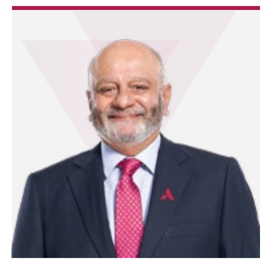
G. Padmanabhan
Independent Director

Prof. S. Mahendra Dev
Independent Director

P. N. Prasad
Independent Director

CH. S. S. Mallikarjunarao
Independent Director

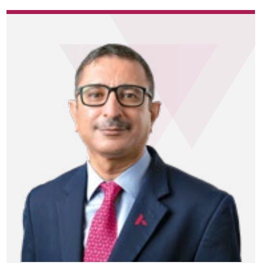
Mini Ipe
Non-Executive Nominee Director



Pranam Wahi
Independent Director

Rajiv Anand
Deputy Managing Director

Subrat Mohanty
Executive Director



Munish Sharda
Executive Director

(as on April 24, 2025)

CORE MANAGEMENT TEAM

Driving strategy with integrity and precision

The Bank's Core Management Team brings together deep domain expertise across finance, risk, operations, and technology. United by a shared commitment to integrity, agility, and customer–centricity, and guided by strategic foresight, the Team helps the Bank navigate through a dynamic business environment and regulatory shifts.

Arjun Chowdhry
Group Executive – Affluent Banking, Retail Lending, Cards & Payments

Neeraj Gambhir
Group Executive – Treasury & Markets and Wholesale Banking Products

Prashant Joshi
Group Executive & Chief Credit Officer

Puneet Sharma
Group Executive & Chief Financial Officer

Vijay Mulbagal
Group Executive – Strategic Program & Sustainability

Amit Talgeri
President & Group Chief Risk Officer

Anuranjan Kumar
President & Group Chief Compliance Officer

Anil Agarwal
President – Financial Institutions Group & PSU and Govt. Coverage Group

Arnika Dixit
President – Cards & Wealth Businesses

Arvind Singla
President – Retail Operations

Avinash Raghavendra
President – Information Technology

Balaji N
President – Business Intelligence Unit

Bimal Bhattacharyya
President & Group Chief Audit Executive

Damini Marwah
President – Legal and Chief Ethics Officer

Kartik Bangalore
President – Conglomerates & Large Corporates Segment

Rajkamal Vempati
President – Human Resources

Reynold D'souza
President – Branch Banking – North

Rohit Ranjan
President – LAP & Affordable Home Loans

Sameer Shetty
President – Digital Business and Transformation

Sanjeev Moghe
President – Branch Banking – South

Sandeep Poddar
Company Secretary

(as on April 24, 2025)

Value creation by the Bank

Axis Bank creates long–term value by aligning its strategy with stakeholder needs and the priorities of a dynamic, developing India. Our business model transforms financial and non–financial resources into impactful financial products, services, and digital experiences that advance inclusion, innovation, and sustainability. By staying agile, responsible, and future–ready, we continue to generate meaningful outcomes for our customers, communities, employees, and shareholders. This approach not only enhances performance and trust but also reinforces our role in supporting India's economic and social transformation.

VALUE CREATION MODEL

Blueprint for sustainable value creation

The Bank's business model reflects our steadfast commitment to creating long–term, value for all stakeholders. We channel diverse forms of capital into sustainable growth outcomes, aligning purpose with performance. At the heart of this model lies our brand promise, ***'Har raah dil se open'***, symbolising our openness to people, partnerships, progress and the planet. Guided by our Vision, Mission and Values. We endeavour to understand stakeholder needs and societal expectations and drive strategic action.

Capitals

As defined by the <IR> Framework, capitals are the key resources and relationships an organisation draws upon to create, deliver, and sustain value over time. These include financial resources, physical and technological assets, human skills and capabilities, institutional knowledge, stakeholder relationships, and natural ecosystems. Together, these form the foundation of an organisation's ability to operate, innovate, and grow responsibly.

The Framework outlines six capitals–Financial, Manufactured, Intellectual, Human, Social and Relationship, and Natural–to encourage integrated thinking across all dimensions of value. Evaluating Axis Bank through this framework enables a holistic understanding of how we deploy resources, manage trade–offs, and generate long–term outcomes for our stakeholders, aligning with our purpose, vision, and mission.

Inputs

Inputs represent the foundation of the value creation process for the year. Input capitals comprise of financial capital shown in the standalone and consolidated financial statements of the Bank and 'off–balance sheet' or 'hidden' capital, such as the institutional knowledge of the Bank, the reputation it has built over the years, and the strength of its relationships with stakeholders. The Bank harnesses and transforms these inputs through its strategy, business model, and operations to generate outputs (e.g., loans, digital transactions, products) and outcomes (e.g., stakeholder value, financial performance, societal impact). The efficiency, quality, and sustainability with which an organisation utilises its inputs significantly influence long–term performance, capital appreciation or depletion, stakeholder trust, and risk resilience.

Value Driver Activities

A clearly defined strategic intent drives Axis Bank's value creation process Our Vision, Mission, and Values, focused on customer centricity, ethics, ownership, transparency, and teamwork aid this process. Grounded in our purpose, we utilise diverse inputs across six capitals to fuel our business operations. These operations constitute the core of Axis Bank. Our understanding of the external environment, identifying key issues, and proactive stakeholder engagement help us stay agile and responsive amid dynamic conditions.

With a strong strategy and resource allocation underpinned by integrated risk management, we transform these inputs into outputs that yield sustainable results. These results enhance the value of our capitals over time, as demonstrated by our performance in financial strength, digital leadership, social impact, and environmental responsibility. We aim to deliver future–ready solutions, deepen inclusion, and embed sustainability throughout our business. This approach embodies our commitment to being open to all stakeholders, opportunities, and possibilities for long–term, sustainable value creation.

Output

Outputs are the direct and tangible results of the Bank's business operations, including products delivered, services provided, customer interactions, and digital engagements. They signify what we generate by effectively utilising inputs and executing on our strategic priorities. These outputs stem from our core value driver activities and are influenced by our Mission, Vision, Values, stakeholder expectations, and decisions informed by risk considerations.

Nevertheless, outputs by themselves do not indicate long–term success. They pave the way for broader outcomes and lasting impacts on our stakeholders and the six capitals. For instance, a loan (output) fosters financial inclusion (outcome); a digital onboarding process boosts customer satisfaction; and the issuance of a green bond can support emissions reduction by industry. Thus, through our value driver activities, outputs serve as pathways that convert strategy into action and action into impact, bridging the gap between what we do and why it is significant, aligning with our purpose of creating lasting, sustainable value for everyone.

Outcome

Outcomes represent the long–term impacts of the Bank's outputs, illustrating how our products, services, and actions influence the creation, preservation or erosion of the six capitals over time. Outputs indicate the immediate results of our business operations. At the same time, outcomes reflect the deeper value generated for stakeholders: financial inclusion, customer trust, employee development, community wellbeing, environmental sustainability, and systemic resilience.

Our value driver activities allow us to create and sustain value for the Bank and society.

For instance, when a loan is provided (an output), it transforms into an outcome if it aids a small growth of business or helps an individual attain financial security. This outcome promotes long–term value creation across customers, communities, investors, employees, and the environment.

Mapping SDGs with capitals

We have mapped the Sustainable Development Goals (SDGs) to our six–capital model to align our value creation process with global priorities and ensure that our business contributes meaningfully to inclusive, equitable, and sustainable development. This integration helps us demonstrate how using and enhancing the six capitals supports broader societal outcomes.

Value Creation in Action

Our value creation model comes to life through everyday stories where strategy and purpose intersect. By applying integrated thinking across the six capitals, we transform inputs into meaningful outcomes, yielding financial profits along with societal and environmental benefits. The following case study illustrates how one such intervention generates lasting value.

Case study **A 32–year–old small business owner based in Nashik, looking to switch to an electric vehicle (EV) to reduce fuel expenses and expand delivery services.**

Input (Capitals Utilised): We deploy resources across 6 capitals for disbursement of EV loans

- Financial Capital: Lending corpus allocated to EV segment
- Human Capital: Trained frontline staff
- Intellectual Capital: Data analytics for customer targeting
- Manufactured Capital: Branch Banking outlet & digital onboarding platform
- Social and Relationship Capital: Partnership with EV dealership, local financial literacy workshop
- Natural Capital: commitment to lending to sectors that can avoid carbon emissions

Value Driver Activities: Strategic actions convert potential into progress

- Risk–adjusted pricing for EV loans
- Climate–aligned product innovation
- Customer obsession initiative 'Sparsh' enables personalised guidance
- ESG–linked lending goals
- Stakeholder engagement with Customer, OEMs and regulators

Output: Timely, digital–first delivery creates immediate value

- Disbursement of EV loan
- Paperless journey
- Bank achieves EV lending milestone

Outcome: A single loan transforms lives, climate, and capital

- Bank earns through optimal pricing on loans
- Adds e–commerce delivery to the business, resulting in income growth
- Community sees rise in EV adoption
- Bank advances climate target through EV penetration
- Contributes to SDG 7 (Affordable Clean Energy), 13 (Climate Action), 8 (Decent Work)

Material Issues	Our Capitals	Input	Outcomes	Risk	UN SDGs
M1 M3 M4 M15	Financial Capital	» Shareholders funds – ₹1,786.17 billion » Total deposits – ₹11,729.52 billion » Total borrowings – ₹1,841.47 billion	» Total Assets size – ₹16,099.30 billion » Operating profit – ₹421.05 billion » CRAR – 17.07% » Net NPA – 0.33% » Consolidated RoA – 1.77% » Consolidated RoE – 16.89%	» Credit » Liquidity » Market » Information & Cyber Security » Operational » Climate	
M6 M7 M9	Manufactured Capital	» New branches and banking outlets opened in fiscal 2025 – 500 » Lending in RuSu markets (Bharat Banking branches – 2,736) to complement PSL strategy » ATMs and cash deposit/withdrawal machines – 13,941 » International branches and representative offices – 11 » Axis Virtual Centres – 8	» ~56 million Individual customers » 7% y-o-y growth in Rural Advances » Domestic reach – 692 districts across 28 states and 7 union territories » Average monthly customers connected through AVCs – 9.2 million	» Operational » Climate » Cyber Security	
M5 M7	Intellectual Capital	» ESG issuances under the Sustainable Financing Framework » 23% y-o-y increase in investment in technology » Best-in-class UPI stack » Dedicated digital team	» Future-proofing our portfolio with responsibility with in-house ESG Rating model for borrower-level risk review » Top rated mobile banking with 15 million MAU (monthly active users) » UPI transaction value increased by 54% y-o-y » 91% service requests done digitally	» Operational » Information & Cyber Security	
M11 M13	Human Capital	» Total employee count – 1,04,453 » Staff cost – ₹121.93 billion » Target 30% female representation in workforce by fiscal 2027 » Learning and training initiatives » Axis GIGA 2.0 – Working from anywhere	» Certified again as Great Place to Work® (GPTW) » Profit per employee – ₹0.25 crores » 6 million+ total learning hours of employees » Total GIGA employees – 2,544	» Operational	
M1 M2 M9 M10	Social & Relationship Capital	» *'Siddhi'* App empowering employees to engage with customers » Funding to on CSR programs – ₹4.27 billion » Nation building partnerships » Customer obsession program – Sparsh	» Total number of customers ~59 million » CSR participants – ~10 lakh lives positively impacted in this fiscal » 27 Smart Cities where Bank delivered services to assist civic administration » Retail NPS Score – 159 on baseline of 100	» Credit » Information & Cyber Security » Climate	
M8 M12	Natural Capital	» Total energy consumption – 825.5 TJ » Renewable energy as part of total energy consumption – 72.48 TJ » ESG policy for Lending » Scaling the green portfolio » Commitment to reducing emissions in operations	» Energy intensity per rupee adjusted for PPP – 0.0000118 (GJ/₹) » Energy used from renewable sources – 8.78% » Lent to sectors with positive E and S outcomes – ₹48,412 crores » IFC partnered to provide a $500 million loan for financing green projects » ~₹22,160 crores Green lending portfolio	» Climate	

Value Driver Activities

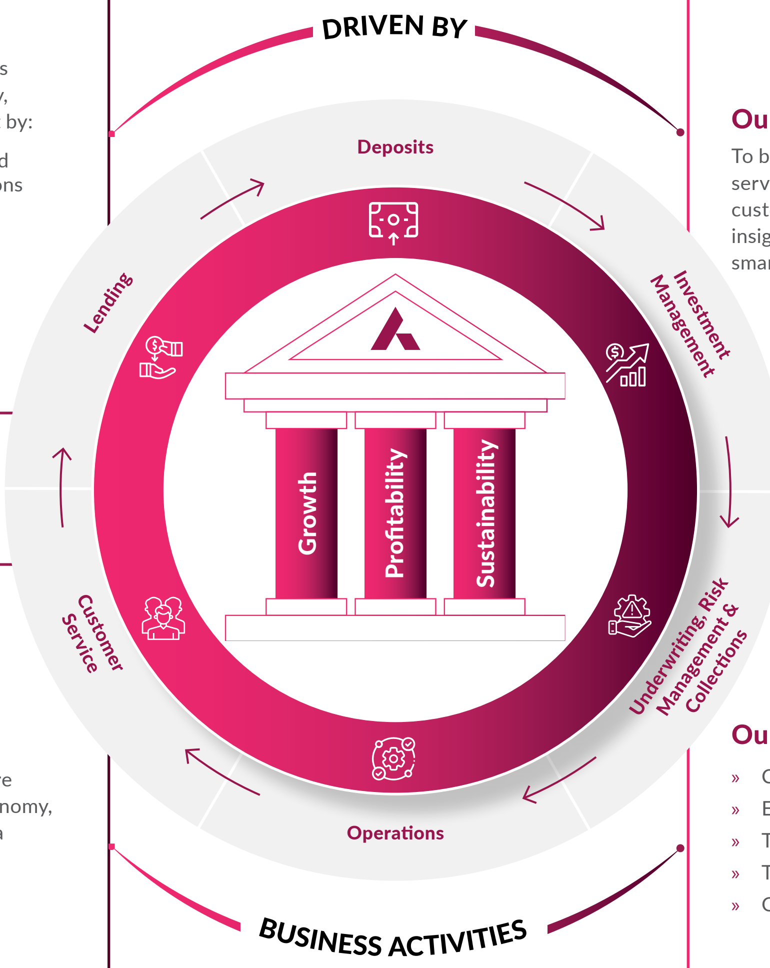
Our Mission

Our Mission is to be the preferred financial solutions provider across the country, delivering customer delight by:

» Providing innovative and intuitive banking solutions
» A combination of organisational agility, digital capabilities and physical reach
» Adopting sustainable banking practices, particularly around ESG & climate change

Our Vision

To be the preferred financial services provider excelling in customer service delivery through insight, empowered employees, & smart use of technology



Our Purpose

Banking that leads to a more inclusive and equitable economy, a thriving community, and a healthier planet

Our Values

» Customer Centricity
» Ethics
» Transparency
» Teamwork
» Ownership

Stakeholder Engagement | **Material Issues** | **External Environment** | **Risk Management**

Read more pg. 48 | Read more pg. 58 | Read more pg. 76 | Read more pg. 186

Performance
Read more pg. 88

Outlook
Read more pgs. 26 and 84

Output (Services Offered by Business Segments)

Retail Banking
Loans, savings and retail term deposits, credit, debit and forex cards, bill payment services, wealth management and third-party product distribution
Read more pg. 96

Wholesale Banking
Loans, current and corporate term deposits, payments, trade finance products, letter of credit, bank guarantees, cash management services and commercial cards
Read more pg. 104

Treasury
Foreign Exchange (Forex), Derivatives, Debt Capital Markets (DCM), Loan Syndication, Investment & Liquidity Management, Asset Liability Management (ALM)
Read more pg. 107

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

STAKEHOLDER ENGAGEMENT

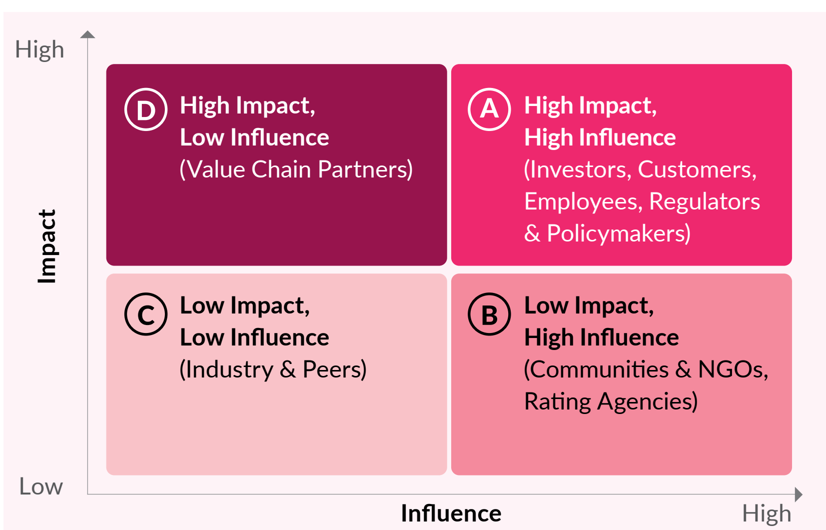
Engaging with purpose and addressing what matters

At Axis Bank, meaningful engagement with our stakeholders is essential to understand their expectations. This commitment to purposeful engagement helps us gauge the internal and external business environment and assess key material issues and risks based on their severity and likelihood of occurrence. It also shapes our business purpose and guides our strategy to create long-term sustainable value.

We conduct a formal Stakeholder Engagement and Materiality Assessment (SEMA) exercise periodically, engaging with both our internal stakeholders, such as employees, and external stakeholders, such as our customers. Engaging with our stakeholders helps us maintain a strong, organisation-wide grievance redressal framework, ensuring stakeholders, expectations and concerns are addressed promptly, reinforcing trust and accountability.

In fiscal 2025, the Bank conducted a fresh SEMA exercise, which included for the first time a Double Materiality Assessment. Based on our internal survey and benchmarking exercise, the identified stakeholders were prioritised according to their influence and impact.

Stakeholder Prioritisation Matrix



Our Approach to Stakeholder Engagement and Materiality in Fiscal 2025

1

Stakeholder Identification

Key stakeholder groups were identified through a comprehensive internal assessment and industry benchmarking exercise. The process mapped how stakeholders affect and are affected by the Bank's operations.

2

Categorisation and Prioritisation

Stakeholders were prioritised and categorised based on their relevance, significance, and impact on the Bank's value creation process. They were systematically classified into internal, external, and affected stakeholder groups to support focused engagement.

3

Identification of IROs (Impacts, Risks, and Opportunities)

15 material IROs were identified through in-depth research, peer benchmarking, internal deliberations, and alignment with the European Sustainability Reporting Standards (ESRS). These IROs reflect actual or potential positive and negative impacts, as well as associated risks and opportunities, arising from the Bank's business model and value creation activities.

4

Stakeholder Engagement and Double Materiality Assessment

A customised survey framework was designed in line with the Corporate Sustainability Reporting Directive (CSRD) to assess double materiality:

- **Impact Materiality (Inside–out Perspective)**
  Evaluated the significance and severity of impacts based on their **scale, scope,** and **irremediability** over short, medium, and long–term timeframes for the identified IROs.
- **Financial Materiality (Outside–in Perspective)**
  Assessed the likelihood and potential magnitude of financial impacts of material issues on the Bank's performance in the short, medium, and long term.

5

Impact Prioritisation and Materiality Matrix Development

Material topics were prioritised by integrating the outcomes of both impact and financial materiality assessments. The final Materiality Matrix was developed by plotting the prioritised IROs to visually represent their significance across the double materiality dimensions.

Stakeholder Engagement

To ensure our strategy aligns with our stakeholders' priorities and creates mutual value, we systematically map and identify stakeholders based on their potential impact on our business, their influence (direct and indirect), and our impact on them. Following internal assessments and leadership discussions, we identified 8 key stakeholder groups, encompassing Investors, Customers, Regulators & Policymakers, Communities & NGOs, Industry & Peers, Rating Agencies, Value Chain Partners, and Employees. To connect with these diverse groups, we undertook planned engagements through regular customer surveys, investor meetings, employee town halls, and other means, focusing on responsive, need–based dialogue.

Investors

Why They Matter

Investors play a pivotal role in the growth and sustainability of a bank. For a rapidly developing economy like India, access to growth capital is essential, and investors are not only stakeholders but also the providers of capital–both in the form of equity and debt instruments such as bonds. Their confidence and continued support are vital for maintaining financial stability and fostering long-term value creation. A structured and proactive communication with market participants, including investors, ensures transparency, builds trust, and facilitates a continuous two-way dialogue that contributes to efficient price discovery.

How We Connect

- Post-quarterly earnings calls
- Conference presentations to analysts and investors
- Investor forums, industry conferences, and broker-led events
- Organised investor roadshows (both domestic and international)
- One-on-one and group meetings
- Analyst meets
- Non-deal roadshows

Frequency

Continuous/Periodic/ Need-based

What Matters Most to Them

- Financial performance
- Compliance, governance, and ethical business practices
- Business strategy & operational efficiency
- Long-term value creation
- ESG performance, risks, and opportunities
- Transparent lending & responsible banking practices
- Technology & innovation in business

How We Respond

Our response to an evolving environment is anchored in our GPS strategy–which shapes every decision we make.
We are committed to:

- Focusing on sustainable growth and long-term value creation
- Upholding transparent governance, ethical conduct, and robust disclosures
- Promoting responsible banking and driving inclusive impact
- Staying agile by continuously tracking market trends and refining strategies
- Strengthening risk management frameworks to proactively manage emerging risks
- Maintaining open and continuous dialogue with stakeholders

Shared Value Creation

We continue to deliver value through strong financial performance, consistent EPS growth, and robust asset quality, anchored in prudent risk management and regulatory compliance. Our healthy capital position and low NPAs reflect disciplined governance. ESG excellence is validated by top-tier ratings and global sustainability index inclusion. We uphold transparency and accountability through strong corporate governance. Impactful CSR initiatives in education, livelihoods, and financial inclusion reinforce our social commitment. A rising NPS highlights our customer-centric approach, driven by digital innovation and trust. By integrating profitability, responsibility, and governance, we create sustainable long-term value for all stakeholders.

Customers

Why They Matter

Our aim is to help our customers reach their financial goals by offering them a bouquet of products and services. Our policies and practices directly impact their financial health, and their active engagement with the Bank is key to our shared success and ability to create value.

How We Connect

- Communication at branches and with Relationship Managers
- Telephonic and online communication via website, emails, Mobile Banking application, social media platforms
- Axis Virtual Centre
- Customer satisfaction survey
- Grievance mechanisms
- Marketing campaigns
- Meetings with Retail and corporate customers

Frequency

Continuous/Need-based

What Matters Most to Them

- Quality products and services
- Innovative technology
- Transparency and fair business
- Maintaining customer data privacy and security
- Effective and quick customer grievance redressal mechanism

How We Respond

- 'One Axis' approach – offering all services under one roof
- Customised and specialised products and services
- Continuous focus on customer delight
- Ethical business practices
- Focus on digitisation and customer data privacy
- Introduced Axis Pride, focusing on the quick resolution of customer grievances
- Sustainable Financing
- Regular interaction and Satisfaction Surveys
- Leadership in digital banking – highest rated banking application in the world offering over 200 services

Shared Value Creation

Strengthening of the Bank's Social and Relationship Capital, as reflected in key customer-centric KPIs – Retail Net Promoter Score (NPS) at 159 (on an indexed baseline of 100 since inception of baseline i.e. Q1FY23) 59 million customers as on March 31, 2025. The Bank has an extensive branch network, ATMs and CDMs. To make its products and services accessible to all customers, including persons with disabilities (PWDs), the Bank has enabled its ATMs with Braille keypads and talking functionality (voice guidance). In branches that are not easily accessible, ramps have been constructed where feasible to facilitate access for PWDs. The Bank has doorstep banking services for the ease of operations for senior citizens and PWDs.

Regulators & Policymakers

Why They Matter

The Banking sector operates under the most stringent fiduciary and regulatory standards and evolving regulations impact their operations. From regulations on capital requirements, lending practices and financial reporting requirements to priority sector lending targets or new policies on cyber security, Banks' business strategy as well as profitability are directly impacted by changing regulations and policies.

How We Connect

- Mandatory filings with regulators; interaction during inspections
- One-on-one meetings, group meetings and email correspondence
- Periodical submissions of business and operational performance
- Engagement at banking and industry platforms, conferences, and regulatory reviews
- Corporate announcements

Frequency

Continuous/Need-based

What Matters Most to Them

- Corporate governance
- Adherence to all compliance norms
- Financial and non-financial performance of the organisation
- Financial inclusion initiatives

How We Respond

- Transparent and fair disclosures
- Robust compliance culture across the Bank
- Responsible lending & NPA management
- Digitisation and reaching underserved populations
- Publishing third-party assured ESG disclosures

Shared Value Creation

At Axis Bank, we prioritise a culture of compliance and ethical business conduct, transparent corporate governance, and upholding robust policy frameworks and complying with all regulations. The Bank's Board committees maintain independence for impartial decision-making and effective governance.

Employees

Why They Matter

Our employees drive organisational success through their expertise, productivity, and commitment–directly influencing our ability to achieve strategic goals and deliver exceptional customer experiences. In return, the Bank fosters a culture rooted in strong values, inclusive policies, and supportive practices that shape employee engagement, performance, and overall wellbeing.

How We Connect

» Internal communications – webcasts, newsletters, surveys, emails
» Management visits to branches
» Employee engagement surveys
» Amber AI chatbot for real–time listening
» Town–hall meetings with MD
» Training and development program
» Mid–year and annual performance appraisals
» Intranet portal–My Connect
» Wellness program
» Employee–led communities and groups like Pride365

Frequency

Continuous/Periodic

What Matters Most to Them

» Career development and growth opportunities
» Learning & skill building opportunities
» Health & wellbeing
» Inclusion at workplace
» Hybrid & flexible working
» Exposure & interaction with leadership
» Recognition of contributions and service milestones
» Compensation & Benefits

How We Respond

» Industry first mobility program – *thrive* with opportunities for cross–functional movements and fast track promotions
» Best–in–class learning resources and leveraging technology for enabling anytime, anywhere learning
» Wellbeing ecosystem, including mental health support, financial literacy, ergonomic workspaces and wellness sherpas
» Effective employee feedback and grievance mechanism
» Promoting Diversity, Equity, and Inclusion
» Deploying AI–driven tools across recruitment, learning and employee services
» Structured rewards and recognition program
» Multi–tiered leadership development programs to build capabilities across levels

Shared Value Creation

Axis Bank remains committed to nurturing its human capital of over 1.04 lakh employees through continuous learning, inclusivity, and employee wellbeing. Key KPIs such as 58.6 average L&D hours per employee, workforce diversity of 27.7%, employee engagement scores and initiatives like the GIGA program, reflect this focus. We have also had 5,700+ employees benefit from our internal mobility program.

Industry & Peers

Why They Matter

The Bank operates within a dynamic and competitive ecosystem, constantly impacted by its industry peers and associations. Industry associations play a crucial role in advocating for the interests of the banking sector, shaping industry best practices, and facilitating knowledge-sharing.

How We Connect

- Communication with industry and trade associations
- Engagement under the Indian Banks' Association (IBA) and multilateral platforms
- Corporate seminars

Frequency

Continuous/Need-based

What Matters Most to Them

- Policy advocacy
- Knowledge sharing
- Collaboration opportunities

How We Respond

Formally represented on industry platforms – World Economic Forum, IBA, CII, BCCI, FICCI, and NASSCOM, among others participation in thought leadership and advocacy Including ESG, CSR, DE&I and climate action

For more details, please refer to pg. 196 on Thought Leadership and Policy Advocacy

Shared Value Creation

In fiscal 2025, the Bank's leadership played an active role in shaping ESG and climate action agendas by serving on key national committees of reputed industry bodies such as FICCI, CII, the Bombay Chamber of Commerce & Industry (BCCI), and IBA. These positions underscore our commitment to meaningful engagement, policy advocacy, and thought leadership at both national and international levels.

Communities & NGOs

Why They Matter

Banks directly and indirectly impact communities near their operational areas. Beyond financial services, the Bank actively contributes to societal wellbeing through impactful CSR initiatives, partnerships with NGOs, and collaborations with academia.

How We Connect

- CSR programs implemented by Axis Bank
- Feedback through structured questionnaires
- Conferences and roundtables
- NGO/CSO capacity building workshops

Frequency

Continuous/Need-based

What Matters Most to Them

- Financial inclusion
- Inclusive growth
- Quality of education
- Environmental sustainability
- Access to healthcare

How We Respond

Continued efforts in aligning our CSR goals across the thematic areas including access to banking in rural and remote areas:

- Sustainable livelihoods
- Education
- Financial literacy and inclusion
- Environmental sustainability
- Sports
- Health and nutrition
- Humanitarian and relief

Shared Value Creation

The Bank continues to create long-term social value through targeted interventions. Key performance indicators such as CSR participants of ~10 lakhs and having active CSR interventions in 32 States and Union Territories of India reflect our commitment to inclusive growth. These initiatives have structured monitoring mechanisms to ensure effectiveness, transparency, and impact.

Rating Agencies

Why They Matter

Rating agencies (both credit and ESG) significantly influence the Bank's financial health and public perception. Their assessments directly impact the Bank's access to capital, influencing the interest rates on instruments issued by the Bank, ultimately affecting the cost of capital.

How We Connect

- One-on-one meetings and group meetings
- Email correspondence
- Submissions of financial & non-financial performance for issuance & review of ratings

Frequency

Periodic/Need-based

What Matters Most to Them

- Financial parameters and profitability
- ESG performance & reporting

How We Respond

- Transparent financial and non-financial reporting
- Improved profitability and operational performance
- Improved ESG disclosures and scores

Shared Value Creation

Axis Bank's strong credit Ratings and ESG ratings/scores are a direct result of its disciplined financial management, sound governance, and sustainability integration. In fiscal 2025, this enabled a reduction in cost of capital, better pricing on debt instruments, and increased access to green and sustainable finance. During the year, the International Finance Corporation (IFC), a member of the World Bank Group, partnered with Axis Bank to provide a $500 million loan to help develop a blue finance market and scale up financing of green projects in India. Improved CAR by 44 bps and GNPA by 15 bps in fiscal 2025 on a y-o-y basis, reflecting a resilient risk profile and sustained business growth. The Bank's governance and ESG disclosures' alignment with the <IR> framework/BRSR standards highlights our commitment to responsible business practices and long-term value creation.

Value Chain Partners

Why They Matter

A bank's relationship with its value chain partners (service providers, material suppliers, business associates, distributors, and other upstream partners) is crucial for its smooth and efficient operation and cost effectiveness.

How We Connect

- Vendor meetings
- Structured surveys
- Techno-commercial discussions and service engagements
- Audit, governance, and compliance meetings
- Contracts, emails, and calls

Frequency

Periodic/Need-based

What Matters Most to Them

- Timely payouts
- Fair contractual terms and adherence to these terms
- Organisational ESG consciousness
- Transparent, ethical, and long-term business relations
- Regular exchange of technical know-how

How We Respond

- Ensuring timely payouts for services
- Commitment to equitable agreements and their faithful implementation
- Having a Vendor Code of Conduct in place
- Building trustworthy, moral, and enduring partnerships
- Operating with a strong focus on ESG-aligned responsibilities

Shared Value Creation

The Bank promotes a responsible and inclusive value chain by engaging a wide network of business associates and MSME vendors, with a strong focus on local sourcing (97%). Guided by a comprehensive Vendor Code of Conduct, we encourage ethical and sustainable practices across our supplier base. Regular awareness programs and periodic assessments help ensure compliance and continuous improvement among value chain partners.

MATERIALITY ASSESSMENT

Identifying and prioritising key issues

To ensure long-term sustainability and value creation, Axis Bank proactively identifies and manages relevant Impacts, Risks, and Opportunities (IROs) in the rapidly evolving financial sector. We recognise the importance of thoroughly assessing these factors to strategically mitigate potential downsides while unlocking new avenues for growth, contributing meaningfully to the nation's progress.

Following the Stakeholder Engagement and Materiality Assessment undertaken by the Bank in fiscal 2022 and the subsequent stakeholder feedback, we adopted a 'Double Materiality' approach in fiscal 2025 to assess the material issues relevant to the Bank. A total of 15 IROs were identified based on our internal assessment, sector research, peer review and benchmarking, and secondary sources.

During the 'Double Materiality Assessment' for the fiscal 2025, we considered how the Bank's operations affect the environment and people while also assessing how the IROs affect the Bank's long-term value, financial performance, and resilience. We considered both the actual and potential, positive and negative, societal and environmental footprint across short term, medium term and long term.

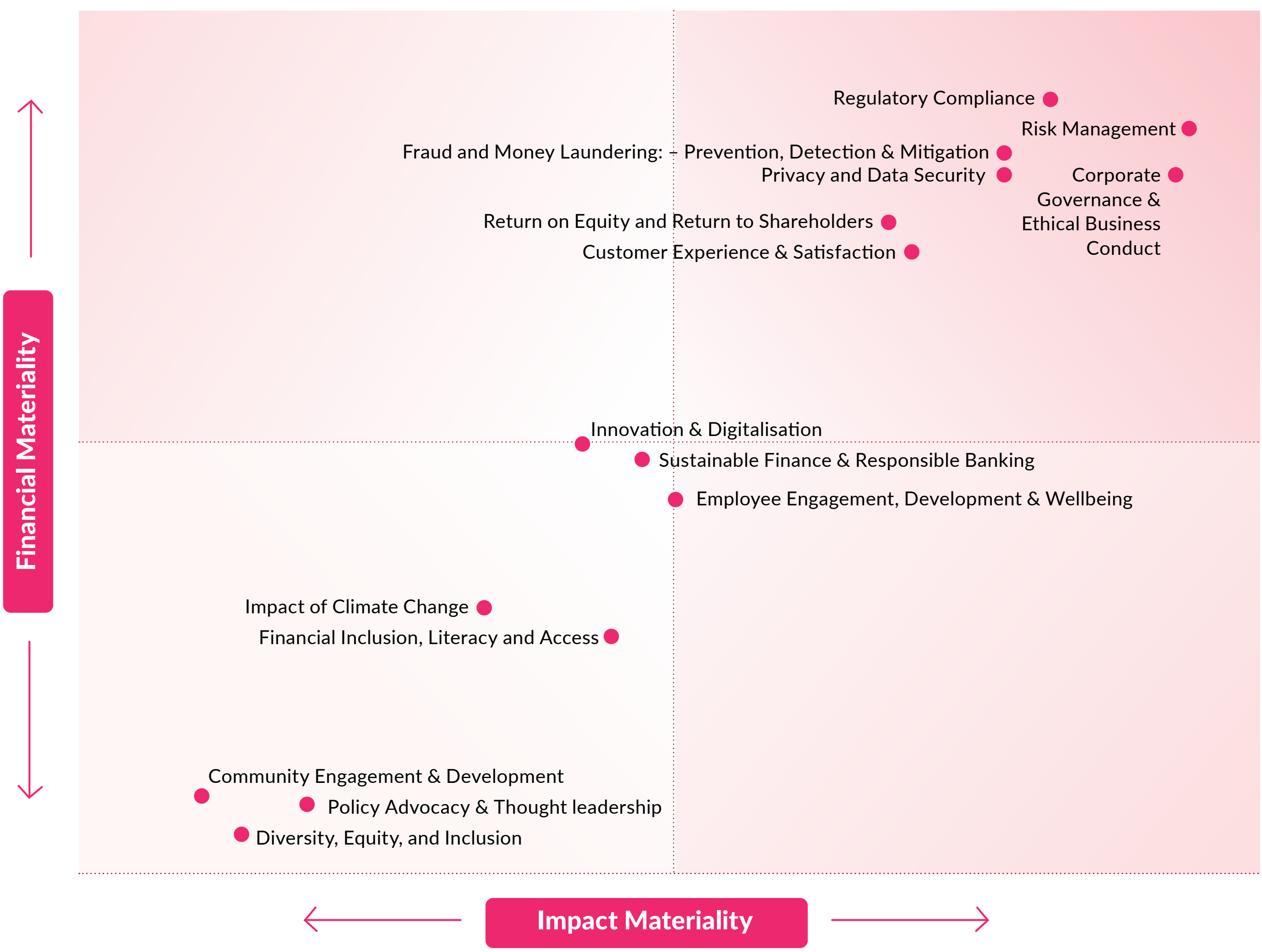
The Bank aligned its methodology with leading global benchmarks, including the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) on double materiality. Our comprehensive assessment also resonates with the guiding principles of the BRSR and <IR> frameworks.

We strongly believe that continuous engagement with our stakeholders is essential to truly understand the issues that are of the greatest importance to the Bank's operations. We recognise that stakeholders often have diverse and, at times, opposing perspectives on these critical matters.

Approach to Double Materiality

Identifying IROs (Impact, Risk & Opportunities) → Impact Materiality → Financial Materiality → Prioritisation of Material matters → Materiality Matrix

Materiality Matrix



Risk Management

What it Means

Robust risk management enhances the Bank's resilience and drives sustainable growth. In today's dynamic financial landscape, proactively managing both traditional financial and emerging ESG-related risks is key to navigating complexities and seizing opportunities.

Interlinkage with Value Creation

Our risk management framework empowers us to identify and address changing risks proactively. Supported by an independent Risk function, the Board maintains keen oversight on every aspect of risk management, ensuring transparency, accountability, and resilience.

FISCAL 2025 PERFORMANCE

- In-house ESG Rating model to augment borrower-level credit appraisal developed
- Built stress testing and scenario analysis capabilities in line with regulatory guidance and expectations

Capital Linkage

Stakeholders Impacted

SDG Impacted

Corporate Governance & Ethical Business Conduct

What it Means

Strong governance and ethical conduct are fundamental to the Bank's long-term success and trust-building. We uphold high governance standards, ensure accountable leadership, and embed ethics across our operations and financing. A comprehensive ESG strategy further helps align with stakeholder priorities, address climate challenges, and ensure effective board oversight, driving transparency, fairness, and shared sustainable value creation.

Interlinkage with Value Creation

We uphold the highest standards of governance while maintaining rigorous transparency in risk management and internal controls. Our robust Governance Framework ensures full regulatory compliance and supports value creation for all stakeholders.

FISCAL 2025 PERFORMANCE

- Zero incidents of conflict of interest
- 15% representation of women in the Board of Directors
- 61.54% Independent Directors on the Board
- First Indian Bank to constitute an ESG Committee of the Board
- Retained top-tier 'Leadership' rating in the Indian Corporate Governance Scorecard by IiAS

Capital Linkage

Stakeholders Impacted

SDGs Impacted

+ Positive, Actual — Negative, Potential

Regulatory Compliance

What it Means

Adherence to the regulatory framework is not just a legal obligation but essential to long-term value creation. As a leading financial institution in India, we navigate a complex and evolving regulatory environment, where any non-compliance can lead to financial penalties, legal repercussions, and reputational damage.

Interlinkage with Value Creation

Our culture of compliance helps us mitigate risks better and bolsters business resilience and stakeholder confidence. Our stakeholders, including customers, investors, regulators, and the community, rely on our commitment to regulatory compliance and ethical conduct to mitigate potential risks.

FISCAL 2025 PERFORMANCE

- 98.5% of eligible employees completed annual mandatory compliance training
- 4 instances of fines/penalties

Capital Linkage

Stakeholders Impacted

SDG Impacted

Fraud & Money Laundering-Prevention, Detection & Mitigation

What it Means

Safeguarding against fraud and money laundering is crucial for the Bank and the financial system's integrity. As these risks evolve, especially with the growth of digital banking, it is essential to implement comprehensive measures to prevent, detect, and respond to them across all operations.

Interlinkage with Value Creation

We have strong policy and process mechanisms across all areas of our banking operations to prevent fraud and money laundering in the digital and physical realms. By investing in advanced technologies and enhancing our capabilities, we strengthen our ability to detect and prevent such risks, particularly in digital banking.

FISCAL 2025 PERFORMANCE

- 98.9% of eligible employees trained in AML & related laws
- 343 Vigilance cases processed and 427 Officials were subjected to disciplinary action during the year

Capital Linkage

Stakeholders Impacted

SDG Impacted

+ Positive, Actual — Negative, Potential

Privacy and Data Security

What it Means

Data privacy and security are fundamental to maintaining customer trust in today's digital world. As a customer-centric organisation, we recognise that safeguarding personal data is critical to our reputation and business continuity. Data breaches can have severe consequences, making it essential to constantly strengthen our IT security measures to mitigate cyber threats and protect customer information.

Interlinkage with Value Creation

The Bank prioritises data security, investing in robust capabilities and adhering to stringent cyber security policies aligned with industry best practices and regulations. Our Information System Security Committee ensures regular assessment and validation of controls against cyber threats, aligning with ISO 27001 and PCI DSS standards.

FISCAL 2025 PERFORMANCE

- Best-in Class Cyber Security Score amongst peers from Pioneer cyber security rating agency
- Zero instances involving loss/ breach of customer data

Capital Linkage

Stakeholders Impacted

SDG Impacted

Return on Equity and Return to Shareholders

What it Means

Return on Equity (RoE) and Return to Shareholders are material indicators of our financial performance and reflect the broader impact of our sustainability priorities. RoE drives investor confidence and informs capital allocation, directly influencing shareholder value. Our financial strength underpins our ability to contribute to the economy and meet stakeholder expectations. As climate change impacts financial outcomes, integrating ESG considerations becomes essential for effective risk mitigation and long-term value creation.

Interlinkage with Value Creation

We continuously engage with shareholders and investors, sharing key updates on our operations and performance during investor and analyst meetings, calls, and quarterly and annual result announcements. RoE reflects our profitability, financial health, and business resilience, helping us attract investors, gain greater access to capital, and create value for stakeholders.

FISCAL 2025 PERFORMANCE

- Consolidated RoE – 16.89%
- Consolidated RoA – 1.77%
- 0.33% Net NPA
- ₹42,105 crores Operating Profit

Capital Linkage

Stakeholders Impacted

SDG Impacted

+ Positive, Actual — Negative, Potential

Customer Experience & Satisfaction

What it Means

An exceptional customer experience and satisfaction are fundamental to our success. With millions of customers relying on us, we are committed to safeguarding their interests, ensuring fairness, transparency, and the protection of their savings and investments. Customer feedback and effective grievance redressal are vital to improve our offerings and service delivery continuously.

Interlinkage with Value Creation

Leveraging our digital outreach, we seek customer feedback through regular satisfaction surveys, which allows us to gather valuable inputs that guide us in continuously improving our products and services. We also adhere to the RBI's Customer Rights, Grievances Redressal, and Compensation Policy, ensuring fair treatment for our customers.

FISCAL 2025 PERFORMANCE

- 59 million customers
- 159 Retail Net Promoter Score on indexed baseline of 100, since inception of baseline (Q1FY23)

Capital Linkage

Stakeholders Impacted

SDGs Impacted

Sustainable Finance & Responsible Banking

What it Means

Sustainable financing strengthens our business while contributing to a sustainable future for all.
By integrating ESG factors into lending and investment, we direct capital toward high-impact projects, reduce risks by limiting our exposure to sensitive assets, and meet the growing demand for responsible banking and financing practices. This approach aligns with our mission, supports broader societal goals, sustainable development goals and the transition to a low-carbon economy.

Interlinkage with Value Creation

Aligned with the UN SDGs, the Bank's Sustainable Financing Framework is a blueprint for future ESG issuances. It is the first such framework by an Indian Bank to receive a Second Party Opinion. The ESG Working Group actively oversees its implementation, supported by a dedicated ESG Policy for Lending. Together, these initiatives strengthen the Bank's overall sustainable financing capabilities. Notably, climate risk has now been integrated into the Bank's overall risk management framework, with oversight at the Board level.

FISCAL 2025 PERFORMANCE

- Towards our 2030 goal of ₹60,000 crores of incremental lending to E&S-aligned sectors (2021 onwards), reached INR 48,412 crores. as of March 31, 2025
- ₹22,160 crores Green lending portfolio
- 447 proposals assessed under the ESG Policy for Lending
- Raised $500 million Green Loan from IFC with first ever blue component

Capital Linkage

Stakeholders Impacted

SDGs Impacted

+ Positive, Actual — Negative, Potential

Employee Engagement, Development & Wellbeing

What it Means

Attracting, developing, and retaining talent is key to our success. We invest in learning, engagement, and wellbeing to build a motivated, high-performing, and resilient workforce. By supporting mental health, work-life balance, and safety, we foster an inclusive culture that draws and nurtures top talent.

Interlinkage with Value Creation

Supported by a comprehensive HR policy emphasising meaningful career experiences, flexible work arrangements, and outcome-driven performance metrics, we are well-positioned to drive innovation and growth in the banking sector. Through progressive HR programs and policies, we have built an enabling and inclusive work environment that supports continuous learning and career development.

FISCAL 2025 PERFORMANCE

- 6 million+ learning hours of employees
- Profit per employee stands at ₹0.25 crores
- 27.7% workforce diversity
- 5,700+ internal mobility movements
- ₹280 crores+ amount spent on employee wellbeing

Capital Linkage

Stakeholders Impacted

SDGs Impacted

Innovation and Digitalisation

What it Means

Digitalisation and innovation are transforming banking, unlocking significant opportunities to optimise operations, enhance customer experience, and stay competitive. By strategically adopting emerging technologies, financial institutions can streamline processes, develop advanced digital products and services, and deliver more personalised, secure digital interactions, enhancing user experience and building trust.

Interlinkage with Value Creation

The Bank differentiates itself through best-in-class banking technology, digital innovation, and beyond-banking solutions to foster business expansion. We have enhanced our digital capabilities, bolstered our technological framework, and leveraged advanced analytics to enrich the customer experience.

FISCAL 2025 PERFORMANCE

- 30 million Registered Mobile Banking Users
- ~15 million+ Registered & Active Mobile Banking Users
- Axis Mobile application is among the top rated mobile banking app on Google Play store and Apple store with rating of 4.7 and 4.8 respectively
- First Indian Bank to be ISO certified for its AWS and Azure Cloud security

Capital Linkage

Stakeholders Impacted

SDG Impacted

+ Positive, Actual — Negative, Potential

Financial Inclusion, Literacy & Access

What it Means

Financial inclusion offers a vital opportunity to expand our reach and empower communities, reflecting our purpose of 'Banking that leads to a more inclusive and equitable economy'. By broadening access to financial services, we aim to serve underserved populations and encourage greater participation in the formal economy. Financial literacy is a key enabler, equipping individuals with the knowledge to use financial services effectively, thus promoting their wellbeing and economic resilience.

Interlinkage with Value Creation

The Bank's efforts to promote financial inclusion have empowered millions of individuals, especially women, bringing them into the formal financial system. The efforts have also expanded their access to key social security schemes. By promoting financial access and protection, the Bank is strengthening its reach in rural markets, which is contributing to sustainable business growth and improved customer trust.

FISCAL 2025 PERFORMANCE

- 2.8 million women participants in microfinance rural lending
- 13.79 lakh customers in PM Jan Dhan Yojna
- 4.13 lakh customers under Pradhan Mantri Suraksha Bima Yojana
- 1.31 lakh customers under Pradhan Mantri Jeevan Jyoti Yojana
- 10.05 lakh customers under Atal Pension Yojana

Capital Linkage

Stakeholders Impacted

SDGs Impacted

Impact of Climate Change

What it Means

Climate change poses a significant, multifaceted risk to the Bank, impacting both its operations and the broader economy. We recognise the financial risks arising from climate change and the need for their effective mitigation. Emissions from our operations, especially digital infrastructure and energy use, must be managed efficiently to limit costs and avoid scrutiny and environmental harm. We also acknowledge the broader financial risks, including physical and transition risks, and the need to adapt to climate-related changes to build strategic and operational resilience. Finally, we recognise the importance of financed emissions from our investments and counterparties and their role in our climate strategy.

Interlinkage with Value Creation

The Bank is committed to developing a proactive mitigation and adaptation plan, including conducting comprehensive climate risk assessments to identify and manage potential physical and transition risks that may impact the business. By integrating sustainability criteria into our operations and credit appraisal, we contribute to the transition to a low-carbon economy and ensure long-term financial stability.

FISCAL 2025 PERFORMANCE

- 7.90 GJ/FTE energy intensity per employee
- 140,345 tCO_2e Scope 1 & 2 emissions
- ~72,474 GJ Total renewable energy consumed
- ~3.27 million trees planted (including target of 2 million tree plantations, Miyawaki plantations and other tree plantation programs)

Capital Linkage

Stakeholders Impacted

SDGs Impacted

+ Positive, Actual — Negative, Potential

Policy Advocacy and Thought Leadership

+

What it Means

The Bank actively shapes the financial ecosystem through strategic policy advocacy and industry thought leadership. It contributes to developing robust and sustainable regulations by providing its expert insights at key forums such as the World Economic Forum, Securities and Exchange Board of India (SEBI), Confederation of Indian Industry (CII), and Federation of Indian Chambers of Commerce & Industry (FICCI). By advocating for policies that promote innovation, inclusivity, and resilience, we demonstrate our commitment to responsible governance and sustainable growth.

Interlinkage with Value Creation

The Bank actively engages in thought leadership, policy advocacy, and sustainable development, showcasing its dedication to fostering positive change in the financial sector. Through partnerships with key bodies and participation in influential summits, the Bank shapes industry practices. It promotes resilience in the financial ecosystem by leading the sector's sustainable transformation.

FISCAL 2025 PERFORMANCE

» The Bank is an active member of several prominent industry associations, including the Associated Chambers of Commerce and Industry of India (ASSOCHAM), FICCI, CII, the Bengal Chamber of Commerce and Industry (BCCI), and the Indian Banks' Association (IBA)

» To the best of its knowledge, either directly or indirectly, the Bank has not made any monetary contribution/ undertaken any spending towards any political campaign or political organisation in fiscal 2025

For more details, please refer to pg. 196 on Thought Leadership and Policy Advocacy

Capital Linkage

Stakeholders Impacted

SDG Impacted

17 PARTNERSHIPS FOR THE GOALS

+ Positive, Actual — Negative, Potential

Community Engagement & Development

What it Means

Engaging with communities in the vicinity of our operations allows us to understand their needs and challenges. This enables us to develop targeted initiatives that drive positive social impact in reflection of our purpose of 'Banking that leads to a thriving community and a healthier planet'.

Interlinkage with Value Creation

A strong institutional framework governs the Bank's CSR programs, which are overseen by the CSR Committee of the Board and aligned to Section 135 of the Companies Act, 2013. We also draw inspiration from the UN SDGs, ensuring our work contributes to broader global development objectives. In fiscal 2025, our initiatives spanned geographies and themes from border villages to urban slums, natural resource management to cancer care, and grassroots sports to academic research.

FISCAL 2025 PERFORMANCE

- 387,467 no. of households positively impacted through the Sustainable Livelihoods Program in fiscal 2025
- 7.7 lakh+ students positively impacted under bank's CSR education program in fiscal 2025
- 1.25 lakhs of women empowered through financial literacy sessions in fiscal 2025
- 381 athletes supported

Capital Linkage

Stakeholders Impacted

SDGs Impacted

Diversity, Equity, and Inclusion

What it Means

Our commitment to Diversity, Equity, and Inclusion (DE&I) offers us a key opportunity, aligned to our core philosophy and values, of creating a workplace where diverse backgrounds are represented, all employees feel valued, and equitable opportunities are available to all. Prioritising DE&I strengthens the Bank, drives innovation, and fuels long-term value creation.

Interlinkage with Value Creation

The Bank's DE&I approach is rooted in empathy, purposeful action, and the conviction that individuals thrive when they experience a true sense of belonging. Beyond internal programs, the Bank is furthering its external impact on DE&I by engaging with communities and the corporate ecosystem to promote best practices in diversity and inclusion, thus driving positive change across society.

FISCAL 2025 PERFORMANCE

- 27.7% women representation in the Bank's workforce
- 34% hiring diversity rate
- ~33,000 women impacted in rural India through Axis Women in Motion programs

Capital Linkage

Stakeholders Impacted

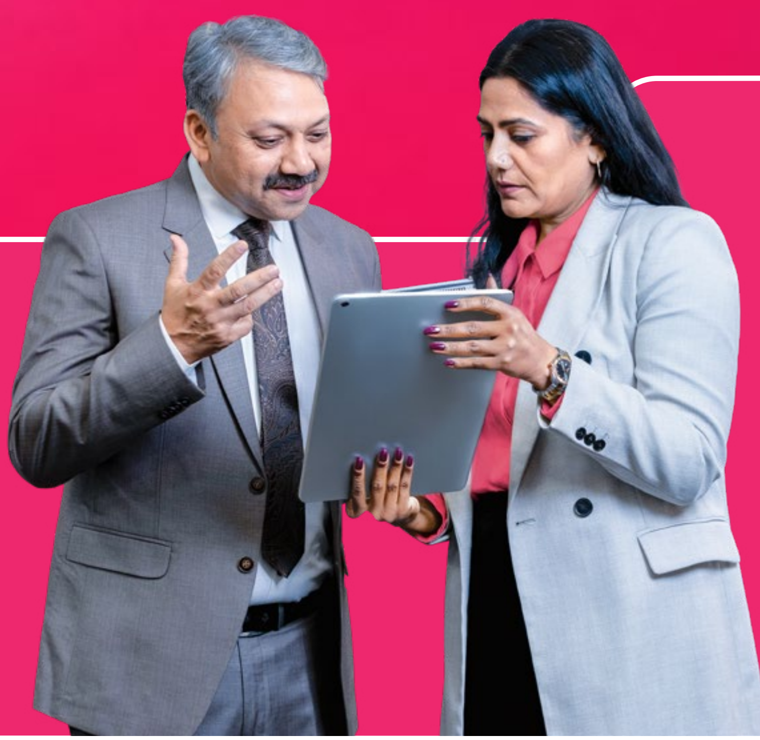
SDGs Impacted

+ Positive, Actual

— Negative, Potential

Business performance review

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



MD & CEO'S STATEMENT

Building a customer obsessed, resilient institution

Amitabh Chaudhry
Managing Director and Chief Executive Officer

Dear Shareholders,

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

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

We have sustained our position among the top players in high-impact businesses such as Wealth Management and Payments, where our customer-first approach and product innovation continue to set us apart. Our flagship digital platforms, ***'open'*** and '***neo***', have maintained their strong positions across Retail and Wholesale Banking, respectively, reinforcing our role as a frontrunner in digital transformation.

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

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

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

» Becoming a resilient, all-weather Franchise

» Creating multiplicative forces to build competitive advantage

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

Becoming a resilient, all-weather Franchise

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

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

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

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

Balancing Growth Ambition with Cost Prudence

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

Our cost performance was driven by three key factors: conscious belt tightening, the phasing out of integration-related expenses, and a contribution from volume. While the volume-related benefits may diminish as we get the right set of liabilities, the focus on belt tightening and ongoing optimisation initiatives will persist. Operating expenses for fiscal 2025 grew just 6% y-o-y, a sharp moderation from 30% in fiscal 2024. Remarkably, despite opening a record 500 new branches, staff costs rose by 12%, with a net addition of just 121 employees—driven by digitisation and productivity gains in certain areas.

Deepening customer engagement with premiumisation gaining ground

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

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

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

Driving Scale and Sophistication in Wholesale Banking

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

Fortifying Our Foundation: A Stronger Balance Sheet and Capital Position

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

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

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

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

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

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

Strengthening the Core: Technology, Security, and Scale

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

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

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

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

We continue to garner several key external recognitions for the capabilities and initiatives we have undertaken successfully in the last few years as the Bank was featured on TIME's World Best Companies 2024, ranking highest among Indian financial peers. We received multiple accolades at the ICC Emerging Asia Banking Awards for profitability, risk management, asset quality, and ESG practices. The Axis Bank Foundation won gold at FICCI's Sustainable Agriculture Summit 2024, and we were named Best Indian Bank at the FT Bank of the Year 2024 Awards–a reflection of our winning mindset culture percolating across the Bank.

Creating multiplicative forces to build competitive advantage

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

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

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

Our commitment to inclusive innovation is equally strong. Recently, we launched an industry-first UPI solution tailored for senior citizens, addressing a critical gap in digital accessibility. We also partnered with the International Finance Corporation (IFC) to secure a $500 million loan, India's first-ever blue loan, to scale up green and sustainable financing towards water and wastewater management, reduction of marine plastic pollution, restoration of marine ecosystems, sustainable shipping, eco-friendly tourism, and offshore renewable energy. This landmark partnership underscores our leadership in responsible banking.

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

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

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

Our subsidiaries continue to be the strong engines of value creation. In fiscal 2025, our domestic subsidiaries delivered a net profit of ₹1,768 crores, growing 11% y-o-y, with a 46% return on investment. Axis Finance grew its AUM by 22%, with a 14.51% ROE and a capital adequacy ratio of 20.9%. Axis AMC posted a 21% y-o-y PAT growth to ₹501 crores, while Axis Securities delivered 39% PAT growth to ₹419 crores. Axis Capital maintained its leadership in equity capital markets, and Invoicemart has now facilitated over ₹1.8 lakh crores in MSME invoice financing since inception.

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

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

Building for the future with a relentless focus on driving distinctiveness

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

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

From GenAI to One View: Redefining Digital Banking at Scale

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

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

To drive operational efficiency, we launched Axis Deep Intelligence (ADI)—a GenAI–powered internal chatbot now live across 5,500 branches, supporting over 100,000 employees. Alongside, we continue to embed AI/ML, automation, and analytics to enhance customer engagement and workforce productivity.

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

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

Bharat Banking: Expanding Reach, Empowering Communities

Our Bharat Banking franchise continues to deliver healthy growth, with advances and deposits rising 7% and 9% respectively from rural and semi–urban (RuSu) markets. We expanded our distribution network to 2,736 RuSu branches, supported by a 28,000+ strong CSC Village Level Entrepreneur network. In fiscal 2025 alone, we added over 250 new branches in these markets.

Sparsh 2.0: Redefining Customer Experience

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

Empowering People, Enabling Progress

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

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

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

Axis for Good: Strengthening Communities, Sustaining Futures

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

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

Staying the Course, Building for the Future

In fiscal 2025, we made bold and deliberate choices, prioritising profitability over growth as we navigated a complex macroeconomic and liquidity landscape with discipline and foresight. Even as we exercised prudence, we continued to invest meaningfully in building a more sustainable, future-ready Axis Bank.

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

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

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

Warm regards,

Amitabh Chaudhry

Managing Director and Chief Executive Officer

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

EXTERNAL ENVIRONMENT

Navigating a shifting world order

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

Economic Environment

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

On the monetary side, after accounting for a significant merger in the banking sector during fiscal 2024, non–food credit growth declined from 16.3% in March 2024 to 10.9% y–o–y in March 2025. This considerable drop was widespread, not limited to the unsecured loans segment, and was primarily driven by supply factors. It was prompted by regulatory concerns over high loan–to–deposit ratios (LDR) at certain banks. Consequently, as banks reduced credit growth, they also slowed down deposit creation, exacerbating the weak liquidity injections from the RBI. Moreover, the central bank's foreign exchange interventions ($ sales) resulted in a liquidity drain of about ₹5 lakh crores, further increasing liquidity stress.

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

Global Economic Outlook

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

When uncertainty reaches a certain threshold, markets can become chaotic. Fear of such chaos has led to a retreat from excessively disruptive actions on several occasions. Despite some tariff rollbacks and ongoing discussions to further reduce them, the prevailing uncertainty is likely to hinder global growth as:

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

Relevant Risks

- Credit Risk
- Liquidity Risk
- Market Risk
- Business Risk

Opportunities Identified

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

Our Strategic Response

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

Technology Evolution and Artificial Intelligence

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

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

Relevant Risks

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

Opportunities Identified

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

Our Strategic Response

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

Climate Resilience and ESG Integration

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

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

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

Relevant Risks

- Impact of Climate Risk-related aspects on Credit Risk
- Operational Risk

Opportunities Identified

» Tap into the growing demand for green bonds, transition finance, renewable energy lending, and sustainability-linked loans.

» Leverage rising ESG-focused investor pools and green capital inflows to strengthen funding diversity and enhance brand equity.

» Offer differentiated customer solutions across Retail and Corporate banking in sectors such as electric mobility, clean power generation, rooftop solar for MSMEs, and green home loans.

Our Strategic Response

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

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

Cyber Security and Data Privacy

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

Regulatory developments, including enhanced incident reporting norms, stricter cloud security protocols, India's Digital Personal Data Protection Act (DPDPA), and SEBI's Cyber security and Cyber Resilience Framework (CSCRF), reinforced the criticality of robust, end–to–end cyber security frameworks that are proactive, adaptive, and resilient. Investment in multi–layered defence architectures, AI–driven threat intelligence, cloud security certifications, and employee cyber security awareness programs has become essential to mitigating emerging risks and safeguarding stakeholder trust.

Relevant Risks

- Information and Cyber security Risk
- Technology Risk
- Regulatory and Compliance Risk
- Operational Risk

Opportunities Identified

» Enhance digital trust and brand equity by delivering secure, privacy–first banking experiences aligned with rising regulatory expectations.

» Strengthen cyber resilience by leveraging centralised threat intelligence frameworks, such as Sectoral Security Operations Centre (SSOC), for proactive risk management and industry leadership.

Our Strategic Response

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

Talent and the Future of Work

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

The Banking, Financial Services, and Insurance (BFSI) sector encountered significant competition for specialised talent in technology, risk and compliance, environmental, social, and governance (ESG) factors, cyber security, and data analytics. Organisations responded by expanding their digital learning ecosystems, integrating artificial intelligence and future skills into employee development initiatives, enhancing internal mobility programs, and making substantial investments in frontline leadership development. Initiatives designed to promote mental health, workplace resilience, diversity, equity, and inclusion (DE&I) were prioritised as essential pillars of organisational strategy.

Relevant Risks

Operational Risk

- Human Capital Risk
- Conduct Risk

Opportunities Identified

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

Our Strategic Response

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

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

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

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

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

Regulatory and Policy Landscape

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

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

Relevant Risks

Regulatory and Compliance Risk

Opportunities Identified

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

Our Strategic Response

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

Making a Positive Change in Society

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

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

Relevant Risks

- Business Risk
- Operational Risk
- Reputation Risk

Opportunities Identified

» Expand financial services access by tapping into rural, semi-urban, and underbanked markets.

» Promote inclusive growth by providing targeted support to women entrepreneurs, small businesses, and community development initiatives.

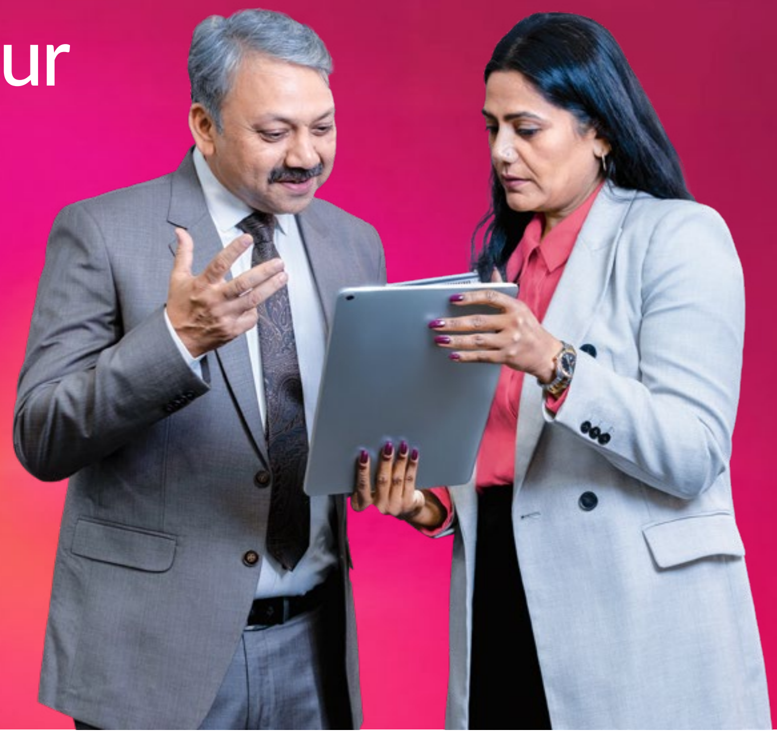
» Strengthen brand trust and loyalty by aligning with societal expectations of sustainability, diversity, equity, and inclusion.

Our Strategic Response

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

STRATEGY IN ACTION

Strengthening our House of GPS



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

In 2019, we launched our 'Growth Profitability and Sustainability' strategy, also known as the 'House of GPS', to provide a unifying framework to our versatile team, who serve as a cornerstone of our strength and adaptability.
The overall strategy of the Bank and that of its specific businesses and functions are aligned with our core philosophy – Growth, Profitability, and Sustainability.

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

Then, in 2023 we bolstered our Sustainability pillar by including four key themes for the Bank – 'Deposit Mobilisation', 'People Proposition', 'Operational Risk & Compliance Culture', and 'Execution Excellence'.

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

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

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

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

GPS strategy

Sustained, Consistent Financial Outperformance

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

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

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

Growth

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

Profitability

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

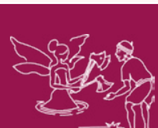
Sustainability

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

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

Our Core Values


Customer Centricity


Ethics


Ownership


Transparency


Teamwork

Growth

- Led by our focus on building granularity across businesses and strong focus on execution, we have delivered strong growth across our focused segments
- We saw a 10% y-o-y increase in overall deposits and 14% y-o-y increase in term deposits; this growth was complemented by an adequate liquidity buffer, with an average LCR of 119% for the quarter ended on March 31, 2025
- Amongst our focus segments, SBB (Small Business Banking) + SME (Small and Medium Enterprises) + MC (Mid Corporate) have collectively scaled up significantly, delivering a CAGR of 26% (from fiscal 2021 to fiscal 2025) despite the tightening of our risk standards; focus segments (SBB+SME+MC) of the Bank has seen improvement in contribution mix from 15.3% to 22.7% of overall book over the last four years
- We are now the 4th largest credit card player, issued 3.47 million credit cards in fiscal 2025 and attained CIF (Cards in force) market share of 13.7%
- The Bank's wealth management business is among the largest in India with AUM of ₹5.92 trillion as at end of March 31, 2025 that grew 10% y-o-y
- With a rating of 4.7 on Google Play Store and 4.8 on iOS App Store, ***'open'*** by Axis Bank ranks among the world's highest rated mobile banking app, doubling up as our largest branch
- Created multiplicative forces through the unification under 'One Axis', partnerships and new age tech platforms to win across businesses

22.7%
Contribution of focus segments to the overall book

14%
Increase in term deposits y-o-y in fiscal 2025

Profitability

- We delivered a healthy operating performance, with Net interest income growing by 9% y-o-y and Operating profit growing by 13% y-o-y
- Our cost-to-assets ratio remained stable at 2.46% fiscal 2025 as we continued to focus on building cost-consciousness across the Bank
- We continued to build granularity in our fee income with granular fee (Retail, Transaction banking, Trade, Forex and Financial institutional payments-related fee) constituting 89% of overall fees, with overall fee income growing by 11% y-o-y
- Total PAT of operating subsidiaries grew by 11% y-o-y and return on investments in domestic subsidiaries stood at 46%

8.93%
Growth in Net Interest Income (NII) in fiscal 2025

2.46%
Costs-to-assets ratio in fiscal 2025

Sustainability

- We have bolstered our risk frameworks and institutionalised culture changes, which gives us confidence that the franchise will remain resilient through cycles
- We added a layer between our 1st line of defence (CAROs) and assurance functions – OH&C (Operational Health & Compliance) team and Financial Crime Intelligence Unit
- Best-in-class digital and analytics capabilities, coupled with our strategy to leverage new emerging technologies such as GenAI, puts us on a path to become India's best tech bank; we became the 1st Indian Bank to be ISO certified for AWS and Azure Cloud security, and roll-out of MS GenAI Co-pilot
- 100% Agile adoption for all relevant systems, thereby driving business value through agile transformation
- Inherent strengths in Bharat Banking give us the right to win in RuSu (Rural and Semi-urban markets) – 2,736 Bharat Banking branches (as on March 31, 2025), 7% y-o-y growth in rural advances in fiscal 2025
- Our tools to set us apart in the next decade:

  Sparsh

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

  Siddhi

  Our super app, which empowers Axis colleagues to engage seamlessly with customers, has 90,000+ active users and 30+ product journeys
- We have a distinctive people proposition, 'Thrive', which helps us retain high quality talent to 'run'/'change' the Bank

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

7%
Growth in Bharat Banking Advances in fiscal 2025

90,000+
Active users of '*Siddhi*' app, which has 30+ product journeys

Our ESG Progress and Aspirations

Governance

1st Indian Bank
To constitute an ESG Committee of the Board

61.54%
Independent Directors on the Board

98%+
Of eligible employees trained in AML & related laws

Social

2.8 Million
Women participants in microfinance rural lending

387,467
Households positively impacted in fiscal 2025 under the Bank's flagship Sustainable Livelihoods program

27.7%
Workforce diversity

Green Operations

~18,732 tCO_2e
GHG emissions avoided annually by various operational eco-efficiency initiatives

34.48 Metric Tons
Of Battery waste recycled (through authorised vendors)

2 MW
Captive solar power plant, reducing our carbon emissions

Sustainable Financing

~₹22,160 crores
Green lending portfolio

~51,000 crores
Total value of proposals reviewed under the ESG policy for lending in fiscal 2025

₹500 million
raised by partnering with IFC to scale up green and blue financing in India – IFC's first-ever blue investment in India and the India's first blue loan issued by a financial institution

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

KEY PERFORMANCE INDICATORS

Sustained momentum, strong fundamentals

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

Balance Sheet

Capital & Reserves and Surplus (₹ in crores)

y-o-y growth 19% | 4 year CAGR 15%

FY 2024-25	**178,617**
FY 2023-24	150,235
FY 2022-23	124,993
FY 2021-22	115,025
FY 2020-21	101,603

Total Assets (₹ in crores)

y-o-y growth 9% | 4 year CAGR 13%

FY 2024-25	**1,609,930**
FY 2023-24	1,477,209
FY 2022-23	1,317,326
FY 2021-22	1,175,429
FY 2020-21	986,798

Total Advances (₹ in crores)

y-o-y growth 8% | 4 year CAGR 14%

FY 2024-25	**1,040,811**
FY 2023-24	965,068
FY 2022-23	845,303
FY 2021-22	707,947
FY 2020-21	614,399

Total Deposits (₹ in crores)

y-o-y growth 10% | 4 year CAGR 14%

FY 2024-25	**1,172,952**
FY 2023-24	1,068,641
FY 2022-23	946,945
FY 2021-22	821,721
FY 2020-21	697,985

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

y-o-y growth 4% | 4 year CAGR 11%

FY 2024-25	**478,188**
FY 2023-24	459,401
FY 2022-23	446,536
FY 2021-22	370,006
FY 2020-21	317,749

Book Value Per Share (₹)

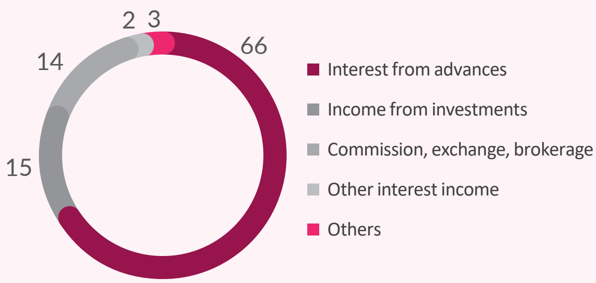
y-o-y growth 18% | 4 year CAGR 15%

FY 2024-25	**577**
FY 2023-24	487
FY 2022-23	406
FY 2021-22	375
FY 2020-21	332

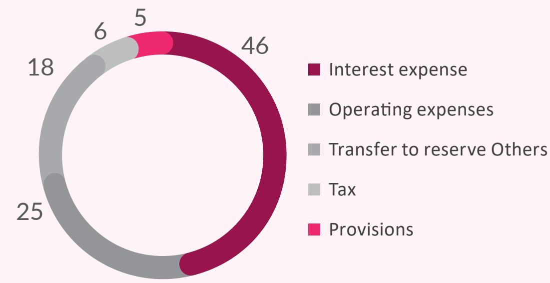
y-o-y growth | 4 year CAGR

Profit and Loss

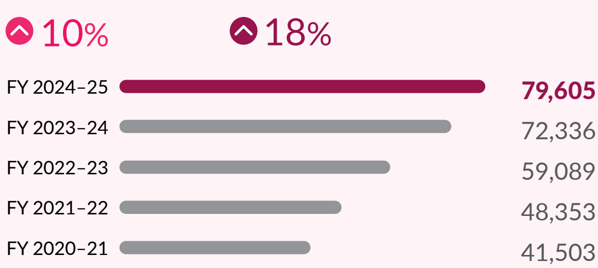
Rupee Earned (%)



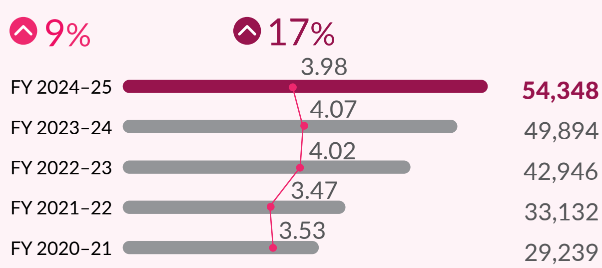
Rupee Spent (%)



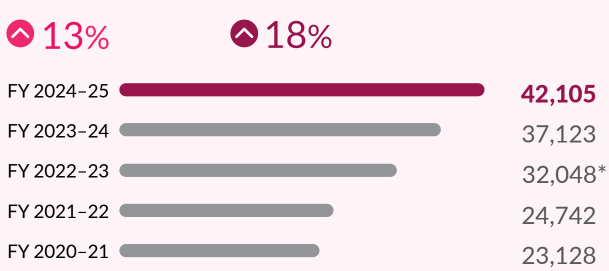
Operating Revenue (₹ in crores)



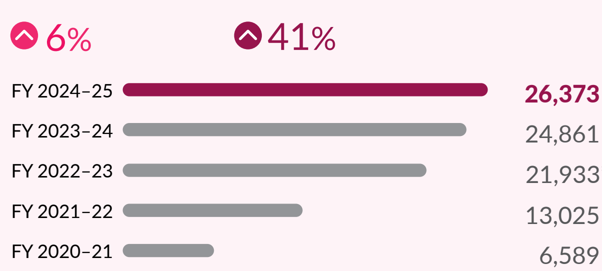
Net Interest Income (NII) (₹ in crores)
Net Interest Margin (NIM) (%)



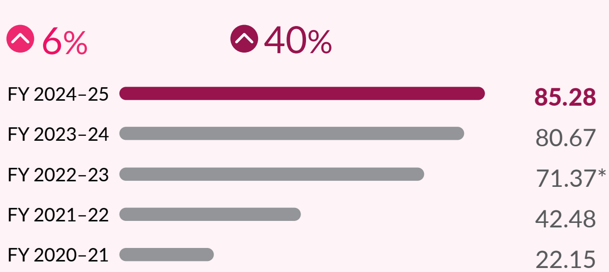
Operating Profit (₹ in crores)



Net Profit (₹ in crores)



Earnings Per Share (Basic) (₹)



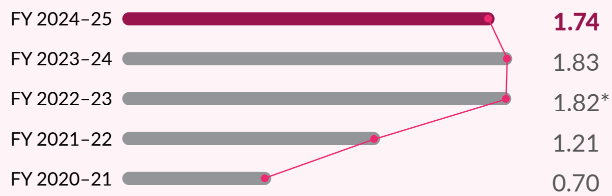
y–o–y growth   4 year CAGR

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

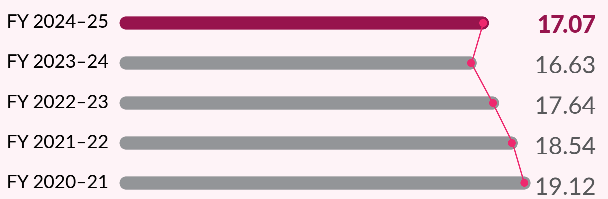
Key Ratios

Return on Equity (ROE) (%)

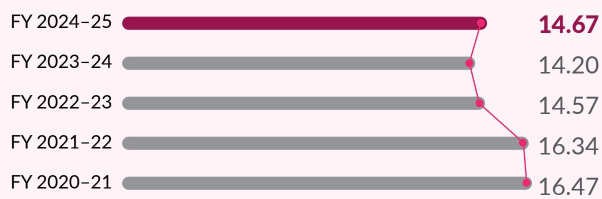
Return on Assets (ROA) (%)



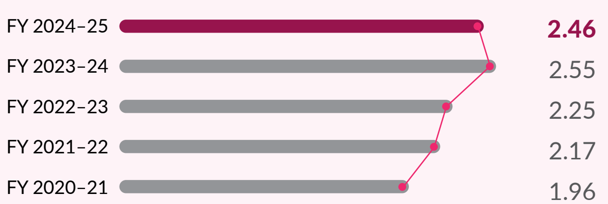
Capital Adequacy Ratio (%)



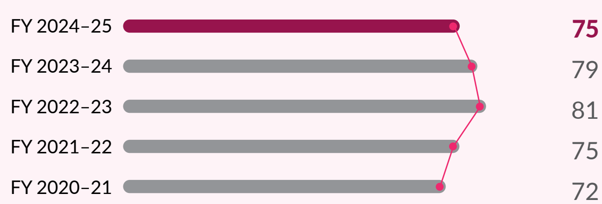
Tier 1 Capital (%)



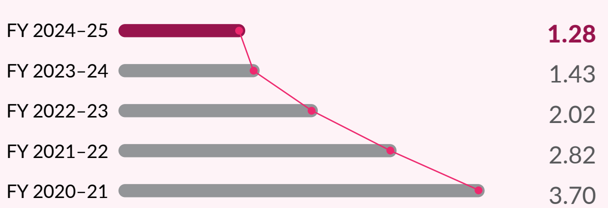
Cost to Asset Ratio (%)



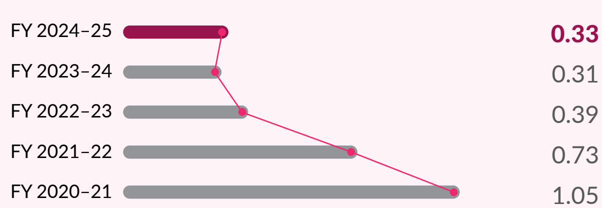
Provision Coverage Ratio (%)



Gross NPA (%)



Net NPA (%)



Highlights of Subsidiaries^

11% ↑ in PAT of domestic subsidiaries

11% ↑ in Axis Finance PAT

45% ↑ in Axis Securities Broking Revenue

33% ↑ in Axis Capital Revenue from operations

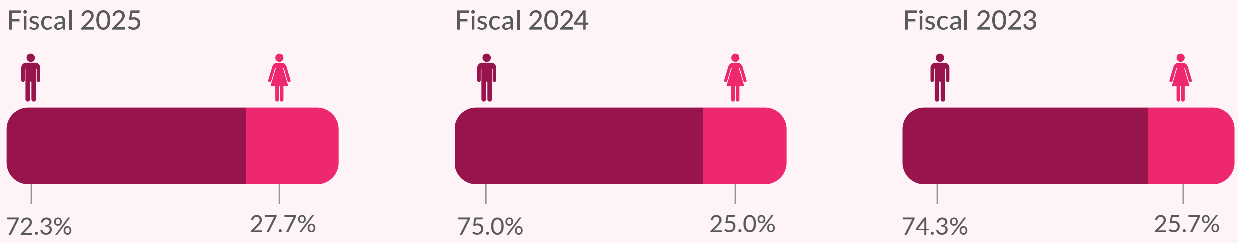
9% ↑ in Axis AMC Equity QAAUM

*Excluding exceptional items
^y-o-y growth

People

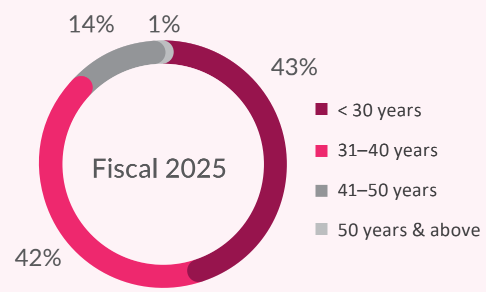
Gender Diversity

(%)



Workforce by Age

(%)



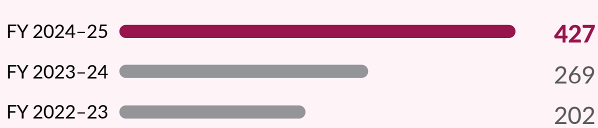
Women in frontline staff^

(%)

Community

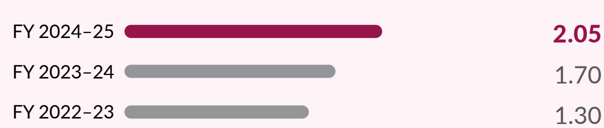
CSR Spend*

(₹ in crores)



Lives Impacted#

(No. in million)



*Includes amount transferred to Unspent CSR accounts to be utilised in ongoing programs in subsequent years
#Cumulatively under the Sustainable Livelihoods Program
Above are standalone figures as on/for year ended March 31, 2025 unless otherwise mentioned
^Out of total women in workforce

MESSAGE FROM THE MANAGEMENT – RETAIL BANKING

Delivering sustainable and profitable growth

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

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

Dear Shareholders,

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

Our Retail Banking business continues to anchor our GPS strategy, delivering balanced, risk-adjusted growth. We have taken deliberate steps toward building a high-quality, premium Retail Banking franchise—defined by an improved deposit base, strong progress in our wealth management business, and the prudent expansion of our loan portfolio. This segment remains a key engine of our growth, driven by a sharp customer-first mindset, a suite of innovative and differentiated products, and one of the most extensive distribution networks in the country having 5,876 branches with a record 500 branches opened in fiscal 2025. These pillars empower us to meet the evolving financial aspirations of millions across India.

The quality of our deposit franchise is getting stronger with further granularisation and we continue to witness sustained growth across our priority business segments like SBB and Rural Banking. We've maintained dominant position in cards, payments, and wealth management, while adopting a calibrated growth approach in the unsecured retail segment. On the digital payment front, we continue to lead with distinction holding a dominant position in the UPI Payer PSP space and credit cards.

Customer satisfaction continues to be our true north. Through our forward-looking Customer Experience program, we're creating 'wow' moments at every touchpoint—empowering our employees to deliver truly memorable interaction for our customers. This has translated into stronger customer engagement, deeper loyalty, and growing advocacy. Our sharp focus on experience has propelled a significant improvement in our Retail Net Promoter Score (NPS). The seamless integration of the Citi consumer businesses has positioned us across the spectrum, turbocharging our journey towards becoming a premium retail banking powerhouse.

Reimagining Deposits: Building a Stronger, Smarter Franchise

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

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

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

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

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

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

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

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

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

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

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

Driving Quality Loan Growth with Precision and Purpose

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

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

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

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

We continue to strengthen the core pillars of our risk architecture—scorecards, policy, and underwriting—while tightening standards through deliberate business mix choices. Our focus on quality is evident: 100% of our personal loan portfolio and 79% of our credit card book is with salaried customers. Existing to bank (ETB) mix stands at 79% for personal loans and 47% for credit cards, reflecting our disciplined approach to customer selection and portfolio construction. ~20% of credit cards acquired in fiscal 2025 were through Known to Bank (KTB) channel.

Powering Progress Across Bharat: Banking that Builds Communities

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

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

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

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

Redefining Payments: Scaling Innovation, Deepening Impact

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

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

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

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

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

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

Leading with Innovation: Elevating Digital Banking

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

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

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

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

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

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

Next-Level Growth, Built on Trust and Technology

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

Warm regards,

Munish Sharda

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

Arjun Chowdhry

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

BUSINESS SEGMENT PERFORMANCE — RETAIL BANKING

Promoting open, accessible, and inclusive banking

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

Material Issues Linkage

M1 M2 M6 M7 M9

Capital Linkage

SDGs Impacted

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

Retail Deposits

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

We have improved the granularisation in our deposit book, which positively impacts the quality of LCR deposits. Consequently, improving the outflow ratio by 340 bps over the last 3 years. The quality and strength of our deposit franchise continues to improve. Our acquisition engine, expansion plans, product launches, salary credits, and Burgundy AUMs remain healthy. We advanced premiumisation with targeted offerings such as the ARISE savings account for women, which caters to diverse financial goals–from ensuring the family's financial security to supporting entrepreneurial ambitions. The Doctors Banking Program aimed to meet healthcare professionals' unique needs while enhancing cross-selling opportunities.

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

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

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

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

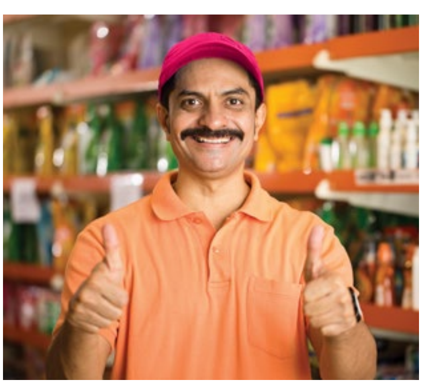
The Bank remains committed to premiumisation, digital innovation, and delivering exceptional value across all customer segments.

14%

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

Retail Lending

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



KEY RETAIL LENDING PRODUCTS

- Home loans
- Overdraft against salary
- Personal loans
- Commercial equipment loans
- Overdraft against FDs
- Lease rent discounting
- Commercial vehicle loans
- Affordable housing loans
- Supply chain finance
- Loan against securities
- Loan against property
- Vehicle loans
- Education loans
- Credit cards

Progress across Five Pillars

Digital-first, Always

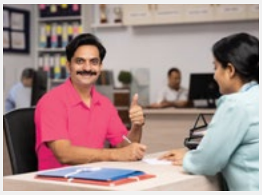
- We have seen increased coverage of digital loans in our high growth businesses and have launched a best-in-class Digital Home Loan journey.
- From Key Fact Statement documents to end-to-end digitisation roadmaps, our goal is clear: to deliver a frictionless, future-ready lending experience.

Smart Distribution, Deeper Penetration

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

Sales with Insight, Powered by Data

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



'One Axis' Approach: From Product to Customer

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

Risk-ready and Resilient

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

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

₹6,229 billion
Retail advances book
↑ 7% y-o-y

Credit Cards

The Bank continued strengthening its cards and payments business, expanding its portfolio through strong organic growth and successfully integrating Citibank's high-value consumer portfolio. The Bank's co-branded Flipkart Axis Bank Credit Card reached a remarkable 4 million active cards, signifying customer engagement and growing market adoption.

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

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

~15 million
Total credit cards in force

~14%
Market share of cards in force

₹2,266 billion
Highest-ever Annual Card Spends

~20%
Merchant Acquiring Terminal Market Share

Forex Cards & Remittances

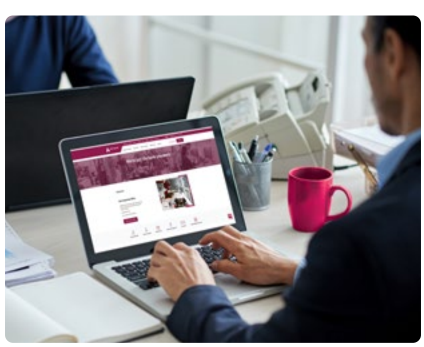
We continue strengthening our cross-border banking offerings through a Forex Cards and Remittance Services suite, delivering seamless, secure, and convenient experiences across digital and branch channels. Anchored in our digital-first strategy, we introduced innovative features such as automated reloads,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

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

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

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

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



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

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

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

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

90%+
Fresh Digital Issuances of Forex Cards

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

Digital Currency (CBDC)

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

On an average we managed 18,500 transactions daily and also hold the record of the single day highest CBDC transactions of 3.2 lakhs. We earned our place as the **top private bank** to credit maximum number of beneficiaries during the Odisha government's Subhadra scheme. We secured this top private bank spot 3 times in a row. We were also one of the few banks invited to represent RBI Pavilion for CBDC during Maha Kumbh 2025, Global Fintech Festival 2024, and IITF Trade Fair 2024 at the Bharat Mandapam, New Delhi.

6.4 lakhs
CBDC customer base, among the highest active customers

~18,500
Daily average transactions

~45,000
CBDC Merchants onboarded

Digital Initiatives

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

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

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

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

~80%
Of customers' Digital Activation done via Digital Unboxing

UPI & Strategic Partnerships

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

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

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

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

33.3%
UPI Market Share (Payer PSP)

Wealth Management

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

People, Technology & Service

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

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

Driving Digital Transformation & Innovation

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

Awards Won

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

18.5+ lakhs
Clients and families served through Wealth Management platform

₹7.4 trillion#
Financial assets managed, with a strong Products per Family (PPF) ratio

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

MESSAGE FROM THE MANAGEMENT – WHOLESALE BANKING

A trusted banking partner of corporate India

Rajiv Anand
Deputy Managing Director

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

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

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

Scaling up and Strengthening our Wholesale Banking Franchise

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

The Bank also deepened its footprint in the start-up ecosystem, forging partnerships with unicorns and Series A+ ventures. Tailored offerings like the Axis Start-Up Card and neo APIs showcased its commitment to innovation. As a leader in domestic payment gateways, the Bank expanded into cross-border payments, while the Real Economy Group focused on Infrastructure & Real Estate doubled its business, contributing 50% to syndication volumes and advancing Green financing. Key milestones including clinching India's first Blue Loan of $500 million from IFC and doubling Assets Under Custody to ₹10 lakh crore added further momentum.

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

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

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

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

Dominant market share in Transaction Banking

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

Leading the Way in the Corporate Bond Market

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

Digital Innovation with Project *neo*

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

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

Driving Innovation and Expanding Impact

Axis Bank made history as the first Indian bank to execute an aircraft financing deal through its International Banking Unit at GIFT City—funding 34 training aircraft for Air India's pilot academy. India is becoming a hotspot for aircraft manufacturers due to its growing aviation market and shifting global dynamics, thereby helping manufacturers diversify market risk and this pioneering transaction marks a bold step in building India's aviation finance ecosystem and reinforces our leadership in cross-border innovation.

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

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

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

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

A Chapter Closes, A Legacy Continues

As I prepare to retire at the end of my term in August 2025, I reflect with immense pride on my 16-year journey with Axis Group—nearly 8 of those within Wholesale Banking. When I took the helm in 2018, the banking industry was navigating the turbulence of the corporate led NPA cycle. Today, we stand transformed being evolved from an asset-focused model to a relationship-led franchise and redefined Transaction Banking with industry-first innovations and built a solution-led, wholesale banking ecosystem.
Through 'One Axis', we served clients across the capital structure, becoming the Transaction Bank of Choice.

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

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

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

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

Warm regards,

Rajiv Anand

Deputy Managing Director

BUSINESS SEGMENT PERFORMANCE – WHOLESALE BANKING

Ensuring every enterprise reaches its potential

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

Material Issues Linkage

M1 M2 M6 M7

Capital Linkage

SDGs Impacted

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

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

8%
Corporate advances growth (y-o-y)

9%
Corporate and Commercial Banking fee income growth (y-o-y)

6%
Current account deposits growth (y-o-y)

90%
Share of Corporate Advances to clients rated A- and above

~1.8x
Focus segment book* growth vs overall book growth (y-o-y)

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

*SBB+SME+Mid Corporate

Strengthening Wholesale Banking in Fiscal 2025

Building Capabilities and Empowering Bankers

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

Expanding Global Horizons through Partnerships

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

Financing the Future with Purpose

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

Government & Ecosystem Engagement

We are a committed partner in the nation's growth journey. In fiscal 2025, we co-hosted the Defence Conclave 2025, with the theme, 'Atmanirbhar Defence – Empowering the Defence Ecosystem', to bolster the indigenous defence manufacturing in collaboration with the government, MSMEs and industry leaders. Aligned with the 'Make in India' and 'Invest in India' missions, we expanded our global banking reach through GIFT City. We partnered with Invest India to attract investments into high-growth sectors, opening new pathways for national transformation. As the first bank to integrate with the government's Upyog platform, we have empowered over 60 local bodies with smart citizen services, ranging from QR-based tax collection to drone-enabled disaster response.

Digital & AI-Led Transformation

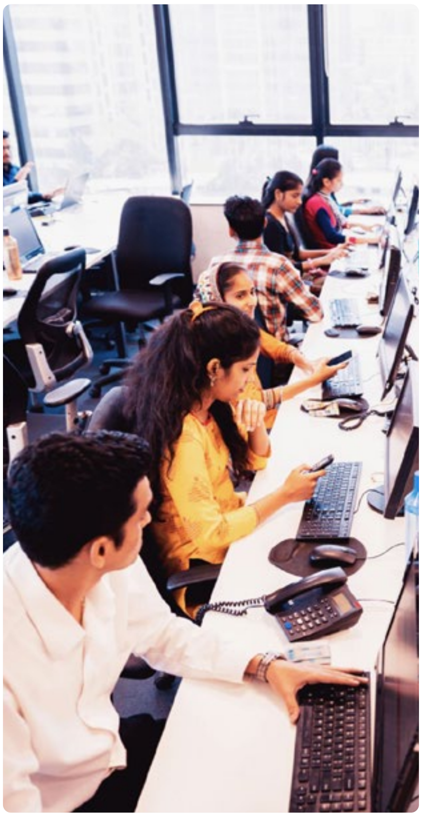
We launched our e-commerce Centre of Excellence (CoE) to tap into India's booming $400 billion D2C market in collaboration with fintech aggregators. We also advanced the use of Gen AI, driving smarter decision-making, sharper customer insights, and greater operational efficiency of the Wholesale Banking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

KEY HIGHLIGHTS

₹10 lakh crores
Doubled Assets under Custody (AUC) powered by the UTI Mutual Fund mandate

$500 million
India's first-ever Blue Loan secured by the Bank from IFC in fiscal 2025

₹19,500 million
Green funding enabled during the year by the Bank



Commercial Banking Group (CBG)

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

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

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

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

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

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

KEY HIGHLIGHTS OF FISCAL 2025

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

8.3%
Market share as % of overall Industry MSME credit

71%
SME loans rated SME3 or better

88%
SME loans are PSL compliant

Medium Enterprises Group (MEG)

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

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

KEY HIGHLIGHTS

18%
Loan book growth (y–o–y)

56%
Customers digitally onboarded

Treasury

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

#1

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

'One Axis'

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

KEY HIGHLIGHTS

A.TReDS

Partnership to streamline MSME payments

17

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

60

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

16%

Of Burgundy private relationships onboarded from Wholesale Banking clientele

>50%

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

1,092

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

Charting the Road Ahead

OUR GROWTH PILLARS FOR FISCAL 2026

Expanding Access

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

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

Accelerating Digital Innovation

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

Delivering Seamlessly with 'One Axis'

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

‘ONE AXIS’ IN ACTION S1

One platform, infinite financial journeys

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

‘One Axis’ Group

Asset Management	Invest Banking & Inst. Equities	Consumer focused NBFC	Retail Brokerage	Trustee	Fintech Platform	TReDS Platform	Insurance
AXIS MUTUAL FUND	AXIS CAPITAL	AXIS FINANCE	AXIS SECURITIES	AXIS TRUSTEE	FREECHARGE	ATREDS	AXIS MAX LIFE INSURANCE
One of the fastest–growing MF player	Leadership position in ECM deals segment	AAA rated NBFC with diversified product offerings	3^{rd} largest bank–led brokerage firm	Amongst the leading trustees in India	One of the major fintech players in India	Leading player on TReDs platform	4^{th} largest private insurance company
75%	**100%**	**100%**	**100%**	**100%**	**100%**	**67%**	**19.02%**[1] (Co–promoter), Accounting Associate
AXIS PENSION FUND **47%**[2]							

Note: 1) Position as on March 31, 2025 and including stakes owned by Axis Capital and Axis Securities
2) Effective stake held by Axis Group in step down subsidiary

Power of One

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

Wholesale Banking · **Commercial Banking** · **Retail Banking**

Universal Banking

1 Investment Banking /Capital Markets	2 Commercial Banking	3 Transaction Banking	4 Retail Banking
Debt Capital Markets (DCM)	Working Capital/ Term Loans	Cash Management Services (Collection/ Payment)	Savings accounts and other products and services
Equity Capital Markets (ECM)	Letter of Credit Bank Guarantee	Current Accounts	Wealth Management– Burgundy/ Burgundy Private
M&A & Advisory	Bill Invoice Discounting, Supply Chain financing	Custodial Services	
Forex & Derivative Solutions	Wholesale Deposits	Correspondent Banking Services	
AXIS MUTUAL FUND AXIS CAPITAL	ATREDS	AXIS TRUSTEE	AXIS FINANCE AXIS SECURITIES FREECHARGE by AXIS BANK AXIS MAX LIFE INSURANCE AXIS PENSION FUND

Reliable Partner throughout the Customer Life Cycle

AXIS FINANCE

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

KEY HIGHLIGHTS OF FISCAL 2025

Retail Segment
Achieved **28%** y–o–y growth on book assets while maintaining resilient asset quality

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

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

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

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

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

FOCUS AREAS FOR FISCAL 2026

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

PERFORMANCE IN FISCAL 2025

28%
Growth in Retail Loan book*

11%
Growth in Wholesale Loan book*

30%
Growth in MSME Loan book*

11%
Growth in PAT, reaching ₹676 crores

14.5%
Return on Equity (RoE)

20.90%
Capital to Risk Weighted Assets Ratio (CRAR)

*y–o–y growth

Awards & Recognition

Great Place To Work. Certified DEC 2024 - DEC 2025 INDIA

AXIS CAPITAL

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

KEY HIGHLIGHTS OF FISCAL 2025

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

FOCUS AREAS FOR FISCAL 2026

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

PERFORMANCE IN FISCAL 2025

48.6%
Growth in Investment Banking revenue

61
Investment Banking deals executed

#2
Rank by number of IPOs

₹160.5 crores
PAT

Awards & Recognition

'Best ECM House' at Finance Asia Awards

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

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

KEY HIGHLIGHTS OF FISCAL 2025

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

FOCUS AREAS FOR FISCAL 2026

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

PERFORMANCE IN FISCAL 2025

108%

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

34%

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

Awards & Recognition

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

Business World People HR Excellence Award, 2024

AXIS MUTUAL FUND

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

KEY HIGHLIGHTS OF FISCAL 2025

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

FOCUS AREAS FOR FISCAL 2026

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

PERFORMANCE IN FISCAL 2025

15%
↑ y-o-y
Assets under management at ₹3,05,717 crores as on March 31, 2025

₹501 crores
Profit after tax (PAT)

82
Mutual fund schemes managed

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

AXIS SECURITIES

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

KEY HIGHLIGHTS OF FISCAL 2025

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

FOCUS AREAS FOR FISCAL 2026

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

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

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

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

PERFORMANCE IN FISCAL 2025

45%
Growth in total income (y-o-y)

38%
Growth in total customer acquisitions

53%
Of clients traded through the mobile app

39%
Growth in profit after tax (y-o-y)

Awards & Recognition

Certified as a Great Place to Work® 2024

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

ATREDS

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

PERFORMANCE FROM JULY 2017 TO MARCH 2025

₹1,80,000+ crores	47,300+	40 lakhs+
Throughput	Participants onboarded	Invoices discounted

AXIS PENSION FUND

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

PERFORMANCE FROM OCTOBER 2022 TO MARCH 2025

₹8,854 crores	3.3%	4.8%	303%
AUM	In AUM	In subscriber base	y-o-y AUM growth

AXIS TRUSTEE

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

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

50%	17%	117%	15%
Facility Agent	Debenture Trustee	Securitisation	Alternate Investment Fund (AIF)

MESSAGE FROM THE MANAGEMENT – OPERATIONS AND TRANSFORMATION

Raising the bar with each success

Subrat Mohanty

Executive Director (Banking Operations & Transformation)

Dear Shareholders,

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

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

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

We have made meaningful headway in each of these areas.

Strengthening our core

Enhancing customer experience and operational efficiency with pioneering technology

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

From an infrastructure perspective, we operate from two strategically located primary data centres in different seismic zones—Mumbai and Bengaluru—along with a near-DR data centre in Bengaluru. These facilities are equipped with high-performance wide-area network connectivity comprising of leased lines and Multiprotocol Label Switching, ensuring seamless application delivery across domestic and international operations.

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

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

Driving operational excellence

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

Investing in capabilities

Empowering employees

Delivering on our customer service promises hinges on the ability of our employees to engage with customers in a meaningful and contextual manner. Our employee platform '*Siddhi*' provides single point access to our frontline staff on all products, customer engagement and service journeys. Today 90,000+ Bank's employees and partners utilise '*Siddhi*' to gain real-time insights and personalised recommendations, thus enabling every interaction to be insightful, meaningful, and rewarding. '*Siddhi*' has been built using modern technical architecture and data stack and is integrated with 35+ systems including core banking, CRM origination systems, data lakes and learning systems. We use advanced analytics to deliver personalised nudges for customer conversations, driving higher impact and customer satisfaction. ~ 30% uplift on key metrics like Term Deposit (TD) booking, Mutual Fund (MF) transactions, credit card sales has been observed and ~10 points Higher Net Promoter Score (NPS) of '***Siddhi***' journeys, leading to increased customer satisfaction.

Customer obsession

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

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

Analytics for delivering customer delight

Customer delight is an outcome achieved by consistently delivering the right service at the Moments of Truths of customer need. Using our personalisation engine which has been live for over three years now, we have seen significant lift in the conversions for select products. The engine also helps us scan over 30 million transactions daily and create meaningful insights for personal finance module live in our mobile banking application.

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

Premiumisation of our franchise

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

Fortifying our defences

Digitisation of banking services continues to create both newer opportunities and threats in many areas. One such interesting area is fraud prevention, where digitisation is both a threat and an opportunity. At Axis Bank, we are committed to making banking safe and trustworthy for our customers. We continue to invest in real time transaction and stakeholder monitoring, dynamic onboarding checks, use of analytics and technology across our businesses to not just mitigate fraud risk but also build fraud prevention as our formidable strength and competitive advantage by investing in it for the long term. By fostering a risk-first culture coupled with customer centricity, analytics and technology, the bank is building a robust defence against fraud thereby proactively protecting our customers' trust and ensuring a safer and more secure financial landscape. Our award winning initiative on "Sanskrit Password" is an innovative blend of tradition and technology—to enhance digital security while reconnecting individuals with India's rich linguistic heritage.

Being a responsible corporate citizen

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

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

Warm regards,

Subrat Mohanty

Executive Director – Banking Operations & Transformation

Har raah
dil se open

Rooted in our promise of '***Har raah dil se open***', the Bank embraces openness — towards people, ideas, progress, and the planet. This ethos shapes how we engage with customers, empower employees, support communities, and drive responsible banking. It reflects in the way we create and share value across stakeholder groups, blending empathy with execution, innovation with inclusion, and growth with purpose. Through every action, we remain committed to building trust and fostering opportunities for all those we serve.

FOR CUSTOMERS – BANKING BEYOND TRANSACTIONS S5

Relationships shaped by our *dil se open* bankers

At Axis Bank, every customer relationship is shaped by our commitment to serve – seeking every possible 'raah' to support, empower and add value to our customers' lives. With over 1 lakh ***dil se open*** bankers at the heart of our operations, we blend human warmth with real-time intelligence to deliver meaningful interactions. '*Siddhi*', our intelligent frontline companion, enhances this connection, enabling our teams to serve with purpose, precision, and a distinctly ***dil se open*** spirit.

Material Issues Linkage

M6

Capital Linkage

SDGs Impacted

Our vision of banking goes beyond processes and products. It's about the people we serve and those who serve them. Our 1.04 lakhs ***dil se open*** Bankers are the torchbearers of our culture, driven by our collective mission to serve with empathy and commitment.

Sparsh – A Culture of Genuine Care and Customer Obsession

Launched as the Bank's flagship customer obsession program, Sparsh was born from our earnest belief in genuinely understanding customer aspirations. Following an extensive exercise to gain insights from over 12,000 customers, dialogues with more than 1,000 employees, and global benchmarking against 50+ leading organisations, Sparsh represents a transformative shift in how we perceive customer interactions.

Our first phase, Sparsh 1.0, laid the foundation for tangible change by introducing centralised processes, setting targets for key metrics, and embedding STAR behaviours. Building on this foundation, Sparsh 2.0 is designed to link our customer-focused initiatives directly with business outcomes, ensuring every interaction adds value and deepens trust.

KEY FOCUS AREAS OF SPARSH 2.0

Delighting Customers, Every Day

Customer Advocacy
Expanding business reach through positive word-of-mouth

Listening with Intent
Embedding empathy & active listening

Customer Loyalty
Increasing engagement by becoming the primary bank for customers

Focus on Input Metrics
Reducing Turnaround Time (TAT)

Business Outcomes
Driving performance through targeted customer-centric metrics

Agile Customer Service
Real time solutions for customer complaints and follow-up on NPS

WoW! Moments
Low-cost, high-impact gestures for customers that surprise and delight

Building Blocks of Customer Obsession

Crafting Delightful Journeys

We embed WoW! moments into every customer journey, making interactions distinctive and memorable. The Ignite Idea Generation Platform reflects our dedication to delighting customers by continuously elevating the banking experience by leveraging innovative ideas from our employees.

Embedding Sparsh Values in Every Employee

Customer-centricity is an integral part of our culture, reflected in every Axis Banker. Sparsh Week 2024 exemplified this commitment, with pan-bank initiatives engaging over 1.8 lakh employees and partners, sparking heartfelt interactions and reinforcing our culture of creating everyday delight.

Measure and Act on Customer Feedback

From the top management to frontline teams, listening with empathy is part of our institutional culture that helps us genuinely understand the customer. Sparsh Labs help us refine our services based on real customer insights. By aligning our actions to customer feedback and Net Promoter Scores (NPS), we ensure meaningful responsive service that meets and exceeds expectations.

Building Institutional Capabilities

We continually invest in developing comprehensive institutional frameworks and technology solutions that simplify processes and enrich customer interactions. Capabilities such as Axis Promise and tech-driven platforms like Adi and Kaleidoscope exemplify our commitment to operational excellence and creating customer delight.

Adi, our generative AI assistant, empowers employees to self-serve and resolve queries instantly across 44+ products. By reducing backend dependency, it boosts frontline confidence and agility—enabling faster, smarter customer interactions. With Adi's support, employees are better equipped to manage queries independently and consistently deliver delightful customer experiences.

Kaleidoscope, offers internal users a unified, chronological view of customer foot prints, instances of service failures, application status and much more across various channels of the Bank.

Ignite: Ideas that Inspire Action

From streamlined home loan bookings and insurance processes to QR-code-powered onboarding solutions, Ignite gives life to ideas that enrich customer experiences. From 1,000+ transformative ideas submitted by our people, 50+ have been shortlisted, and the three winning ones are now actively reshaping our processes and services.

In fiscal 2025, Ignite also saw deep engagement from over 10,000 subsidiary and off-role employees, indicating the collective enthusiasm across 'One Axis'.

Key Innovations

Retail

- Independent home loans and insurance bookings: Simplifying documentation, ensuring quicker and seamless issuance of interest certificates, thus enabling smooth tax compliance.
- Real-time KYC compliance via CVL KRA API integration: Enhancing accuracy, reducing discrepancies, and significantly improving transactional reliability.

Wholesale

- QR code onboarding for Current Accounts: Helping businesses efficiently manage payments through integrated QR solutions and soundbox technologies, enabling quicker onboarding and simplified collections.
- Automated re-KYC reminders for Current Accounts: This digital-first facility enables easy updates for unchanged KYC information, ensuring hassle-free and continuous compliance.

159
Retail Net Promoter Score on indexed baseline of 100, Since inception of baseline (Q1FY23)

#2
Rank in India external benchmarking by Kantar among large peer banks

10% ↓ y-o-y
Gross complaints

~5.9 lakhs
Net complaints

79
Wholesale Net Promoter Score (from baseline of 33)

98%
Burgundy 6 Hour Promise TAT adherence

3
SA onboarding TAT (No. of days P95)

33
SEG onboarding TATs (No. of days P50)

58%
Before Time Renewal under SEG segment

7.13%
Social Media Net Sentiment

Sparsh Week August 2024 Engagement

55,000
In–person customer meet–ups

350+
Customer engagements across CBG & Wholesale

10,000+
Subsidiary & off–role employee engagements

1.8 lakhs+
Employees & partners engaged

1,000+
Ideas through Ignite

250+
PR coverage

4,500+
Sparsh stories

500+
Senior citizen customers met

50+
Senior leadership participation

100+
Sparsh squads on the ground

'Siddhi' – Empowering Frontline Employees, Enhancing Connections

'Siddhi' is the Bank's dynamic, mobile-first platform for its ***dil se open*** Employees. Today, over 90,000 of the Bank's employees utilise *'Siddhi'* to gain real-time insights and personalised recommendations, thus enabling every interaction to be insightful, meaningful, and rewarding.

Real-Time Insights, Meaningful Interactions

'Siddhi' gives frontline bankers real-time access to customer insights-from relationships to past interactions-enabling meaningful and precise service 24x7. With 30+ cross-sell journeys across deposits, cards, loans, investments, and remittances and 25+ service features, every interaction is smarter and more rewarding.

The platform enhances the ease of doing business by enabling employees to provide on-the-go services such as instant statement access and facilitating business transactions real-time while sitting in front of the customer.

Personalised Nudges for Deeper Conversations

'Siddhi' uses advanced analytics to deliver personalised insights and strategic nudges, with frontline teams receiving four or more suggestions per interaction. These tailored conversations drive higher impact and consistently boost customer satisfaction, as seen in improved Net Promoter Score (NPS) compared to traditional channels.

~30%

Uplift on key metrics like Term Deposit (TD) booking, Mutual Fund (MF) transactions, credit card sales

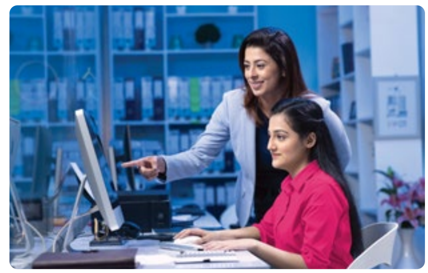
~10 points

Higher Net Promoter Score (NPS) of *'Siddhi'* journeys, leading to increased customer satisfaction

360-Degree Customer View

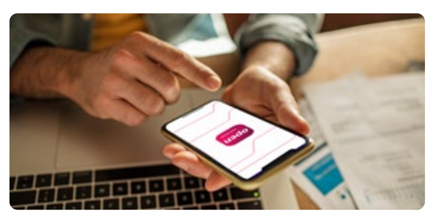
Siddhi's holistic, 360-degree customer view offers bankers real-time customer analytics, helping them anticipate needs, swiftly address queries, and close service requests faster, ensuring every customer feels valued.

It essentially provides a comprehensive snapshot of the customer's relationship with the Bank enabling teams to uncover insights, identify opportunities for cross-sell, drive product penetration and strengthen the customer's primary banking engagement with the Bank.



Enhanced Productivity and Delightful Service

'Siddhi' enhances productivity with tools such as a daily calendar that prioritises customer interactions, helps bankers organise their workday more effectively, and devotes sufficient time to personalised customer attention. The integrated calendar supports a consistent customer connect rhythm, helping employees plan daily interactions more effectively. This drives deeper engagement within their mapped book and enhances outreach to the existing customer base.



Transforming Everyday Banking

'Siddhi' blends technology with a human touch, empowering frontline teams to nurture lasting customer relationships by creating delightful customer journeys every day.

SPARSH 2.0 Stories

Courage, Empathy and Timely Action

Sivaprakash
Manager, Branch Banking

Porur, Chennai, South 2

When a senior citizen visited a branch intending to prematurely close his ₹30 lakhs FD, Bank Officer Sivaprakash sensed something was amiss. The customer seemed unusually tense and was found to be receiving instructions from a fraudster via WhatsApp. Acting swiftly, Sivaprakash alerted Operations Head Sasikala and Branch Head Kavitha Venkatesan.

Though the customer initially resisted their concern, the team patiently explained similar scam cases. When the fraudster called again, Kavitha insisted on a video call, causing the fraudster to hang up and erase all chat history.

Through quick thinking and teamwork, the branch staff prevented the customer from losing his life savings and protected him from being defrauded.

"This is an immensely satisfying and proud moment for Axisians. The presence of mind displayed by our young colleague, Sri Sivaprakash, is commendable. His decision to escalate the matter to senior branch officials, combined with the smart actions of the branch leadership team, collectively prevented a significant financial loss for our customer." – P. Devarajan, Senior Vice President, Chennai, South 2

Remembering Sonam Chahal and her Legacy of Excellence

Late Mrs. Sonam Chahal
Deputy Manager,
Branch Banking

Sector 17, Gurugram

Late Sonam Chahal, Deputy Manager at the Bank's Gurugram Sector 17 branch, was committed to exceptional service, which made her not just a colleague but a role model and a true Axis brand ambassador.

"She was a very special girl," recalled Retired Air Chief Marshal N.C. Suri, in a letter written in appreciation of Sonam's service excellence. He requested that the letter be shared with her family, as they coped with the pain of her irreparable loss. We visited Sonam's home and conveyed our deepest condolences while sharing with her parents her remembrance as someone "full of compassion and concern for others". Her kindness, work ethic, and joyful spirit continue to live on, embodying our cherished Sparsh values.

Today, we celebrate the inspiration she has become. People like Sonam never truly leave us; they continue to shine, reminding us to be better, kinder, and more dedicated to our daily commitments.

FOR CUSTOMERS – BANKING IN THE DIGITAL-FIRST ERA S2 S5

Innovating with a digital-first approach

Digital is at the core of how we imagine the future of banking. We continue to invest heavily in building proprietary technologies and in-house capabilities to deliver digital-first products tailored for evolving needs. We focus on creating seamless, secure, and scalable experiences that elevate every customer interaction across every touchpoint.

Material Issues Linkage

M6 M7 M9

Capital Linkage

SDGs Impacted

Since 2019, we have been on an ambitious mission to redefine banking by investing in building robust digital capabilities.
Our digital team, which includes dedicated engineers and creative designers, focuses on developing pioneering digital solutions that enrich customer experiences at every touchpoint. Harnessing advanced platforms like DevSecOps and secure cloud infrastructure, we proudly deliver cutting-edge digital products that resonate deeply with customers.

Digital Strategy

Build and scale a fully-digital bank within the Bank

***'open'* by Axis Bank**

Extend the capabilities of '*open*' across the Bank

Enabling assisted digital journeys

'*open*' by Axis Bank: Banking Transformed

'open' by Axis Bank is our flagship digital banking entity, operating autonomously within the Bank and contributing ~6% to the overall business. With a sharp focus on customer acquisition, business expansion, and profitability, ***'open'*** offers end-to-end digital journeys across 30+ products spanning savings, investments, payments, and both secured and unsecured lending. Every experience—from digital onboarding to seamless servicing, is designed to be intuitive, efficient, and secure.

Built to promote transparency and accessibility, ***'open'*** has grown steadily, delivering 15% growth in assets and 47% in liabilities in fiscal 2025. We continue to build on our ambition of becoming a digital leader in consumer lending. Our leadership in the Account Aggregator ecosystem has strengthened underwriting for new-to-bank (NTB) customers, while a growing number of partnerships are accelerating digital loan origination.

Customer experience remains at the core of digital banking. The ***'open'*** app offers personalised nudges across multiple features. Innovations like 'One View' (India's first private bank offering to aggregate multi-bank and demat accounts) and a transparent 'Benefits' dashboard further elevate Mobile Banking, making it genuinely open, effortless, and engaging.

~3 crores
Registered customer base for Mobile Banking

47%
Credit Cards are issued digitally end-to-end

15 million+
Mobile Banking active monthly users

4.8
Rating of mobile application on the Apple App Store

4.7
Rating of mobile application on the Google Play Store

What '*open*' by Axis Bank Brings to Life

Flagship innovations		Highlights
Unified dashboard to view all bank and demat accounts via Account Aggregator	**One View**	First Private bank in India to offer this advantage 1 million+ Users
100% digital account opening (Special Edition Amaze Account for young, digital-first customers)	**ASAP Digital Savings Account**	₹20,000 Average balance/account with exclusive benefits on spend activation
In-house video KYC platform and used Bank-wide Accessible to partners	**VISION – Video KYC**	12.8 lakhs Accounts opened through VCIP
Instant utility bill payments via the *'open'* app	**BillPay**	55% Growth on BBPS categories (Utilities) of BillPay
Fully-digital onboarding, cross-sell, upsell & servicing	**Olive – Credit Card Journeys**	83% Of Credit Card engagement is now digital
Investment platform for MFs, digital gold, PPF – personalised investor journeys	**Insta Invest**	₹152 crores In fee income

Digital IN5NITE: Celebrating 5 Years of Digital Leadership

In fiscal 2025, the Bank hosted Digital IN5NITE, a three-day event, celebrating innovation, impact, and future growth in Digital Banking. The event featured strategic workshops, panel discussions, and industry interactions, reflecting our digital journey and reaffirming our commitment to building a digital-first ***dil se open*** bank.

Our New Digital Offerings

We expanded our digital product suite in fiscal 2025 with several additions that enhance convenience, transparency, and financial wellbeing.

My Money – Your Personal Finance Partner

A powerful personal finance manager that offers a 360° view of a customer's net worth by auto-fetching assets and liabilities. It provides insights on spending patterns, access to credit scores, and tools for managing insurance, all designed to help customers make informed financial decisions.

Credit Card against Fixed Deposit

Customers can now apply for a Credit Card backed by their FD without liquidating it or compromising on interest. With zero paperwork and flexible limits, this offering also helps build credit history.

One View – Unified Financial Tracking

We are the first private bank to launch this game-changing feature. While customers could already link and monitor all their Bank accounts in One View, in fiscal 2025 we also launched the option to link demat holdings. This feature uses the Account Aggregator ecosystem and offers customers complete visibility and control over their finances.

Fixed Deposit via UPI

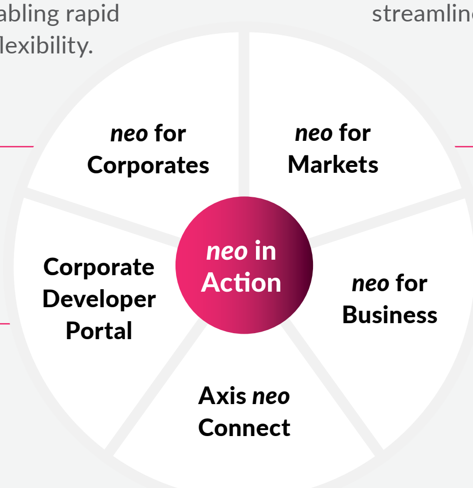
Customers can now open an FD instantly using funds from any bank account via UPI or Net Banking. This eliminates the need for beneficiary addition or fund transfers beforehand.

Project *neo*: Reimagining the Future of Wholesale Banking

We are building India's most future-ready Digital Wholesale Bank, driven by a deep understanding of how our clients run their businesses, not just how they use banking products. ***neo*** is designed around customer journeys — tailored by segment, business size, digital maturity, and user persona. Whether a high-growth MSME or a complex large enterprise, ***neo*** adapts seamlessly to deliver the right experience.

A cloud-native solution that combines Payments, Trade, Forex and more under one unified platform, enabling rapid scaling and flexibility.

A digital boost for treasury clients, driving higher adoption through more innovative, streamlined interfaces.



With 135+ live APIs, it empowers clients to integrate directly into our banking infrastructure, making co-creation real-time and impactful.

A plug-and-play API suite for seamless ERP integration, ensuring that banking becomes a native part of every business workflow.

Tailored for MSMEs, this platform combines banking and non-banking services into a single, intuitive experience, simplifying operations and amplifying growth.

FOR CUSTOMERS – BHARAT BANKING S3 S5

Fuelling dreams, driving development

Bharat Banking is our focused approach to empower customers across emerging India with seamless, digital-first financial solutions. Backed by rising formalisation, digital adoption, and growing financial awareness, Bharat markets present a transformative opportunity. With a customer-centric model and deep distribution, we are building a distinct ecosystem to drive inclusive growth and lasting impact.

Material Issues Linkage

M1 M6 M9

Capital Linkage

SDGs Impacted

Empowering the Grassroots

During the year, we made meaningful progress in deepening financial inclusion by strategically expanding our presence across Rural and Semi-Urban (RuSu) markets. Our extensive on-ground network spans across 2,736 dedicated branches, backed by a vast Business Correspondent (BC) infrastructure. This ecosystem ensures that reliable, inclusive banking services are delivered directly to the doorstep of even the most remote communities.

Our continued focus on accessibility and empowerment resulted in strong outcomes in fiscal 2025, as evidenced by increased transactional volumes, new account openings, and enhanced credit access.

₹98,232 crores
Agri loan book
7% y-o-y growth

234
BC banking outlets

2 lakhs
New accounts opened via BC network

28,000+
CSCs network

₹729 crores
AEPS transaction volume

₹8,331 crores
Loan disbursements

Benefits of Bharat Banking

Driving Profitable Growth

» Leveraging robust credit demand in agri & MSME segments

» Enhanced returns through customised end-to-end financial solutions

» Sustainable profitability from risk-adjusted, longer-tenure products

Priority Sector Lending (PSL)

» Contributes over 80% to organic Small & Marginal Farmers (SMF) PSL targets

» Strategic focus on farm credit, MFI, tractors, gold loans and micro PSL

» Efficiently meets regulatory benchmarks, driving compliant growth

Financial Inclusion

» Empowering millions through tailored credit, insurance and savings solutions

» Localised credit policies, ensuring products fit regional needs

» Last-mile connectivity driving grassroots economic empowerment

Business Correspondent Model

» Rapid expansion into unbanked and underserved regions

» Extensive BC network, reducing infrastructure costs

» Seamless service delivery at the doorstep, enhancing financial access

Expanded Market Coverage

» Deep penetration into RuSu markets

» Robust network, together with branches, BC points, and tailored offerings

» Enhanced customer acquisition, financial literacy and market share growth

KEY INITIATIVES IN FISCAL 2025

- Our **Mandi Ecosystem** deepened rural economic engagement in 423 Mandis, generating over 1.47 lakh leads with a 23% conversion rate. This resulted in ₹313 crores in CASATD Monthly Daily Average Balance (MDAB) and ₹191.63 crores in Asset Disbursement, thereby enhancing rural prosperity.
- Through an expanded **Partnership Ecosystem,** we formed 15 new alliances, bringing our total to over 50 active partnerships. These strategic collaborations enhanced our market reach, integrated us into corporate value chains, and bridged critical service gaps.
- We strengthened our **Bharat Banking reach** by opening 250+ new branches. Our reach also includes 28,000+ CSCs, driven by Village-level Entrepreneurs, ensuring last-mile connectivity.
- Embracing **localised credit policies,** we tailored financial products to diverse regional needs, enhancing financial access and driving deeper market penetration into previously underserved customer segments.
- Our **digital acceleration** efforts led to the adoption of digital capabilities such as eKYC, eNACH, eSign, and eStamp. Farm mechanisation became fully digital, achieving 100% SFDC (Loan Origination System) adoption. Microfinance transitioned to a fully digital process. Continue to focus on digitisation of all the streams of Bharat Banking.
- **Connecting the Dots (CTD)** redefined our customer engagement by generating over 2.87 lakh leads, and converting more than 97,000 customers.

250+
New Bharat Banking branches opened in fiscal 2025

10,000+
New customer relationships forged through Connecting the Dots

15
New strategic partnerships initiated

Innovative Products Crafted for Bharat's Banking Needs

Gold Loan Overdraft on UPI
Enabling instant fund access through UPI for merchant payments from overdraft accounts; provides customers with maximum flexibility, convenience, and financial independence.

Mid-Term Loan (MTL) for MFI Customers
A targeted loan bridging short-term and long-term credit needs, empowering micro-entrepreneurs with swift disbursals, structured repayments, and sustainable economic growth.

Co-lending
Initiated co-lending partnerships to strengthen our outreach in Bharat markets. The platform is now operational with 18 unique partners across 22 relationships.

How We Promoted Financial Inclusion

We focused on empowering underserved communities across Bharat, ensuring financial services reached them at their doorstep.

Expanding the BC Network

We grew our Business Correspondent network by increasing BC points, BCBOs, and VLEs; dedicated financial facilitators ensured convenient and inclusive service delivery at the grassroots.

Technology-driven Banking

Leveraging the ***'open'*** platform, API integrations, and e-KYC, we enabled real-time services through BC partners. Collaborations with Technology Service Providers (TSPS) and fintechs drove seamless B2C and B2B efficiency.

Enhancing Access

Wider adoption of Aadhaar-enabled Payment Services (AePS) improved digital banking reach in remote areas; BCs facilitated transactions and generated leads.

Driving National Initiatives for Inclusive Growth

Through our active participation in schemes such as Pradhan Mantri Vishwakarma Yojana, PMSVANidhi (PM Street Vendor's AtmaNirbhar Nidhi), PMEGP (Prime Minister's Employment Generation Program), NULM (National Urban Livelihoods Mission), NRLM (National Rural Livelihoods Mission), PMMY (Pradhan Mantri Mudra Yojana), AIF (Agriculture Infrastructure Fund), FPO (Farmer Producer Organisation), and PMFME (PM Formalisation of Micro Food Processing Enterprises Scheme), we expanded our support to micro-entrepreneurs, artisans, street vendors, women, small-scale industries, and farmers.

Focused Support for National and State-sponsored Schemes

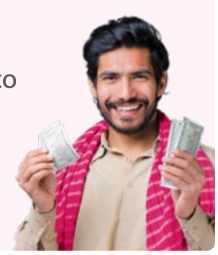
By deepening our involvement in various government-sponsored schemes, we ensured individuals and businesses across Bharat had access to formal financial services. We actively supported initiatives like SWAYAM (Self-Employment and Skill Development Scheme), MMAPUY (Mukhyamantri Antyodaya Parivar Utthan Yojana) in Haryana, CMEGP (Chief Minister's Employment Generation Program) in Maharashtra, MMUKY (Mukhyamantri Udyam Kranti Yojana) in Madhya Pradesh, ASY (Aajeevika Samvardhan Yojana) in Chhattisgarh, CMMFI (Chief Minister's Micro Finance Initiative) in the Northeast, and WBBCCS (West Bengal Bhabishyat Credit Card Scheme) in West Bengal. These schemes directly address regional economic challenges, enabling targeted financial interventions that uplift local communities and strengthen regional economies.

Championing Financial Literacy

By promoting digital banking literacy, we ensure that communities can confidently embrace and utilise financial services. We pay special emphasis on empowering women through tailored loans, microfinance solutions, and savings products, fostering self-reliance at the grassroots level.

80%

Contribution to Organic SMF PSL



FOR EMPLOYEES S5

Enabling continuous learning and collective growth

Our greatest strength is our people — bankers who lead with empathy, act with integrity, and seize every opportunity to support customers, communities, and colleagues. Our culture of openness fosters trust and collaboration. By focusing on learning and a value-driven culture, we empower our employees to thrive.

Our people play an integral role in shaping the future of the Bank, ensuring business development and growth through their commitment and strategic contribution. We foster a culture that encourages continuous learning, adaptability, and a sense of responsibility and leadership at all levels. Our workplace is designed to be agile, inclusive, and employee-centric, where talent is developed, diverse ideas are valued, and individuals are supported in their professional journey through a robust learning architecture. From facilitating career transition through initiatives like 'thrive', to ensuring employee wellbeing through holistic wellness programs, we are committed to supporting our employees at every stage of their journey.

Material Issues Linkage

M11 M13

Capital Linkage

SDGs Impacted

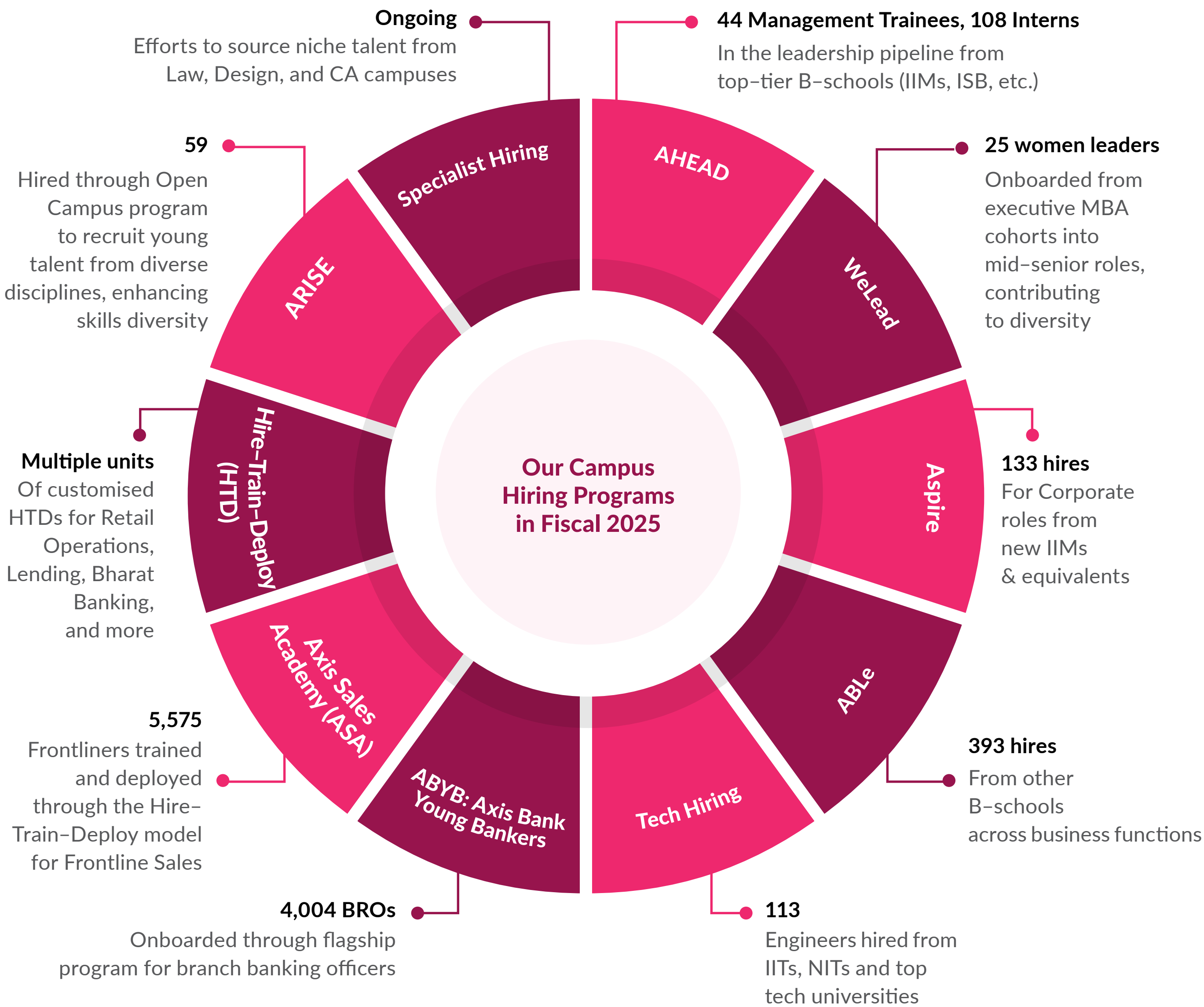
3 5 8 10

104,453
Total employees

28,910
Total women in workforce

₹0.25 crores
Profit per employee

Opening Doors to the Best Talent



The Bank continues to invest in and scale its capabilities to meet its key skill and talent needs through campus programs and partnerships. In fiscal 2025, these initiatives brought in over 10,000 joiners. Efforts focused on launching new programs and enhancing existing ones to address critical skill needs.

Additionally, the Bank entered into two new partnerships – one, to meet emerging demand in rural and semi-urban locations, and two, to tap into new talent pools through a digital service provider.

31,674
Total new hires

₹6,187
Average hiring cost per FTE

25.5%
Turnover rate of employees

₹12,193 crores
Staff cost

34%
Hiring diversity rate

10,000+
Employees hired from campus and academia programs

Nurturing a Culture of Lifelong Learning

At Axis Bank, learning is a continuous process. We have built an ecosystem where every employee, at every stage of their career, has the opportunity to learn, evolve, and lead. We foster a workplace where knowledge is shared openly, learning is immersive, and growth is limitless. At the heart of our learning ecosystem is the Open Learning Lab (OLL), an AI-powered hub offering role-based courses, fintech certifications, and leadership training.

We have established 11 Capability Factories to enhance banking knowledge. The Capability Factory and Skill Academy equip employees with advanced, role-specific skills for immediate impact. Our structured approach provides focused upskilling programs to deepen expertise in areas like branch banking and relationship management.

One of our key learning initiatives in fiscal 2025 has been the **Knowledge Transfer Program** (KTP), which builds sales capability in frontline employees through drip-based learning. Designed as a learning sustenance program, it guides new joiners in engaging with their supervisors within their first 90 days, enabling senior employees to mentor juniors and improve lead conversion while reducing attrition.

We are building the next generation of leaders who can lead with purpose, agility, and openness through focused programs.

Our Leadership Growth Programs

1,000 Change Leaders

A 2-day classroom training curated for mid to senior level leaders, this program focuses on strategic thinking, customer-centricity, and people-first leadership.

BetterUp Coaching

A six-month, one-on-one coaching journey for our senior leaders to develop leadership behaviours & growth mindset. It is focused on enhancing emotional intelligence, resilience, and personal growth.

Leader Class

A monthly, high-impact live session led by industry and internal thought leaders. With over 4,000 employees attending regularly, these sessions bridge vision with action and spark cross-level inspiration.

Some of our other high-impact learning initiatives include:

- **Headstart** – Organisational induction program integrating new joiners into the ecosystem.
- **XPert** – Honing communication skills of front-line managers & supervisors to better represent brand Axis.
- **High-Performing Leaders (HPL)** – 6-month supervisory capability program integrating a unique combination of self-learning series and live practice sessions.
- **Go Beyond –** 6-24-month skill-building initiative for frontline employees across departments for accelerating productivity.
- **Academia** – Train and deploy model for freshers from colleges/ institutes through classroom and on-the-job learning through internships.
- **Axis Competency Profiler** – A mandatory online assessment on Brand Axis, Domain, Customer Management, and Risk & Compliance for all employees across the organisation.

6 million+ hours
Total learning hours of employees in fiscal 2025

1,00,000+
Employees

10+
Skill factories

Training and Development

58.6

Average person hours of training – All eligible employees

71%

Share of trainings conducted online/e-learning

Championing a Diverse, Inclusive and Equitable Workplace

The Bank is committed to fostering a workplace where diverse voices are valued, inclusion is intentional, and opportunities are equitable. Our DE&I strategy—rooted in empathy and purposeful action—aims to create a culture of belonging. In pursuit of 30% women's representation by fiscal 2027, we are scaling diverse hiring across all functions and launching initiatives that reflect our values.

We champion opportunities for all identities—from second-career women to LGBTQIA+ employees—through inclusive hiring, mentorship, accessibility, and progressive policies. Our efforts also extend to communities and industry to advance DE&I across society.

Building an Inclusive Workspace

From Bias to Inclusion:

In fiscal 2021, the Bank launched "Pause for Bias" in new joiner induction to raise awareness of inherent biases. This initiative evolved into the "Gateway to Inclusion" program, promoting everyday inclusion. With over 16,000 people managers engaged, the Bank ensures diverse perspectives shape decisions.

From Advocacy to Action:

The Bank's "Women in Sales" resource group, led by 30 senior leaders and 100 employees, supports women through mentoring and capacity building, elevating women's success in sales.

From Alignment to Reimagination:

Breaking heuristic patterns in hiring, the #HouseWorkIsWork campaign continues to champion homegrown skills. Attracting over 4,000 candidates, it redefines career breaks as fresh starts enriched with life-taught skills.

33,000+

Women impacted in rural India through Axis Women in Motion programs

27.7%

Diversity ratio as on March 31, 2025

1.01

Ratio of fixed pay of women to men

From Fitting-In to Standing Out: Through the #ComeAsYouAre Charter, the Bank fosters an inclusive environment for LGBTQIA+ employees and customers, with progressive policies like partner health coverage, inclusive leave, and gender-affirming dress codes. The Pride365 group has grown from 7 to over 1,000 members, representing diverse queer identities.

From Uniformity to Personalised Accessibility: The Bank is committed to building an inclusive workplace where individuals with disabilities can thrive. By learning from their experiences, we enhance awareness and sensitivity across the organisation. Their Key Result Areas (KRAs) are tailored to individual strengths, ensuring equitable growth.

Women as Independent Economic Entities: Axis Women in Motion, the Bank's grassroots effort, has reached over 25,000 people across towns, hinterlands and talukas. This program focuses on encouraging women to become independent economic entities.

Students as Future DE&I Champions at the Workplace: To nurture future inclusive leaders, the Axis DE&I curriculum on *Building and Leading Inclusive Organisations* was implemented in 20 academic institutions, certifying over 800 students. These sessions equip emerging leaders to foster and sustain inclusive workplaces.

Building Inclusive Industries and Businesses: This year the Bank's initiative "Axis VIBE", (varsity of inclusive business enterprises), reaching 165 organisations, continued to champion robust DE&I practices and nurture a collaborative ecosystem valuing equity and inclusion.

Using Interactive Mediums like Podcasts for Advocacy: Axis Bank's *Women in Banking* podcast features women leaders discussing themes like career gaps, financial empowerment, entrepreneurship, tech, sales, and risk-taking. These 20-30 minute episodes aim to inspire inclusion and encourage women to pursue professional growth.

Listening with Empathy

At Axis, we have built a multi-layered listening architecture that fosters an environment where feedback flows freely and every employee feels valued, heard, and connected to a shared purpose.

We are committed to continuous listening through a blend of internal and external touchpoints. Our AI-enabled sensing channel- *Amber*, keeps us closely connected to employee sentiment in real time - engaging over 49,000 employees in 95,000+ conversations. This year we reached out to 20,000+ frontline Sales Executives, capturing feedback from Day 3 of their journey with us.

Additionally, our **Values Voices** survey further gauges how deeply our culture and values are embraced. Each year, we run the survey to assess alignment with our five core values—ownership, teamwork, transparency, ethics, and customer centricity. In fiscal 2025, following a major cultural transformation, we launched the updated survey in January based on our refreshed Values framework.

The scores were presented to the leadership in the form of the Values Scorecard and are being used to establish a baseline for tracking our progress moving forward.

Value Scorecard

73% Ownership

63% Teamwork

87% Transparency

70% Ethics

84% Customer Centricity

Pride in Axis

94%
Are proud to represent Axis in conversations with customers

92%
Feel good about the ways in which Axis Bank contributes to the society

91%
Recommend Axis as a great place to work

94%
Believe Axis Bank is well–positioned to win in the future

90%
Feel their family and friends believe that Axis Bank is a good place to work

We also benchmark ourselves against global standards through external platforms like *Great Place to Work® (GPTW)*, to validate progress and uncover opportunities for meaningful improvement.

Our centralised HR query resolution platform, **HResponse**, handled **83,482 employee queries** in fiscal 2025, ensuring a seamless support experience for employees.

As part of our continuous listening approach, these multiple avenues help surface recurring themes and employee concerns, enabling proactive improvements in policies, communication, and service delivery, thereby impacting overall engagement.

Caring for Our People

At Axis, we believe that when we care for our people, they care for all that we create together. In fiscal 2025, we redefined wellbeing—not as a benefit, but as a way of life—infused with empathy, purpose, and vitality. We've built a culture where every step toward wellness is a shared win, and every individual is empowered to thrive. Here's how we bring this to life:

Comprehensive Health Coverage

Our Mediclaim Policy offers peace of mind with fast, transparent, and compassionate claim support—ensuring employees and their families are protected when it matters most.

Mental Wellness

Over 17,000 employees engaged with our counselling ecosystem supported by expert counsellors and our Chief Wellness Officer—fostering resilience and emotional wellbeing. We continue to strengthen our mental wellbeing agenda with a host of additional initiatives.

- Queer-affirmative professionals delivered nearly 2,000 hours of support through 1,849 one-on-one and 117 group sessions, reaching 1,366 individuals across diverse backgrounds.
- Multimodal Therapy, including Talk therapy, CBT, and experiential methods like dance movement therapy and psychodrama helped employees express their emotions.
- Group sessions on stress, grief, and mental fitness were conducted. Free counselling is also extended to employees' family including children, partners, and queer families of choice.
- Programs like *Back to Work*, *Leading with Empathy*, and *Moms at Work* ensure smooth transitions and inclusive support post-maternity.
- **Wellness Sherpa Program:** 306 employees, including Pride365 Sherpas, were trained as emotional first aid providers—fostering allyship and peer support across the organisation through this flagship program.

Preventive Health Checks

9,000+ employees aged 40+ participated in Master Health Check-ups and TMT tests, saving over ₹2 crores—underscoring our commitment to proactive care.

Everyday Wellness Access

Virtual consultations, wellness dashboards, and exclusive discounts enabled 5,400+ prescriptions and 3,200+ tests—making health support seamless and accessible.

Financial Wellbeing & Security

Tailored financial literacy programs, loan offerings, and insurance benefits empower employees to manage their finances with confidence.

Flexibility & Work-Life Balance

We encourage work-life balance. Through our GIGA (remote work) framework, parental leave and sabbatical policies, employees enjoy the flexibility to align work with life.

Wellness Webinars

42 health-focused webinars—including art therapy, personality doodles, desk yoga and aromatherapy workshops —offered moments of learning, healing, and connection across the organisation.

₹280 crores+

invested in employee wellbeing

Occupational Health and Safety (OHS) Policy

In fiscal 2025, Axis Bank institutionalised a comprehensive Occupational Health and Safety (OHS) Policy, reinforcing our commitment to a safe, healthy, and inclusive workplace. The policy integrates key frameworks—including Mediclaim, Wellbeing, Group Term Life Insurance, Employee Care Benevolent Fund, and POSH—into a single, holistic approach to employee care.

A cross-functional OHS Working Group, comprising HR, Sustainability & CSR, Ethics, Risk, and CRES, oversees implementation and performance via a dedicated dashboard. This initiative places safety, health and dignity at the heart of our culture.

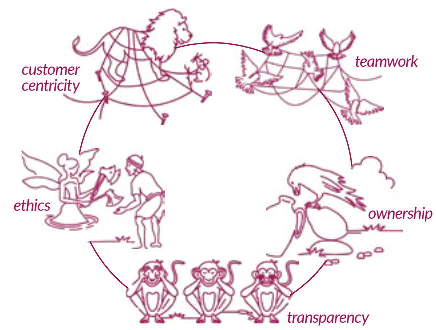
The OHS Policy can be accessed here: https://www.axisbank.com/docs/default-source/quarterly-reports/occupational-health-and-safety-policy.pdf

Living our Values, Together

At Axis Bank, we take pride in upholding our five core values, which form the foundation of our business strategy – ***ownership, teamwork, transparency, ethics, customer centricity***. These values are pivotal in fostering a high-performance culture within the organisation and our goal is that *All of Us* at Axis live these values *All the Time*.

Since the launch of our Values in 2019, the Bank has consistently embedded them across the employee's journey. In fiscal 2025, we refreshed the framework to align the value behaviours with strategic business priorities. A Steering Committee comprising 12 leaders was set up and after 300+ conversations with employees and leaders, 1,400 committee man-hours, and 3 in-depth culture workshops with leaders of the Axis Group, a new set of behaviours were drafted. The articulation is aspirational and emphasises on collective ownership. To embed the refreshed values, 85 senior leaders—including the Management Committee—conducted sessions across 70 cities, reaching over 4,500 people managers to ensure last-mile adoption in their teams.

Further, we expanded our network of Axis Values Realisers (AVRs) from 1,332 to 2,339. They play a critical role in embedding a value-driven culture throughout the organisation via year-round sessions.



Fostering Transparency and Fairness

Transparency—one of our core values—shapes a culture of openness and trust at Axis Bank. Through open-door leadership and strong whistleblower policies, we uphold ethical conduct at every level, ensuring a safe, respectful environment where everyone can thrive.

Performance Management

Our performance management system is built on objectivity, featuring Key Results Areas (KRAs) and 360-degree feedback. We ensure bias-free evaluation through moderation committees and offer training for managers to provide constructive, growth-focused feedback.

Through **RetrACE** employees are able to revisit their performance journey and raise concerns about their performance for the year. These are reviewed by an independent Apex Committee comprising senior leadership.

Competitive Compensation & Benchmarking

We partner with Aon Consulting Pvt. Ltd. to benchmark salaries against industry standards. Our performance-linked incentive structures reward high performers, and we remain committed to equal pay for equal work, eliminating gender pay gaps.

CEO Compensation

CEO compensation for the Bank's MD & CEO is in line with the guidelines stated in the RBI circular dated November 4, 2019. The Bank uses a Balanced Scorecard approach to assess the CEO's performance. The scorecard contains KPIS for the MD & CEO under a range of areas, including financial performance, internal processes, compliance, people, execution, and performance of subsidiaries.

The MD & CEO's variable pay consists of a performance bonus and stock-linked incentive. The variable pay is governed by regulatory guidelines, which include deferral arrangements.

While part of the performance bonus is deferred over the subsequent three performance periods, the stock-linked incentive vests over 48 months from the date of the grant. The entire variable pay is subject to Malus/ Clawback clauses as per the Bank's policy.

Embedding Sustainability, Ethics, Integrity & ESG

Our people are at the heart of our commitment to ethical banking and responsible growth. By integrating sustainability, ethics, integrity, and ESG principles into our HR practices, we empower employees to drive positive impact within and beyond the Bank.

We embed equity, inclusion, and responsible leadership across all HR strategies—ensuring bias-free hiring, fair pay, transparent compensation, and upskilling for ESG-aligned careers.

Ethics is non-negotiable at the Bank. We uphold fair labour practices with zero tolerance for discrimination. Through robust whistleblower policies and ethical leadership training, we reinforce a culture where integrity and accountability guide every decision.

The Bank has implemented a policy to prevent sexual harassment of women at the workplace and is fully compliant with the Internal Committee requirements under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. A Central Internal Committee (CIC) has been instituted for the redressal of complaints and to prevent sexual harassment. Additionally, four Regional Internal Committees (RIC) have been constituted to facilitate investigations at the four regions (north, south, east and west) of the Bank and take appropriate action as per the said policy.

8

Complaints pending at the start of the fiscal year

54

Complaints of sexual harassment filed during the fiscal year

50

Complaints disposed off during the fiscal year

12

Complaints pending as on the end of the fiscal year

33

Workshops/awareness programs conducted against sexual harassment

Whistleblower Policy & Vigil Mechanism

The Whistleblower channel provides a secure way for employees to escalate concerns regarding any non-compliance/violations in the Bank's Code of Conduct and Ethics, which includes non-adherence to laid down guidelines of the Bank, conflict of interest, fraud, misuse of delegated powers, misappropriation, any form of corruption, data leakage, etc.

To ensure smooth flow and management of complaints under the policy, a web-based application 'https://whistleblower.axisbank.co.in/index.php/portalComplaints/index' is available for filing protected disclosures, including anonymous whistleblower complaints containing specific and verifiable information, without fear of revelation of identity. The policy contains provisions for protecting whistleblowers from any unfair action prejudicial to their interests.

673

Total whistleblower complaints received by the Bank in fiscal 2025

Celebrating Excellence across Axis

We foster a culture of recognition and appreciation through a myriad of initiatives, celebrating achievements at every stage of the employee journey at the Bank. During fiscal 2025, we felicitated 11,000+ employees under various recognition programs.

CHAMPIONS

Champions Awards, our flagship recognition program, celebrates employees who exemplify our core values. This year, from over 24,000 inspiring stories, 86 winners were honoured by the Board, MD & CEO, and senior leaders at a gala awards night. Through our quarterly ***Anchors*** initiative, we celebrate everyday excellence—whether it's going beyond the call of duty, cross-team collaboration, early-career impact or mitigating risks. A total of 3,183 employees were recognised under this program.

ANCHORS

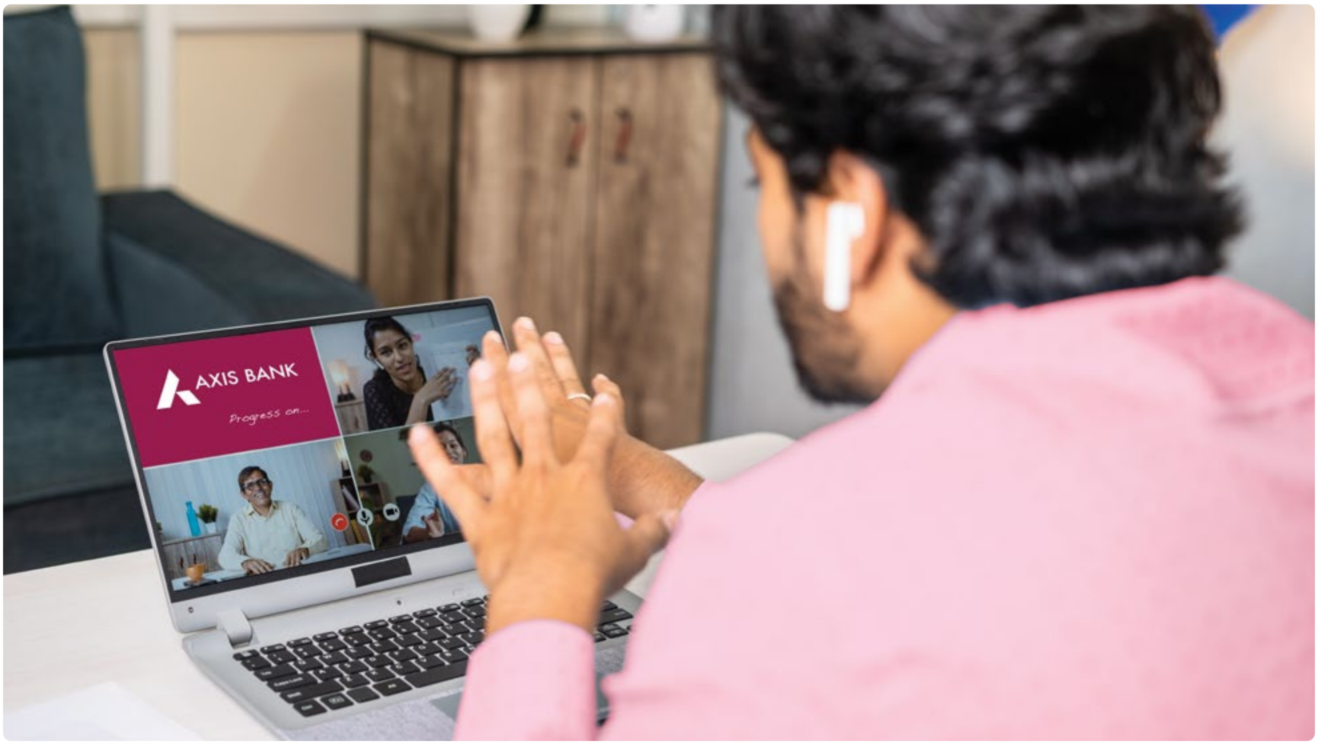
OGs, our long service recognition program, honours enduring commitment and shared growth. This year, we celebrated 51 employees marking 25 years and above of service at a special luncheon with senior leadership. Additionally, 7,000+ employees were recognised for reaching other tenure-based milestones.

AHEAD OF THE CURVE

In fiscal 2025, we launched ***Ahead of the Curve***, to honour people managers who champion open communication, empower teams and nurture careers recognising **595** leaders.

Retiring with Pride

We also celebrated the journeys of 20 retiring employees through ***Retiring with Pride***, our program that honours dedication and lasting impact.

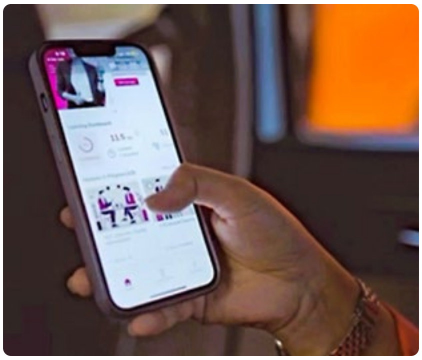


Reimagining Possibilities through Technology

The Bank continues its transformation journey to offer seamless and intuitive self-service experiences, simplifying processes for employees, managers, and HR professionals as the technology landscape around us evolves.

Over the past year, we have enhanced our systems to achieve **Silent HR**, improve operational efficiency, and strengthen controls and governance in key areas. End-to-end process journeys have been automated to ensure STP is up from 60% to 80% in fiscal 2025 (Straight through processing, such as laptop allocation on Day 1).

A key milestone this year was the launch of the **Open Learning Lab**—our new, unified learning platform. Replacing the previous LMS, it empowers employees to self-enrol in tailored courses aligned to their growth. Within three months, 97% of employees actively engaged with the platform, reflecting its intuitive design and impact.



The '**One Axis' App** successfully delivers unified experience to employees across the bank and subsidiaries. It hosts all significant employee and manager self-service journeys, allowing ease of access for daily transactions such as attendance, leave management, travel, query resolutions etc. **Adi**, our virtual assistant on the app is a cutting-edge Gen AI-powered assistant to manage HR related employee queries with precise, first-time right responses and solutions.

To streamline people analytics, we launched the Employee Data Lake-centralising employee data across the lifecycle. It addresses fragmented HR systems, enabling insights into org structure, headcount, attrition, and performance. Backed by a unified framework, it enhances productivity and supports data-driven decisions across the Bank. As we continue to innovate and integrate advanced technologies, we remain committed to empowering our employees, optimising productivity, and ensuring sustainable growth for Axis Bank.

Affirming our Position as an Employer of Choice

In fiscal 2025, Axis Bank reaffirmed its position as an employer of choice through multiple recognitions that underscore our dedication to building a future-ready and people-first organisation. We are proud to be certified once again as a Great Place to Work, a testament to our enduring focus on fostering a culture of trust, inclusivity, and continuous learning.

Our future-focused approach was further acknowledged by Fortune India, where we were ranked among the Top 5 Future-Ready Workplaces.

This recognition highlights our efforts to create an agile organisation equipped to thrive in a dynamic environment, powered by innovation and a skilled, resilient workforce.

We also received the BT-KPMG Award for Best Talent and Workforce in Banks in India, which reflects our robust talent management strategies and commitment to attracting, nurturing, and retaining high-potential talent. This recognition reinforces our belief that investing in people is key to sustainable growth.

In addition, we were honoured with the Jombay – WOW Workplace Award 2025, which celebrates organisations that excel in creating meaningful employee experiences and cultivating leadership at all levels. This award further validates our employee-first philosophy and the impact of our progressive HR practices.

FOR INVESTORS S5

Sustainable wealth creation for shareholders

India stands at the cusp of a new economic era, driven by digital acceleration, inclusive growth, and rising aspirations. Aligned with this momentum, Axis Bank remains open to possibilities and poised to lead. With a clear strategic focus and a strong commitment to nation–building, we leverage India's growth trajectory to deliver long–term value for our investors.

Material Issues Linkage

M2 M15

Capital Linkage

SDGs Impacted

India is undergoing a structural shift powered by digital adoption, revival in manufacturing, and the rise of Bharat and self–reliant enterprises. Amid a volatile global landscape, the surge in consumption, increasing affluence, the growing momentum among MSMEs, and the growth of sustainable financing, present long–term prospects for the banking sector. The Bank is well–positioned to capitalise on these opportunities by integrating its strong physical presence with digital innovation, broadening access, supporting emerging sectors, and creating sustained value for investors while contributing meaningfully to India's inclusive development.

Financial Performance

The Bank has undergone a significant transformation under the GPS (Growth, Profitability and Sustainability) strategy launched in 2019. Through unwavering execution and strategic investments in our people, processes, technology, and transformative initiatives, the Bank has emerged stronger, more resilient, and fully equipped for the future. We have not only exceeded our GPS commitments but have also firmly positioned ourselves as an all–weather institution.

Improvements in Key Financial and Operational Metrics since fiscal 2019

	Metric	Fiscal 2019	Fiscal 2025
Lifted the growth momentum	Advances Market Share	4.9%	5.4%
	Deposits Market Share	4.3%	5.0%
	Operating Revenue Growth	8%(1)	16%(2)
Improved profitability considerably	Consolidated ROA	0.66%	1.77%
	Consolidated ROE	8.58%	16.89%
	NIM	3.43%	3.98%
Strengthened the Bank significantly	CET 1(3)	11.27%	14.67%
	PCR (4)	62%	75%
	Net NPA	2.06%	0.33%

(1) CAGR during fiscal 2016 to fiscal 2019 period (2) CAGR for the fiscal 2019 to fiscal 2025 period (3) Common Equity Tier – 1 (4) Excluding technical write–offs

In addition to its traditional strengths, the Bank continues to lead India's digital payments ecosystem. Our dominant market presence across the Unified Payment Interface (UPI), National Electronic Funds Transfer (NEFT) and Immediate Payment Service (IMPS) platforms highlights our ability to drive innovation and scale in an increasingly digital economy. The Bank also remains a top player in merchant acquisition and credit cards, reinforcing our customer–centric growth approach.

Digital Payments Leadership

33%
Market share in UPI Payer PSP

23%
Market share in IMPS volume

30%
Market share in NEFT volume payments

~20%
Terminal market share in merchant acquiring business

Credit Cards

India's 4th largest player with a 14% market share

Capital Allocation & Risk-adjusted Returns

Our portfolio strategy is grounded in a disciplined focus on Risk-Adjusted Return on Capital (RAROC), ensuring capital efficiency and sustainable growth. This approach enables us to make informed decisions on capital and liquidity deployment, guided by three key pillars: **Optimal yield placement, Return potential,** and **Predictive loss management**.

We remain careful and selective in the retail unsecured segment, particularly personal loans and credit cards. Growth in this segment is driven by a balanced RAROC-led approach underpinned by advanced digital and data analytics capabilities. Simultaneously, we continue to strengthen our collections infrastructure with front-end tech enablement to enhance efficiency and outcomes.

The retail secured portfolio's growth is tailored to meet our RAROC benchmarks. For example, our mortgage portfolio, including home loans, Loans Against Property (LAP), and affordable housing, exhibits a diverse risk-return profile. In the current deposit-constrained environment, we have adopted a strategic lens to optimise growth within these three mortgage product segments.

Pillars of a Resilient Portfolio

- RAROC as the core driver for capital deployment and liquidity planning across portfolios
- Proactive portfolio monitoring using early warning triggers and policy recalibration
- Cautious stance on retail unsecured portfolio (personal loans & credit cards) with tech-enabled collections and risk analytics
- Tailored strategy for retail secured portfolio based on varied risk-return profiles

72%

Retail loan book is secured

ESG & Sustainable Investing

ESG is a core pillar of the Bank's long-term strategy, rooted in our Purpose Statement: 'Banking that leads to a more inclusive and equitable economy, thriving community and a healthier planet'. We have significantly scaled up ESG integration across business operations — embedding environmental responsibility, social equity, and sound governance into decision-making processes.

This includes a strong focus on building an inclusive workforce, creating a future-ready workplace, advancing sustainable finance, and strengthening our governance frameworks to drive long-term value creation for all stakeholders.

Our Bank was the first Indian bank to establish a dedicated ESG Committee of the Board in 2021, reinforcing strategic oversight and ESG governance. We remain committed to support India's transition to a low-carbon, inclusive economy in line with the United Nations Sustainable Development Goals (UN SDGs) and the Paris Agreement. We have committed to increase the share of electric vehicle financing in the overall two-wheeler and four-wheeler retail loan portfolio and scale down our exposure to two highly carbon-intensive sectors, coal and thermal power.

ESG commitments taken by the Bank

Read more pg. 19

We continue to be considered among the sector leaders in sustainable financing, having raised marquee issuances since 2016, when we launched India's first certified dollar green bond.

Under the Committee's oversight, the Bank continues to focus on strengthening its ESG and climate-related risk management capabilities from the enterprise to portfolio to project level. In 2022, the Bank had reached its first milestone of embedding ESG and climate-related risks and opportunities into its annual Internal Capital Adequacy Assessment Process (ICAAP). Additionally, we have developed climate risk dashboards covering physical and transition risks in key portfolios and continue focusing on pertinent training and capacity building for the Bank.

We have further strengthened our ESG Policy for Lending, which integrates environmental and social risk assessment into its credit appraisal for Wholesale Banking. Managed by a team of environmental and social risk professionals, the updated policy mandates deeper scrutiny of proposals in hazardous sectors or with high climate-related risks, such as coal mining, thermal power, and hazardous chemicals. Notably, key proposals discussed at the Board's Committee of Directors now include its environment and social risk assessment.

Governance & Transparency

The Bank's Fair Disclosure Code provides a clear framework to ensure timely, transparent, and equitable disclosure of any Unpublished Price Sensitive Information (UPSI) that could impact the market value of the Bank's securities. In accordance with regulatory requirements, the Bank ensures that such information is first disseminated through stock exchanges, followed by other public platforms to provide universal and non-selective access.

The Bank consistently shares key updates, including financial results, corporate announcements, and material developments, in line with the regulatory guidelines under the Fair Disclosure Code. These disclosures enable investors and market participants to make informed decisions. The detailed policy, titled 'Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information', is available on the Bank's website.

Some of the disclosures available on the Bank's website include:

- Quarterly earnings investor presentation, earnings press release and financial results
- Earnings call transcripts and audio/video recordings
- Investor presentations for road shows, conferences and specific events
- Investor presentations on specific businesses or subsidiaries of the Bank

The audio/video recording link and transcript of quarterly earnings calls are submitted to stock exchanges in accordance with the existing guidelines outlined in the SEBI LODR Regulations, 2015.

Shareholder Engagement Initiatives

Shareholders are key growth capital providers for any Bank and play a critical role in supporting the Bank's growth and strategic direction. We view them as long-term partners and ensure continuous engagement through structured, transparent, and timely communication.

Our interactions include one-on-one and group meetings in physical and virtual formats, such as:

- Post-quarterly earnings calls, Annual General Meeting and analysts' meet
- Conferences and non-deal roadshows (both domestic and international)

Effective shareholder engagement is crucial to achieving a fair valuation and maintaining market trust. Open, two-way communication with shareholders ensures clarity on our strategy and performance, supports informed price discovery, and strengthens long-term investor confidence.

Long-term Focus

Value Creation

The Bank remains focused on creating long-term shareholder value by harnessing multiplicative forces by unifying 'One Axis', forging strategic partnerships, and leveraging new-age technology to drive business performance. Over the past six years, the Bank has delivered a marked improvement in return metrics, strengthened its balance sheet as well as its self-sustaining capital structure.

The Bank's capital raise in fiscal 2021 significantly boosted its CET-1 ratio, providing a substantial buffer. Even after absorbing the impact of the Citibank acquisition in fiscal 2023, the Bank has successfully restored its capital position as of March 31, 2025. This robust capital base supports growth, enables effective risk management, and ensures sustainable profitability, translating into long-term value creation for shareholders.

Bondholders are also an integral part of debt capital providers for Banks. They provide an alternative to non-equity and non-deposit funding options. The bond market helps Banks to raise specific duration-based instruments and subordinated debt capital, which qualifies for Tier II capital. During the fiscal 2025, Bank has issued debt instruments amounting to ₹3,925 crores in the form of long-term bonds against infrastructure and affordable housing in India. Furthermore, Subordinated Debt amounting to ₹850 crores and Infrastructure Bonds totalling ₹5,705 crores matured during this period.

CET-1 Ratio (Capital Structure)

Peaked **15.40%** in fiscal 2021

Absorbed **191 bps** fiscal 2023 for acquisition of CitiBank India consumer business

Restored to **14.67%** in fiscal 2025

Leadership Commitment to Investors

The Bank aims to lead among its peers by growing market share in Bharat Banking, MSME, Mid-corporate, and Digital Banking while building one of the India's most premium Retail Banking franchise. Despite global headwinds, our investments in technology, data analytics, and digital capabilities have significantly strengthened our competitive position over the past six years.

Our mobile banking app ranks among the highest globally, underscoring our digital-first strategy and leadership in seamless, customer-centric payment solutions. Our customer-centric philosophy is embodied in 'Sparsh' — a program designed to simplify customer interactions, drive Net Promoter Score (NPS), and boost automation and digitalisation. This has resulted in improved customer satisfaction and increased engagement.

Our current position of strength is the result of consistent execution rigour and investments made in building blocks across our people, processes, technology, and several multiplicative projects over the past six years.
The Bank continues to be differentiated and distinctive in our journey towards building an all-weather institution.

HIGHLIGHTS

- Maintained 2nd rank under NPS for the second year in a row (Ranked by Kantar Survey)
- MD & CEO named 'Banker of the Year' by The Financial Express
- BT-KPMG Best Bank Award in the Talent & Workforce category

Shareholder Wealth Creation

The Bank has consistently delivered strong returns, outperforming broader indices over the medium term, reflecting its strategic focus on sustainable growth and value creation. Complementing this is the Dividend Distribution Policy, which rewards investors while ensuring sufficient capital is retained for future expansion. In alignment with regulatory guidelines, the policy targets a minimum dividend payout of 25% of the equity share's face value from the net profit earned during the year, thus maintaining a balance between income distribution and reinvestment-led growth.

CAGR Returns (Axis Bank vs. Indices) as of March 31, 2025

	Axis Bank	Nifty 50	Bank Nifty
5 year	24%	22%	22%
3 year	13%	10%	12%
1 year	5%	5%	9%

Read more about our Dividend Distribution Policy :
https://www.axisbank.com/docs/default-source/quarterly-reports/dividend-distribution-policy-of-the-bank.pdf

FOR COMMUNITIES S5

Together for an inclusive future

Empowering communities is at the core of our purpose. We champion collective progress through the promotion of quality education, sustainable livelihoods, access to healthcare, environmental stewardship, and financial inclusion. We remain passionately committed to creating resilient communities, unlocking human potential, and shaping a more equitable and inclusive India.

Material Issues Linkage

M9 M10

Capital Impacted

SDGs Impacted

1, 2, 3, 4, 5, 6, 8, 10, 11, 13, 15

A strong institutional framework governs our CSR programs, which are overseen by the CSR Committee of the Board and aligned with Section 135 of the Companies Act, 2013. We also draw inspiration from the United Nations' Sustainable Development Goals, ensuring our work contributes to broader global development objectives. In fiscal 2025, our initiatives spanned geographies and themes – from border villages to urban slums, from natural resource management to cancer care, from grassroots sports to academic research. Behind every milestone lies a story of collaboration, courage, and change.

An Integrated Approach to CSR

Our Core Focus Areas

Lives and Livelihoods

Creating income security through sustainable, community-owned ecosystems

Financial Literacy & Inclusion

Empowering citizens with the knowledge and tools to participate in India's financial system

Other Focus Areas: Environmental Sustainability, Humanitarian & Relief, Healthcare and Sports

A comprehensive approach to wellbeing and community resilience

Education

Transforming access and quality of primary and higher education across India

The Sustainable Livelihood Program

Lives and livelihoods in rural India are deeply intertwined with natural ecosystems – land, water, and forests. It forms the bedrock of wellbeing for millions of our citizens. Shrinking landholdings, water insecurity, dated practices, and weak market linkages strain rural incomes, particularly for those that have to rely on a single source of income.

Launched in 2011, our flagship initiative – The Sustainable Livelihood Program (SLP) addresses these challenges by creating diverse sources of income and fostering reliance in several ways to ensure longer term economic and ecological sustainability. SLP prioritises support to small and marginal farmers, landless families, artisans, entrepreneurs, especially youth and People with Disabilities (PWDs).

Implemented by Axis Bank Foundation in partnership with grassroots NGOs and community institutions, SLP is designed to strengthen livelihoods through a multi-dimensional approach fostering a basket of livelihood opportunities. Multiple sources of income are promoted and stabilised by improving skills, introducing better farming methods, promotion of horticulture, livestock rearing, developing micro enterprises, enabling access to finance and direct market connects. The underlying ecological challenges are addressed through active community ownership and participation in local governance.

Diversified income sources lead to more stable cash flows through the year. To an extent, local stable incomes reduce distress migration. To enhance overall wellbeing SLP focusses on improving health and nutrition for rural families. The health and nutrition focus of the program adopts a life cycle approach. It works with lactating mothers, young children and adolescents, guiding and nudging them to improve their health seeking behaviour and foster linkages with the public health systems. Improved health not only helps in reducing wage, but it also enhances the quality of life.

This integrated approach is helping rural communities to become more self–reliant, ecologically aware, and economically secure. SLP addresses local and contextual vulnerability into opportunity, ensuring that when livelihoods are secured, families and communities can thrive with confidence and dignity.

2.05 million

Rural families across 23,000+ villages, across 32 States/Union Territories positively impacted (cumulatively) as of March 31, 2025.

This includes:

- 1.95 million rural families
- 92,794 youth trained in vocational skills which included 25,045 PWDs.

Phases of the Sustainable Livelihood Program

2011 – 2018 | Mission1Million: Building the Foundation

The journey began with a vision to support 1 million individuals through improved access to water, enhanced agricultural productivity opportunities. It expanded farm and non–farm livelihood options, including horticulture, agroforestry, floriculture and livestock, These efforts engaged multiple family members and created year–round income that helped families meet essential needs – food, education and medical expenses – with dignity.

Key highlights:

A strong foundation and funding approach emerged to support livelihoods in rural India

2019–2025 | Mission2Million: Deepening and Scaling Impact

Mission 2 Million, completed in 2025, has supported 2 Million rural families by scaling targeted interventions through a comprehensive approach that used philanthropic capital as a catalyst to strengthen livelihoods through models that are led and owned by communities themselves.

Key Highlights:

- Diverse income streams have strengthened food and nutrition security while reducing the need for distress migration
- Communities now demonstrate greater self–reliance, decision making power, and access to skills and information
- Major thrust areas:
  - Community led collectives, farmer producer groups and agri-entrepreneurs
  - Watershed management, solar powered irrigation, livestock and Non–Timber Forest Produce (NTFP) value chains
  - Enterprise development training for youth, artisans, and people with disabilities
  - Healthcare and nutrition as enablers of economic participation
  - Geographic expansion across coastal, central, Himalayan and Northeastern belts

2025–2031 | Mission4Million: Expanding the Sphere of Influence

Looking ahead, Mission 4 Million will support an additional 2 million rural families, with a sharper focus on inclusive growth and climate resilience.
The program will expand to:

- Enable higher–income rural opportunities across crafts, fisheries, livestock, microenterprises and tribal economies.
- Promote climate–conscious livelihood models backed by innovative financing
- Invest in capacity building, local leadership and long–term community ownership
- Deepen efforts in healthcare access, skilling and economic inclusion for the most marginalised.

Every milestone reaffirms a simple truth: when rural families are empowered to shape their development goals.

Award & Recognition

The Sustainable Livelihood Program won the first prize at FICCI's Sustainable Agriculture Awards 2024 for the work on Natural Resource Management and Climate Resilient Agriculture in Jharkhand, Telangana and Maharashtra that enhanced the ability of communities to generate income by building resilient livelihoods.

FISCAL 2025 HIGHLIGHTS

387,467

Households have been positively impacted, of which

- 372,881 were rural families
- 14,586 youth trained in vocational skills, including 3,750 PWDs

Case Study

Highlighting the Impact of the Sustainable Livelihood Program

Blending Tradition with Technology: How Innovation Revitalised Farming for a family in Telangana

When technology meets traditional agricultural practices, it creates a powerful blend of wisdom and innovation. In India, many farming communities rely on techniques that have been passed down through generations. However, with climate change, increasing water demand, and declining water availability, these challenges have become more complex.

In Dhamargidda, a district in Telangana, farmers faced these struggles firsthand. One such farmer, Ravindra Mallesh (name changed to protect privacy), relied on traditional irrigation for his red soil land. His method required intensive manual labour, exhausting both him and his wife.

People

Ravindra Mallesh, a hardworking farmer, dedicated long hours to his land. His wife shared his burden, spending endless days watering fields by hand. Their young son, instead of focusing on his education, was often pulled into farm labour. The entire family felt the strain—physically, financially, and emotionally.

Progress

The introduction of sprinkler irrigation brought significant changes for Ravindra and his family. The system ensured uniform water distribution, reduced soil erosion, and improved crop health. It also cut labour and input costs, allowing the couple to pursue other income sources and enabling their son to return to school. The result was a more stable and productive farm.

Pathway

The Sustainable Livelihood Program played a crucial role in enabling this transformation. Through its initiatives, Ravindra received training in modern irrigation practices, along with access to subsidies and technical support. Continuous guidance helped him transition smoothly and maintain the system effectively. The ongoing training and constant learning initiatives under the program ensured that farmers could address any operational challenges and maximise the benefits of their new irrigation systems.

The adoption of efficient irrigation not only improved Ravindra's crop yields and financial stability but also enhanced his family's overall wellbeing. Ravindra's story is a clear example of how integrating simple technology with traditional farming, supported by the right proper training and resources, can transform livelihoods and build resilient rural communities.

Education–Learning for Life

We view education as a right and a pathway to opportunity, dignity, and empowerment, especially for those in India's remotest and underserved regions. Our education initiatives focus on inclusive, equitable, and quality learning, supporting foundational education in remote border villages to cutting-edge research and innovation in higher academic institutions.

FISCAL 2025 HIGHLIGHTS

7,400+
Schools reached

60,000+
Teachers reached across multiple States through various programs

150+
Schools in 4 Northeastern States where Bank is present

7,70,000+
Children benefitted

Axis Bank Centre for Mathematics & Computing at Indian Institute of Science (IISC) Bangalore

The Axis Bank Centre for Mathematics & Computing at the Indian Institute of Science, Bangalore is a flagship initiative to strengthen India's higher education and research ecosystem. Construction of a dedicated six-story building is in progress. In addition, the centre supported 600+ students and 8 professors through its various activities. Centre output included 26 conference papers and 54 journal publications in fiscal 2025.

Axis DilSe® – Taking Education to the Last Mile

Launched in 2017, Axis DilSe® is our flagship program committed to transforming education in some of India's most remote and underserved regions. What began with supporting over 100 government schools in Ladakh has grown into a nationwide initiative reaching the borderlands of the Northeast and the deep interiors of central and eastern India. Rooted in our ***dil se open*** philosophy, the program collaborates with grassroots organisations to strengthen school infrastructure, empower teachers, and enhance learning outcomes. Through Axis DilSe®, we aim to make quality education accessible and meaningful for children living in isolated and often challenging geographies.

Axis DilSe® Centre of Excellence in partnership with Assam Rifles and NIEDO

The Bank collaborates with Assam Rifles and the National Integrity and Educational Development Organisation (NIEDO) to support underprivileged students in Northeast India with specialised residential training for competitive exams like NEET and JEE. Locations include Chiswema, Ukhrul, Jairampur, Zokhawasar, Teliamura, and Ghaspani.

Axis DilSe® Odapada Block Transformation Program in partnership with Tata Steel Foundation

The Bank collaborates with the Tata Steel Foundation for a block transformation program initiated in the Odapada block of Dhenkanal district, Odisha. The objective is to bring back all out-of-school children in the block into the education system. Additionally, the program aims to provide foundational literacy and learning enhancement programs to school-going children and raise awareness among youth, SHGs and the community on the sustainability of the interventions.

Milestones Achieved

- 439 out-of-school children were enrolled in schools under the program
- 10,700+ students are reached through learning initiatives in the block

Axis DilSe® in Manipur in partnership with Sunbird Trust

The Bank has partnered with Sunbird Trust to provide quality education to underprivileged tribal students and expand school infrastructure at Ivzon Friendship School in Churachandpur district, Manipur. Amidst the civil unrest in Manipur, the Bank supported relief camps run by our partner for those displaced due to the strife.

Milestones Achieved

- 425 students are enrolled in the school.
- Lyzon Friendship School was provisionally recognised for Class 10 by the Board of Secondary Education, Manipur – the only private school to get this status in the entire district.

Axis DilSe® in Sikkim in partnership with 17,000 ft Foundation

The Bank is supporting 50 government primary schools across Sikkim to enhance their learning infrastructure and resources with the help of the 17,000 ft Foundation.

Milestones Achieved

- 2,100+ children benefitted across 50 schools
- Digi-Lab, library, and playground provided
- Centralised training for all headmasters conducted

Our Approach to Strengthening the Education Ecosystem

School and Teacher Transformation

- Launched a School Transformation Program in Shi Yomi, Arunachal Pradesh, and established a Teacher Training Academy in partnership with Sunbird Trust
- Scaled Block Transformation Program to 6 new blocks in Odisha and Jharkhand in collaboration with the Tata Steel Foundation, facilitating learning for over 35,000 students
- Collaborated with Mantra Social Services to improve educational outcomes by catalyzing collective action in five districts across Chhattisgarh, Odisha and Jharkhand, driving systemic improvements in the education sector. Reaching over 6,600+ children and 4000+ schools

Systemic Capacity Building

- Developed teacher competencies in Kendriya Vidyalaya and state schools in collaboration with Sri Aurobindo Society, aligning with the National Education Policy (NEP) 2020
- Partnered with Khan Academy India to introduce tech-enabled Maths and Science learning in Odisha, reaching over 90,000 students and over 4,000 teachers in government schools

Higher Education & Innovation

- Expanded partnership with Plaksha University to construct a FutureTech building, institute a faculty chair, and support PhD and postdoctoral fellowships, thus nurturing India's future innovators and researchers
- In partnership with Ashoka University, over 50 women students enrolled in STEM disciplines were awarded scholarship. Additionally, the Bank supported 25 innovative research projects led by faculties, spanning both applied and fundamental research domains

CM Rise Teacher Professional Development Program

- In collaboration with Peepul, the Bank is supporting the CM Rise Teacher Professional Development Program in Madhya Pradesh. Covering all 52 districts, the program is designed to train over 1.2 lakh teachers by 2028.

Financial Literacy & Inclusion

Financial exclusion in India is largely a result of the lack of access to and awareness about formal financing channels. Our community-led programs combine local knowledge, on-ground partnerships, and structured training to inform and educate communities about financial services – from savings and credit to insurance and pensions. Through grassroots training in digital banking, savings, insurance, and pension schemes, as well as knowledge building, we help individuals set financial goals, manage budgets, and build economic resilience.

SCRIPT: A Holistic Financial Education Model

In partnership with the Kalanjiam Foundation, we have rolled out the SCRIPT model — Savings, Credit, Remittances/Payments, Investments/ Insurance, Pension/Transactions (including digital banking).

This multi-module program has helped beneficiaries:

- Set and track financial goals
- Understand safe borrowing and savings practices
- Access government welfare schemes and digital tools

The initiative aims to empower 7 lakh individuals with nuances of financial literacy and eventually ensure their inclusion in the formal financial ecosystem. Since fiscal 2024, the Bank has engaged with ~3.2 lakhs participants across 50 blocks, 14 districts and 5 States driving greater financial awareness and inclusion.

Chair for Financial Inclusion at IRMA

We have established the Axis Bank Chair on Financial Inclusion at the Institute of Rural Management Anand to drive research and influence public policy on financial inclusion.

This initiative supports:

- Field-based research and publications
- Workshops and academic dialogue on national and global platforms
- Evidence-based recommendations for inclusive financial policies

FISCAL 2025 HIGHLIGHTS

1.25 lakhs+

Women empowered through financial literacy sessions

14

Districts in 5 states covered for awareness building

Other Focus Areas

Our community-centric efforts span multiple social and environmental impact dimensions – from protecting nature and providing accessible healthcare to ensuring rapid humanitarian responses and fostering talent through sports. Each of these initiatives resonates deeply with our philosophy of '***Har raah dil se open***', which translates to inclusive action for holistic community development.

Environmental Sustainability – Nurturing a Greener Tomorrow

Recognising the critical role of the environment in supporting livelihoods and enhancing quality of life, the Bank is deeply committed to ecological conservation and climate resilience. Our flagship Mission 2 Million Trees aims to create a substantial green cover across India by 2027. As of March 2025, the bank through its CSR partners has planted ~3.27 million trees (including the 2 million target and other plantations, combined). The Bank is further expanding its activities related to habitat restoration. As part of this initiative, the Bank has set a target of planting ~8 million trees by 2030 (including all earlier plantations).

Our ambitious projects include the restoration of critical mangrove habitats in Tamil Nadu, extensive agroforestry and forest regeneration programs in Assam and Madhya Pradesh, as well as initiatives aimed at mitigating human-wildlife conflicts in Karnataka. In addition, the Miyawaki Urban Forest in Navi Mumbai is a vibrant example of integrating biodiversity within cityscapes, enhancing both ecological health and the wellbeing of local communities. These collective efforts form part of our overarching ESG commitments, aligning closely with national climate goals.

Healthcare & Nutrition – Strengthening Access, Improving Lives

Good health is foundational to thriving communities. Acknowledging India's growing healthcare challenges, the Bank has intensified its focus on healthcare and nutrition interventions significantly.

Our strategic collaboration with the National Cancer Grid (NCG) through the Tata Memorial Centre is transforming cancer care across the nation. With an investment of ₹100 crores over five years, this partnership aims to establish robust telehealth systems, implement cutting-edge Electronic Medical Records (EMRs), create India's first National Tumour Biobank, and provide targeted patient engagement solutions. Concurrently, our partnership with the Indian Cancer Society emphasises preventive care, offering widespread screening camps targeting oral, cervical, and breast cancers, reaching over 8 lakh individuals.

Additionally, we support the establishment of a pioneering Paediatrics Specialty Centre at the Indian Institute of Science (IISc) in Bengaluru, which will significantly enhance paediatric healthcare infrastructure and capabilities for advanced medical research, setting new benchmarks for care and scientific discovery.

Humanitarian Relief – Responding Swiftly, Restoring Dignity

We recognise our responsibility to respond promptly during humanitarian crises. Throughout the year, the Bank actively extended support to communities severely impacted by natural calamities and socio-political conflicts.

In Assam's Majuli district, we partnered with Ayang Trust and Balipara Foundation to ensure effective relief measures following the devastating floods. In response to severe ethnic conflicts in Manipur, our alliance with Sunbird Trust provided critical relief by providing shelters and essential support systems for displaced families. Furthermore, we expanded our humanitarian assistance in Karnataka's Kodagu district, contributing to the reconstruction of sustainable housing for flood-affected families. Our commitment during these times of distress ensures immediate relief, coupled with initiatives that foster long-term recovery and community rebuilding.

Through our humanitarian relief efforts, we have positively impacted 7,278 households.

Sports – Empowering Champions, Inspiring Communities

This year marks the expansion of the Bank's commitment to community upliftment through sports. We see sports as a powerful means of community cohesion, character development, and inclusion.

We have partnered with Olympic Gold Quest to empower 224 promising athletes and para athletes across 10 Olympic and 8 Paralympic disciplines, supporting them in realising their potential on the global stage. In addition, our partnership with the Inspire Institute of Sports has led to the launch of the 'Axis Bank Judo Development Program'. The program develops judo talent across India, with a special focus on talent in Manipur, considering the state being a judo hot bed in India. The program integrated a total of 157 athletes. 104 athletes in Manipur were provided with training sessions at the Judo Academy in Manipur, in partnership with the Manipur Judo Association (MJA), while 53 female judokas were awarded full scholarships to study and train at the state-of-the-art IIS campus in Vijayanagar, Karnataka for the high-performance program.
The athletes also received sports science support from the IIS Vijayanagar central sports science team. These efforts not only foster athletic excellence but also create inspiring role models, driving broader community participation and enthusiasm for sports.

Corporate Citizenship Initiatives

Abhisaran 2025

Abhisaran is a multi-stakeholder engagement forum where knowledge is shared, ideas turn to action and partnerships evolve. Abhisaran 2025, was hosted over 2 days to celebrate the 'One Axis' CSR approach and to foster collaboration amongst all partners. The gathering brought together senior bank officials, board members of Axis Bank, trustees of Axis Bank Foundation (ABF), senior officials and Board members of Axis Subsidiaries and 70+ NGO partners from across India.

Abhisaran 2025, marked an important milestone for the Sustainable Livelihood Program(SLP) - successful completion of Mission2Million and launch of Mission4Million. Helmed by Axis Bank Foundation, Mission4Million is set to expand SLP's geographical reach to support an additional 2 million rural households. It would also deepen the Bank's commitment to fostering resilience amongst rural communities, especially in the wake of changing climate and meaningfully empower youth by creating opportunities to shape their lives and livelihoods.

The second day had several curated sessions. Plenary session on Navigating Transition: Pathways towards a shared purpose set the tone for the day, highlighting the opportunities to transit with intentional and shared vision. Further, sessions on 'Theory of Change', and 'Effective Communication offered opportunity to strengthen the delivery of purpose and sessions on Systems Thinking for Livelihoods, Value Chains for Equity, Health & Nutrition in Livelihoods, Rural Entrepreneurship, Water Governance and Youth & Employability saw partners sharing of best practices, challenges and opportunities for collaborative action at the grassroots.

Abhisaran 2025 underscored the collaborative spirit between Axis Bank, Axis Bank Foundation and its diverse network of partners.

Axis Cares

Axis Cares, our flagship employee engagement platform to empower Axisians and help foster their personal social responsibility. Axis Cares offers the opportunity to contribute financial resources, time through volunteering towards causes close to their hearts. Over the years, Axisians have supported several causes such as education for children, care for nature and wildlife, support to senior citizens, protecting our cultural heritage, promote sports and support relief work during disasters. They have spent time mentoring and coaching young aspirants preparing to join the formal workforce. Axis Cares symbolises shared purpose of personal social responsibility

– ***Dilse***

FOR PARTNERS – GOVERNMENT S4 S5

Serving the nation with pride

Nation–building is both a responsibility and a privilege. As India strides ahead on its journey of growth and transformation, Axis Bank remains a committed partner, strengthening government ecosystems, supporting public infrastructure, and expanding the reach of essential services to every corner of the country.

Material Issues Linkage

M9 M10

Capital Linkage

SDGs Impacted

Partnering with the Government

The Bank has consistently been a trusted banking partner for India's government sector, contributing to the enhancement of public finance, driving transparency, and enabling seamless citizen services nationwide. Key ministries, government departments, and public institutions, such as the Ministry of Urban Development, Housing and Urban Affairs, the Office of the Controller General of Accounts, and the Institute of Government Accounts and Finance under the Ministry of Finance, have accredited the Bank. Recently, we received our 4th accreditation from the Ministry of External Affairs for the Passport Seva Program.

Our banking infrastructure supports collection for Central taxes (Central Board of Direct Taxes or CBDT and Goods and Services Tax or GST), employee welfare contributions (Employees' Provident Fund Organisation or EPFO and Employees' State Insurance Corporation or ESIC), and State Taxes across 15 States and Union Territories. We also serve as the sole trustee bank appointed by the Pension Fund Regulatory and Development Authority (PFRDA) for managing the National Pension System (NPS).

Ranked among the top performers in the Public Financial Management System (PFMS) and actively contributing to the Government e–Marketplace (GeM), we consistently deliver robust, secure, and citizen–centric digital solutions.

Enabling Smart Governance and Urban Transformation

As a strategic partner to India's ambitious Smart City Mission, the Bank collaborates closely with Municipal Bodies, City Administrations, and State Governments to deliver tailored banking solutions that meet local needs. The Bank maintains strategic relationships with over half of India's Urban Local Bodies (ULBs) to strengthen urban governance.

Our solutions digitise and streamline municipal operations, ensuring seamless payment and collection processes that enhance transparency and civic engagement. We help cities become more responsive, sustainable, and inclusive by embedding digital technology into public service delivery.

We have partnered with 27 Smart Cities to implement customised digital governance solutions. Some of the few associations are the following:

Punjab m-SEWA: Integrated digital services platform enabling efficient citizen services across 148 ULBs

Varanasi Nagar Nigam: QR code-based doorstep property tax solution covering over 3 lakhs homes

Rewa Municipal Corporation: An app-based platform that activates digital certifications, handles grievances, manages revenue, and provides social security services

Varanasi Disaster Management: Drone-based aerial solutions to strengthen disaster response and urban planning

Jharkhand Jal Chajan Yojana: A digital door-numbering solution, enhancing service delivery, responsiveness, and community inclusion

27
Smart Cities where Axis Bank delivers services to assist the civic administration

Transforming Agriculture through Digi-culture

We are deeply invested in empowering this critical sector through trusted, transparent, and tech-driven solutions that simplify the lives of farmers and agri-value chain stakeholders. Our flagship digital platform for e-procurement enables secure and timely payments to farmers against government purchases. Designed to handle large-scale disbursements with precision, the platform offers real-time reconciliation, bulk transfer capabilities, and a fully automated interface that eliminates delays, reduces fraud, and builds trust.

Enabling Direct Benefit Transfers (DBT) ensures every rupee reaches the right hands-on time. Our agricultural engagement extends across key states, where we have partnered with procurement agencies and cooperative bodies to roll out scalable and impactful solutions.

KEY ENGAGEMENTS IN FISCAL 2025

- Uttar Pradesh Upbhokta Sahakari Sangh
- Food & Civil Supplies Corporation - in West Bengal, Madhya Pradesh, Tamil Nadu
- Bihar State Vegetable Processing & Marketing Cooperative Federation
- Andhra Pradesh State Farmers' eVikraya Corporation
- Himachal Pradesh State Agriculture Marketing Board

Health & Education

We support government institutions with banking solutions and intelligent, tech-enabled platforms that improve operational efficiency and citizen access.

In the healthcare ecosystem, we have introduced AI-based face recognition and integrated HRMS software for the Health Department of Bihar, addressing chronic challenges like medical personnel absenteeism. This smart solution has been replicated in Puducherry and Dadra & Nagar Haveli under the National Health Mission. We are also proud to be associated with transformative health initiatives, including the Ayushman Bharat Health Infrastructure Mission in Gujarat, which helps build future-ready and inclusive health systems.

Our support to the education sector includes digitised fee collection platforms for state education boards and institutions, making transactions secure, seamless, and accessible. Whether it is fee automation, reporting dashboards, or customised banking products, we serve as a reliable digital partner to schools, colleges, and universities such as the Directorate of Education, Goa.

Driving Digital Mobility Infrastructure

We partner with urban authorities to make vehicular movement frictionless, efficient, and future-ready.
We pioneered India's first AI+FASTag-enabled smart parking system in collaboration with the Guwahati Metropolitan Development Authority. This fully automated solution eliminates manual ticketing, introduces contactless entry and exit, and enhances overall user convenience, setting a new benchmark for urban mobility.

In Delhi, we were selected as the sole acquiring bank for Digital Stand Fee Collection at Inter-State Bus Terminals (ISBTs), using RFID-based FASTag technology. This initiative streamlines the collection of parking and entry fees, reduces congestion, enhances transparency, and promotes cashless transit ecosystems.

India's first AI+FASTag smart parking system
Launched in Guwahati

RFID-FASTag-enabled stand fee and parking collection
Rolled out at Delhi ISBTs

Direct Benefit Transfer (DBT) Initiatives

The Bank is playing a vital role in strengthening India's DBT ecosystem, bridging the gap between government welfare schemes and citizens. We ensure government funds reach the rightful beneficiaries promptly and transparently.

Our DBT platforms support a wide range of state and centrally sponsored schemes, including women's and child development, tribal welfare, and urban transformation missions. With seamless integration, real-time validations, and direct account credit, we eliminate leakages and bring dignity to social assistance.

DBT SERVICES PROVIDED IN FISCAL 2025

- Krantijyoti Savitribai Phule Bal-Sangopan Yojana – Women & Child Development Department, Maharashtra
- Chief Minister's Atmanirbhar Asom Abhijan – Assam
- Department of Adi Dravidar and Tribal Welfare – Tamil Nadu
- AMRUT (Atal Mission for Rejuvenation and Urban Transformation)
- Swachh Bharat Mission (SBM)

FOR THE ENVIRONMENT S5 S6

Driving environmental impact through action and accountability

At Axis Bank, we view environmental stewardship as an integral to our operations, growth, and creation of long-term value. From lowering our carbon footprint to conserving natural resources and enabling sustainable finance, we embed responsibility into every aspect of our business. Our ESG-aligned lending fuels positive transformation across sectors vital to India's green transition.

Material Issues Linkage

M8 M12

Capital Linkage

SDGs Impacted

As a financial institution, our environmental footprint primarily stems from energy consumption in our branches and offices, the use of diesel generators, and the use of paper in banking documentation.

To proactively reduce this footprint, we are leveraging digital transformation, embedding industry-leading practices, and strategically investing in green technologies.

ESG HIGHLIGHTS FISCAL 2025

₹22,160 crores
Green lending portfolio

447
ESG-assessed proposals via Environmental and Social Due Diligence (ESDD)

~3.27 million
Saplings planted under CSR initiatives (including target of 2 million tree plantations, Miyawaki plantations and other tree plantation programs)

4
Large offices fully powered by renewable energy

~8.78%
Energy used is drawn from renewable sources

Energy & Emissions

Approach to Decarbonising our Operations

Our decarbonisation pathway is aligned with global benchmarks, such as the Science–Based Targets Initiative (SBTi). We focus on effectively managing and reducing emissions across our direct operations (Scope 1), purchased electricity (Scope 2), and select indirect activities (Scope 3). In alignment with India's climate ambitions and global sustainability standards, we have set a focused target of 3.5% reduction in emission intensity per full–time employee (FTE) by the end of fiscal 2027, with fiscal 2023 as the baseline.

We closely monitor Scope 1 emissions from diesel use by tracking monthly diesel expenditures and refrigerant leaks (ACs) in our major offices. For Scope 2 emissions, we review monthly electricity consumption data, converting expenditures to usage based on average city tariffs. Additionally, we address specific Scope 3 emissions, such as those from air travel, local transport, paper use, and employee commute.

Renewable Energy and Energy Efficiency Initiatives

We proactively invest in renewable energy and advanced energy management technologies to drive efficiency across our operations:

Solar Energy Initiatives

- Commissioned a 2 MW solar power plant in Solapur, significantly reducing our carbon emissions
- Procured ~1 MW of solar energy annually (3.50 lakhs units) through a Power Purchase Agreement (PPA) for our Bengaluru Data Centre
- Ensured that our top three offices — Axis House, Mumbai; MIDC, Andheri; and The Ruby, Dadar — operate entirely on 100% renewable energy

Centralised Energy Management System

- Implemented CEMS across major branches and offices since fiscal 2015
- Enabled remote monitoring and control of air conditioning and lighting, resulting in substantial energy consumption reduction while maintaining optimal ambient conditions

Operational Energy Efficiency

- Maintained unity power factor through Automatic Power Factor Correction (APFC) panels at significant locations, including Axis House in Mumbai and Axis House in Noida
- All branches and offices equipped with LED systems, resulting in a significant reduction in energy use
- Electrical vehicle charging facilities are available at large buildings, including Axis House in Mumbai, MIDC Andheri, and Axis House in Noida
- Installed star-rated, energy-efficient air conditioners, replacing outdated units
- Motion sensors at strategic locations to enhance energy conservation

Green Data Centres (Bengaluru)

- Adopted advanced cooling technologies and thermal management strategies, including air-cooled chillers and thermal insulation
- Equipped server racks with temperature and humidity sensors integrated with Building Management Systems (BMS)
- Implemented highly efficient modular UPS systems, achieving operational efficiency of over 97%
- Installed motion-sensor LED lighting and environmentally friendly materials to optimise energy usage and enhance sustainability
- Pursuing green building certification to further solidify our commitment to sustainable operations

MEASURABLE IMPACT IN FISCAL 2025

2,222 tCO_2e
Emissions avoided annually because of the Solapur Solar Power Plant

7,321 tCO_2e
Emissions avoided as a result of renewable energy used at the Bengaluru Data Centre

3.87 million unit (kWh)
Annual savings due to CEMS and other energy efficiency interventions

~1,277 tCO_2e
Emissions avoided by not printing the papers (digital Banking interventions)

11,347.37 tCO_2e
Scope 1 Emissions

140,344.99 tCO_2e
Scope 2 Emissions

41,566.90 tCO_2e
Scope 3 Emissions

Water Conservation

We actively minimise our water consumption through efficient management, recycling and responsible usage. Through diligent actions such as rainwater harvesting and innovative recycling solutions, we continually strive to reduce our water footprint, positively impacting our communities and the environment.

We pursue targeted actions to conserve and responsibly manage water usage across our facilities, such as the following:

- Implemented a closed-loop water system at our Bengaluru Data Centre to eliminate water usage in cooling operations
- Installed rainwater harvesting infrastructure at our corporate office, Axis House, Mumbai
- Installed sensor-based washbasins, aerators, and bio-blocks at select offices to reduce wastage

KEY ACHIEVEMENTS IN FISCAL 2025

~5.5 KL
Rainwater harvested annually at Axis House Mumbai

~275 KL
Rainwater harvested annually at Bengaluru Data Centre

Responsible Waste Management

We proactively adopt responsible waste management practices, driven by our commitment to promoting waste segregation, recycling initiatives, and digital solutions across our operations. We diligently reduce our environmental impact by consistently diverting waste from landfills and supporting the circular use of resources. We have taken the following measures:

- Implemented centralised systems at Axis House, Mumbai and select major offices across India to segregate and recycle dry waste into usable stationery
- Collaborations with certified vendors for safe disposal of electronic waste from branches and offices nationwide
- Leveraged digital banking initiatives (digital account opening, e-statements, and e-welcome kits) to significantly reduce paper consumption

KEY ACHIEVEMENTS IN FISCAL 2025

~220.60 Metric Tons

Of dry waste (includes paper, Plastic, metal & glass) recycled in select offices (through authorised vendors)

396.89 Metric Tons

Of e-waste recycled PAN-India (through authorised recyclers)

34.48 Metric Tons

Of battery waste recycled (through authorised vendors) in select offices

~15 million

Sheets of paper saved annually as a result of various digital banking initiatives

Habitat Restoration Activities

In 2021, as a part of the Bank's ESG commitments, the Bank had taken an ambitious target of planting 2 million trees by fiscal 2026. As of March 2025, through its CSR initiative, the Bank has completed planting ~2.02 million trees across six locations in India. Since 2023, the Bank has started augmenting its plantation target. As of March 2025, the Bank, through its CSR partners, has planted ~3.27 million trees (including the 2 million target and other plantations. The Bank is further expanding its activities related to habitat restoration. As part of this initiative, the Bank has set a target of planting ~8 million trees by 2030 (in continuation of our Mission 2 Million trees that we achieved in fiscal 2025).

~3.27 million

Total trees planted (including target of 2 million tree plantations, Miyawaki plantations and other tree plantation programs)

Footnotes

1. All emission calculations, including intensity assessments, energy calculations with intensity considerations, water consumption, and waste estimations, encompass solely Axis Bank's operations within India. These calculations exclude any subsidiaries.

2. The reporting boundary for waste management is limited to 12 offices for Paper, 6 offices for Plastic, 4 offices for Metal, 5 offices for Batteries, 11 offices for organic waste, 2 offices for C&D Waste and E-waste reported for PAN-India basis.

3. Scope 1 – Diesel related emissions are calculated on estimation basis and Scope 1 – AC – fugitive emissions are calculated on estimation basis. Similarly, Scope 2 emissions are calculated basis unit level consumption and expenditure.

SUSTAINABLE FINANCE

Investing in a Sustainable Future

As an Indian financial institution of repute, we support the country's development agenda in alignment with the UN Sustainable Development Goals (UN SDGs) and India's commitments under the Paris Agreement. We invest in sectors that drive equitable and environmentally responsible progress. Our Sustainable Financing Framework, aligned to the UN SDGs and launched in August 2021, is a blueprint for ESG-linked issuances. It is the first such framework by an Indian Bank to receive a Second Party Opinion, and its implementation is overseen by our ESG Working Group.

Aware of the environmental and social impact of its business, the Bank integrates Environmental, Social and Governance (ESG) considerations into its investment decisions. Since 2021, the ESG Committee of the Board has been guiding and overseeing the Bank's efforts in this matter, with a sharp focus on managing climate-related as well as ESG-related risks. Under the ESG Committee's guidance and led by the Risk Management Department, we are enhancing our capabilities and frameworks for climate risk management at the enterprise level. This proactive approach not only safeguards our operations but also positions us to capitalise on emerging opportunities in the evolving climate landscape.

Managing our Climate Risk

The interplay of climate risk and financial risk poses complex challenges to the economy and its participants. Climate risks both physical and transition-related operate through diverse channels and require comprehensive risk management since these impact business profitability, household wealth, financial stability, and could potentially lead to stranded assets. At both micro and macro levels, the fallout may range from property damage to capital depreciation. For the financial sector, this translates to heightened credit, market, underwriting, operational, and liquidity risks, manifesting as higher defaults, asset repricing, insurance coverage gaps, operational disruptions, and strained liquidity.

Actions undertaken under ESG Committee and Risk functions can be broadly placed into four focus areas:

Governance

Strengthening Board-level Oversight on Climate and ESG Risks

Climate and ESG risks have been formally integrated into our risk categories and are managed under the oversight of the Risk Committee of the Board. As we broaden their scope in our Risk Management Framework, we continue to strengthen the Committee's governance of these risks. The Board's Committee of Directors also evaluates key cases, including their assessment as per our 'ESG Policy for Lending' to ensure alignment with our risk management strategy.

Policy and Controls

ESG & Climate-related Risks and Opportunities included in ICAAP

Our Internal Capital Adequacy Assessment (ICAAP) evaluates ESG and climate risks as material risks, including both physical risk and transition risk.

Strengthening the ESG Policy for Lending

Our 'ESG Policy for Lending' integrates environmental and social risk assessment into our credit appraisal process in alignment with international standards. The policy's implementation is overseen by the Environmental and Social Management Group within the Credit vertical.

Adopting the Sustainable Financing Framework and Establishing the ESG Working Group

Our Sustainable Financing Framework, launched in 2021 in alignment with global standards like those of the International Capital Market Association (ICMA) and the Association of Southeast Asian Nations (ASEAN), is endorsed by Sustainalytics. We have also established the ESG Working Group to ensure compliance in our financing activities.

Risk Toolkit

ESG Rating Model Part of Credit Appraisal

Piloted in fiscal 2023, our ESG rating model has been implemented as part of the credit appraisal process for select Wholesale Banking clients. Developed in-house, it encompasses over 80 parameters across the

E, S, and G pillars. This model aligns closely with International Finance Corporation (IFC) Performance Standards, reinforcing our commitment to integrating ESG principles into our lending practices. In current fiscal year, we have further enhanced this ESG rating model at a borrower level.

Building Capabilities around Stress Testing

We are building stress testing and scenario analysis capabilities in line with regulatory guidance and expectations and studying external best practices to expedite our learning process.

Developing Climate Risk Dashboards

Since the previous fiscal year, we have been working to enhance our disclosure on climate risks, covering key metrics for physical and transition risks, as well as our lending and financing activities to sectors aligned to the Sustainable Financing Framework. During fiscal 2025, we presented a snapshot of the Bank's transition risk, highlighting exposures and asset quality in sectors facing high transition risk, such as coal and thermal power. For physical risks, we assessed the Bank's retail, rural and SME portfolios against four major natural hazards in India – cyclones, droughts, heat waves, and floods. These assessments were presented to the ESG Committee during the year.

Capacity Building

Bank–wide ESG Education and Participation

We rolled out a Bank–wide ESG e–module last year, introducing employees to concepts including ESG, climate–related risks and opportunities, pertinent national and international frameworks and regulations, and the Bank's own policies and activities in this space. Apart from the specialised internal and external trainings and awareness programs arranged by the Bank, programs undertaken by regulatory agencies and industry organisations keep the Bank's employees updated on these matters. In fiscal 2024–25, a two–day climate risk training workshop was organised by Indian and foreign experts under a UK government program for emerging economies (UK PACT), which saw the participation of the entire Risk and Corporate Underwriting verticals of the Bank.

Engagement with Peers and Regulators

The Bank also proactively engages with the wider industry, its peers, and the regulators on the key topics, including ESG, climate risk, and sustainable finance. The Bank's leadership is on key ESG and Climate committees, and formal groupings, including at the RBI, IBA, CII and FICCI, among others.

In fiscal 2025, the Bank actively engaged with the Reserve Bank of India on climate risk management and other material topics, sharing its inputs and recommendations to further the banking sector's active participation in India's climate transition.

ESG Policy for Lending

Formulated in 2015, our ESG Policy for Lending is aligned to the IFC performance standards and other international standards and frameworks on sustainable financing and lending. It is applied to various financial products, including project loans, corporate loans, lines of credit, bridge loans, overseas funding, consortium/multiple banking, syndicated loans, and refinance transactions, subject to internal criteria and threshold limits.

Under the guidance of the ESG Committee, the Bank has further expanded the scope of the Policy to further tighten the E&S due diligence requirements for proposals for sectors perceived to have high climate-related risks. The Policy is managed by a specialized team of E&S risk professionals housed under the Corporate Underwriting vertical.

As a part of its due diligence, the Bank also actively engages with and advises its stakeholders on adopting climate-smart best practices.

₹51,000 crores

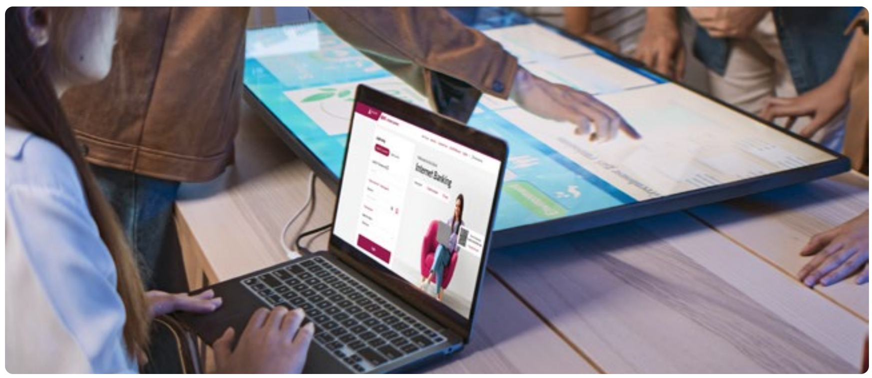
Total value of proposals reviewed under the ESG Policy for Lending in fiscal 2025

447

Proposals assessed under ESG Policy for Lending in fiscal 2025

369

Cases related to sustainable financing were heard at the Board-level during the year



Fiscal 2025	Cat A	Cat B+	Cat B	Cat C	Cat FI	Total Count
Cases Eligible	1	0	74	2	1	78
COD cases Review of Project portfolio/Group Companies portfolio w.r.t. IFC Performance Standards for the ESG Compliances						369
Total cases in fiscal 2025						**447**

The categorisation of cases reflects the status as of March 31, 2025. It is to be noted that due to material changes in the proposal or project, the categorisation of cases can also change over the duration of the loan. In fiscal 2022, projects were categorised as A, B+, B, C, FI under our ESG Policy for Lending. We undertook a self-assessment of the policy under the IFC's ESMS diagnostic tool, which benchmarks environmental and social management systems (such as our ESG Policy for Lending) against IFC's performance standards and global best practices. The tool evaluates on the basis of nine parameters, such as policy, due diligence, governance, capacity, and the control environment, categorising them as 'State of the Art', 'Developed', and 'Emerging'. Our ESG Policy for Lending scored 'State of the Art' on four parameters and 'Developed' on three. We are now embedding the learnings into our processes.

The summary of project categories and due diligence under the policy are also accessible https://www.axisbank.com/docs/default-source/default-document-library/esg-policy-and-procedure.pdf

Case Studies Highlighting Environmental and Social Due Diligence (ESDD) Conducted under the ESG Policy for Lending

Case Study

Empowering Green Mobility with ESG-driven Lending Oversight

To boost e-mobility in rural and non-Metro India, a targeted loan product was designed, especially for low-income communities. This initiative, part of a co-lending arrangement with a sub-borrower (an NBFC in this case), also aimed to support affordable transport solutions and green infrastructure.

What set this lending apart was the due diligence conducted on sub-borrower's operations, including upstream and downstream lending, in alignment with IFC performance standards. Among the major points considered were Environmental and Social Management System (ESMS) related to the supply chain of the NBFC, labour and working conditions for workers/contractors, road safety risks for two-wheeler users and safety standards related to e-two-wheelers safety standards, especially those concerning unsafe battery charging. This approach demonstrates how targeted lending, when backed by robust ESG safeguards, can enable inclusive growth while actively managing social and environmental risks.

Case Study

Independent Consulting for High-risk Assets

In fiscal 2025, Axis Bank initiated the sanction process for the acquisition of a thermal asset under NCLT - a project marked as Category A owing to its high environmental and social (E&S) risk.

In line with our ESG Policy of Lending and international best practices, we engaged an independent E&S consulting support to conduct enhanced due diligence prior to loan disbursement. This process is aligned with IFC performance standards and other globally recognised E&S frameworks. The independent advisory assessed the project's potential impacts, including legacy risks, and provided a comprehensive Environment & Social Action Plan (ESAP), which forms a part of our annual review and monitoring obligations in accordance with the project's development stage. This case reflects Axis Bank's commitment to robust ESG risk management, particularly in complex, high-risk transactions, and underscores the value of expert-led, independent assessment in upholding responsible financing standards.

Case Study

Going beyond ESG Policy for Critical Sectors

In fiscal 2025, Axis Bank initiated the sanction process for a project in the water-intensive sector and high-pollution paper sector. Although the proposal was not within the scope of ESG Policy of Lending of the Bank, the critical environmental risks associated with the sector prompted an enhanced review. The Bank opted to go beyond policy requirement to undertake a thorough site visit to assess the Company's environmental and social (E&S) performance firsthand. This included evaluating water use, effluent management, and compliance with pollution control norms.

This proactive approach reflects Axis Bank's evolving ESG risk framework, where materiality of impact, rather than policy thresholds alone, guides decision-making. It reinforces the Bank's commitment to responsible lending, especially in environmentally sensitive sectors.

In 2021, under the oversight of the ESG Committee of the Board, the Bank had committed to accelerating its lending activities towards the following goals. The target for Wholesale Banking was achieved in fiscal 2024 itself whereas, for the Retail two-wheeler loan portfolio target was till fiscal 2024. The Bank then took on a revised targets in this fiscal for Wholesale Banking and EV Wheels which are articulated along with its achievement in fiscal 2025 below:

Revised Target	Fiscal 2025 Achievements
60,000 crores Incremental financial under Wholesale Banking to sectors with positive social and environmental outcomes by fiscal 2030 (from fiscal 2021)	**~₹48,412 crores** sanctioned
6% Two-Wheeler (2W) loan portfolio by fiscal 2027*	**7.14%** penetration for two-wheeler
4% Increase in share of EV revenue (₹) in Four-Wheeler (4W) passenger loan portfolio by fiscal 2027*	**2.92%** penetration for four-wheeler

*Penetration target for each fiscal in 4W and 2W segments respectively

Scaling the Green Wholesale Portfolio

We are continuously working to expand our Wholesale Banking lending portfolio in sustainable sectors, including renewable energy generation, urban mass transport, electric mobility, and green infrastructure.

Green Lending Portfolio

(₹ in crores)

Decarbonising our Lending Portfolio

Under the oversight of our ESG Committee, we are reducing our exposure to carbon-intensive sectors like thermal power and coal within our Wholesale Banking portfolio in alignment with India's Net Zero ambitions. At this moment this is an internal commitment and progress made over a glide path that is in place till 2030 is reviewed by the ESG Committee of the Board and the Bank's leadership. While thermal power remains crucial for the country's economic growth in the medium term, we understand that India's ambitious plans for renewable energy, green hydrogen, carbon trading, and technological innovation are critical for its transition to a low-carbon economy in the midst of global challenges. At the same time, it is important for the energy transition to be just and equitable, particularly for vulnerable sections and communities.

1.2%

Exposure to thermal power generation and coal mining, logistics and trading in the Bank's total exposure (as of March 31, 2025)

Impetus to Retail EV Financing

In fiscal 2021, the Bank had taken a target, to have 5% of our retail two-wheeler loan portfolio (in rupee value) in electric by March 2024. We improved our product offerings and incentives to boost this growing sector. Last fiscal, the cumulative percentage of EV loans stood at 3.62% of the total two-wheeler loan portfolio since October 2021, when the Bank began EV two-wheeler loans as a product. In 2021, we were thus starting from a very small nominator. When compared against another industry-prevalent metric – percentage of EV sales per month, the Bank had performed well. For example, EV sales penetration was above 5% in 9 of the 12 months in fiscal 2024, and at 5.53% for the entire financial year.

In this fiscal, the Bank relooked at this target and decided to take on the below targets:

» Increasing share of electric vehicle revenue (INR) in Two-Wheeler loan portfolio – 6% by 2027

» Increasing share of electric vehicle revenue (INR) in Four-Wheeler passenger loan portfolio – 4% by 2027

Against which the Bank has achieved 7.14% penetration for 2-wheeler and 2.92% penetration for 4-wheeler respectively in FY 2024-25. The Bank continues to offer a sector-leading up to 0.5% interest rate discount for retail customers in the EV segment. Special offering for certain OEMs with an increased payout helped increase the EV penetration in the market.

12,704

EV loans offered in fiscal 2025

Special deals with select OEMs and higher payouts have also supported greater EV adoption. We have proactively scaled up our partnerships and engagements with EV dealers, manufacturers, and other players in the commercial EV space, which is also influenced by factors such as battery technology and the level of subsidies. The Bank continues to maintain its bullishness on the sector and has communicated to the ESG Committee its intent to set fresh targets for EV 2 wheeler and 4 wheeler loans.

Partnering to Accelerate EV Transition in India

E-Mobility Loan Guarantee with GuarantCo in November 2021

During COP26 in Glasgow, Axis Bank announced a partnership with the guarantee arm of the Private Infrastructure Development Group (PIDG), GuarantCo, committing to establish a $200 million umbrella guarantee framework. Part of a broader $300 million program, the initiative aims to accelerate financing for entities involved in EV manufacturing, distribution and charging infrastructure.

Extending ₹1 billion Loan to Muthoot Capital under GuarantCo Partnership

In September 2024, with GuarantCo, the Bank extended ₹1 billion (~$12 million) loan for 2.5 years to Muthoot Capital Services Limited (MCSL). This funding will empower MCSL to lend to customers in rural and non-metro regions in India for purchasing new EVs. GuarantCo has provided a 65% on-demand credit guarantee to Axis Bank for this transaction.

Extending ₹2.5 billion Loan to Vivriti Capital

On December 12, 2023, in collaboration with GuarantCo, Axis Bank provided a three-year loan of ₹2.5 billion to Vivriti Capital, an impact focused Indian NBFC. This financing supports Vivriti Capital's objective of providing loans to companies within India's e-mobility ecosystem, contributing to sustainable development in the sector.

Investing in ₹2 billion NCD of Vivriti Capital

In March 2025, Axis Bank, with GuarantCo cover, invested ₹2 billion (~$24 Mn) in the 70-month non-convertible debenture (NCD) of Vivriti Capital Ltd. The funding is to be used for on-lending in identified infra opportunities such as renewables, solar power etc. GuarantCo has provided a 65% on-demand credit guarantee to Axis Bank for this transaction.

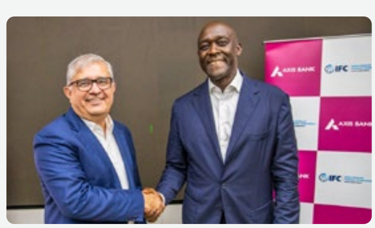
Extending ₹1 billion Loan to Everest Fleet

On January 10, 2024, in partnership with GuarantCo, the Bank facilitated a four-year loan of ₹1 billion to Everest Fleet, India's largest independent fleet management provider. This financing empowers Everest Fleet to acquire EVs for deployment as green taxis, aligning with India's sustainable transportation goals.

Collaborations, Deals and Associations

Partnering with IFC for a $500 Mn Climate Loan in India

In partnership with Axis Bank, IFC has provided a $500 million loan to scale up green financing in India. The collaboration also marks IFC's first-ever blue investment in India and the country's first blue loan issued by a financial institution. Blue finance, an emerging area in climate finance, aims to invest in sustainable water management, marine ecosystem restoration, sustainable shipping, and renewable energy.



India's First Sustainable AT1 Issuance

Axis Bank undertook India's first sustainable AT1 issuance priced at $600 million in the overseas markets on September 1, 2021. With this issuance, India became the second jurisdiction in Asia with an ESG AT1 issuance.

Collaborating to Offer Supply Chain Finance

Axis Bank has signed a Partial Guarantee Facility Agreement (PGFA) with the Asian Development Bank (ADB) to support supply chain financing for impact sectors. Under the arrangement, ADB will provide guarantees (variable) to the lending done by Axis Bank. The program is scalable, with an initial foundation ramp up of nearly $150 million.

Green Home Loans

In partnership with Mahindra Lifespace in November 2023, Axis Bank offers customers home loans at competitive rates for green projects. In fiscal 2025, 43 fresh home loans for ₹38.03 crores were sanctioned under the Mahindra Lifespace project.

Rooftop Solar Financing for SMEs

The Bank has funded rooftop solar projects amounting to ₹5.7 crores under its SME financing portfolio. Average capacity of the rooftop solar project is ~135 KW. The Bank has also signed an MoU with SIDBI for a GIFT Scheme towards green investment financing.

Other Marquee Transactions

Sustainable Club Loan of $150 million from HSBC & MUFG

The Bank concluded a Sustainable Club Loan from HSBC and MUFG for a total of $150 million in GIFT City branch in May 2023, aligned with its Sustainability Financing Framework*.

$200 million Bilateral Loan from MUFG under the Sustainable Financing Framework

The Bank availed a $200 million bilateral loan from MUFG in March 2024 aligned to its Sustainable Financing Framework. The purpose of the loan is to finance and/or refinance eligible green projects and/or eligible social projects.

Lead Arranger in Biocon's Acquisition of Viatris

The Bank was the lead arranger for a sustainability-linked loan in the pharmaceuticals and biomanufacturing sector in the Asia-Pacific region, with the proceeds earmarked to support Biocon Biologics' acquisition of the global Biosimilars business of its partner, Viatris Inc. This is one of the largest outbound cross-border M&A financings from India.

*Read about our Sustainability Financing Framework
https://www.axisbank.com/docs/default-source/default-document-library/axis-bank-sustainable-financing-framework.pdf

Engagement with Subsidiary Entities

Within the 'One Axis' framework, we offer a wide range of products and solutions through our business segments and subsidiaries alongside the services provided by our banking segments. Similarly, we are cognisant of the importance of a two-way engagement with our subsidiary companies on ESG matters to create shared value. Regular engagements with our subsidiaries help us exchange best ESG practices and communicate our priorities to create positive impact.

Governance

Strong governance is the cornerstone of Axis Bank's commitment to integrity, transparency, and accountability. Our robust governance framework ensures ethical decision–making, effective risk management, and alignment with stakeholder interests. By fostering a culture of ownership and responsible leadership, we safeguard long–term value creation and maintain the trust that is vital to our sustained success.

CORPORATE GOVERNANCE

An openness grounded in trust and accountability

Our governance framework is built on the principles of transparency, accountability and ethical conduct. Guided by an openness to scrutiny and responsible leadership, we ensure that every decision and action we take upholds the trust of our stakeholders and reflects our commitment to fairness, inclusion and long–term value creation.

Material Issues Linkage

M1 M2 M3

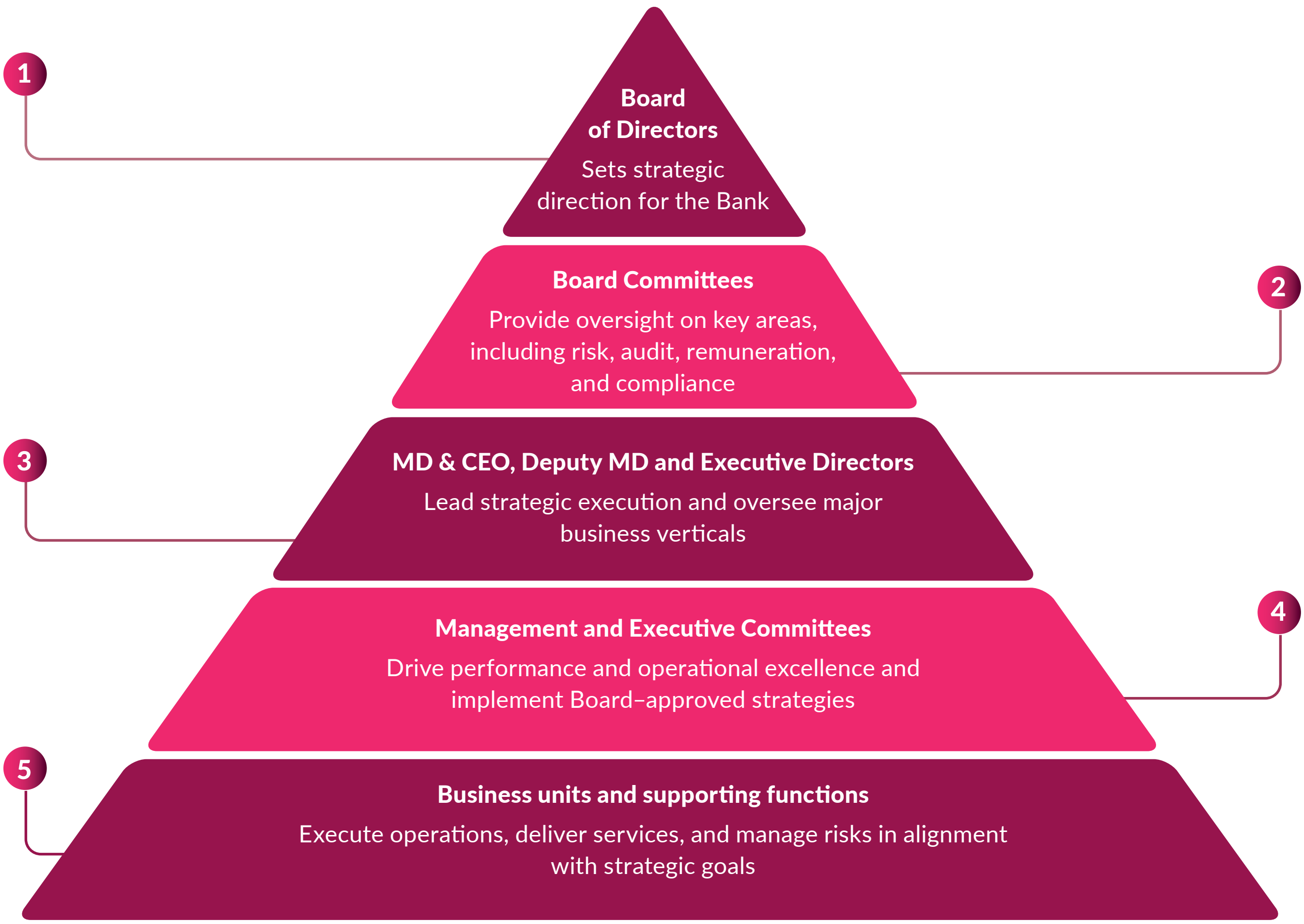
Capital Linkage

SDGs Impacted

Our Governance Framework

The Bank's governance framework clearly defines the roles, responsibilities, and reporting structures across the Board, management, and key committees. Our Board and its committees are entrusted with setting the strategic direction, defining the Bank's risk appetite, and ensuring rigorous oversight to safeguard stakeholder interests.

Governance Structure



Board Composition

The composition of the Board is governed by relevant provisions of the Companies Act 2013 (the 'Act') and the relevant rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations'), the Banking Regulation Act, 1949, guidelines issued by the Reserve Bank of India (RBI), as amended from time to time and the Articles of Association of the Bank (the 'extant laws').

As of March 31, 2025, the Board comprised 13 Directors, including the Managing Director and CEO, Deputy Managing Director, 2 Executive Directors, 8 Independent Directors, and 1 Nominee Director from the Life Insurance Corporation of India (LIC), the Bank's promoter. An Independent Director and a part-time Chairman leads the Board.

8
Independent Directors among a total of 13 Directors

2
Women Directors

12
Directors >50 years

1
Director <50 years

Board Expertise

Our Board comprises distinguished professionals with expertise across diverse disciplines, each contributing to the Bank's commitment to sustainable value creation. Anchored to a customer-first approach and guided by the highest standards of ethical governance, the Board leverages its collective experience to drive innovation and long-term growth.

Board Skill and Experience*

Finance

% of Directors

85%

Number of Directors

11

Business Management

% of Directors

69%

Number of Directors

9

Human Resources

% of Directors

69%

Number of Directors

9

Risk Management

% of Directors

62%

Number of Directors

8

Banking

% of Directors

69%

Number of Directors

9

Information Technology

% of Directors

69%

Number of Directors

9

Accountancy

% of Directors

46%

Number of Directors

6

Agriculture and Rural Economy

% of Directors

31%

Number of Directors

4

Economics

% of Directors

23%

Number of Directors

3

Payment and Settlement Systems

% of Directors

23%

Number of Directors

3

Co-operation

% of Directors

15%

Number of Directors

2

Small Scale Industry

% of Directors

15%

Number of Directors

2

Law

% of Directors

15%

Number of Directors

2

*as per Banking Regulation Act

Board Committees

The Board has constituted various board level committees for a more focused review of specific matters. The Bank has also constituted various executive committees to *inter alia* deal with routine, operational and administrative matters, and review various matters before its submission to the Board/committees.

Stakeholders Relationship Committee

Composition:

Role: Addressing grievances of security holders, review complaints, adherence to service standards and measures to reduce unclaimed dividends.

Customer Service Committee

Composition:

Role: Supervises functioning of customers' sub-committees, addresses complaints, reviews and approve customer-centric policies, monitors regulatory compliance, and reviews initiatives to enhance service standards and overall customer experience.

Audit Committee of the Board

Composition:

Role: Reviewing findings of audits, reviewing internal control systems, compliance, related party transactions, financial reporting and its integrity, and active engagement with the Group Chief Compliance Officer and Group Chief Audit Executive.

Nomination and Remuneration Committee

Composition:

Role: Evaluates talent management strategy, establishes performance benchmarks, reviews remuneration policies, recommends board composition changes and senior management changes, and oversees human resource strategy.

Committee of Directors

Composition:

Role: Provides approval for loans as per the limits, reviews credit policy, exposures, settlements, treasury investments, reviews and evaluates critical business proposals across various departments.

Risk Management Committee

Composition:

Role: Oversees the Bank's risk strategy, defines risk appetite, implements robust risk management policies, evaluates risk categories, and reviews cyber security measures and appointment of Chief Risk Officer (CRO).

Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds

Composition:

Role: Monitors and review fraud cases, ensures systemic corrections, examination of staff accountability, and review of timely reporting to regulatory authorities.

IT and Digital Strategy Committee

Composition:

Role: Approves and oversees IT strategy, reviews cyber incidents, aligns technology strategy with business objectives/requirements, evaluates IT and cyber security risks, oversees IT operations, and guides the Bank's digital transformation journey.

- Non-executive Director
- Whole-Time Directors
- Independent Director

CSR Committee

Composition:

●●● | ●●

Role: Defines, formulates, and reviews the Bank's CSR strategy and themes, oversees and approve allocation of CSR funds, monitors CSR projects, and ensures alignment with the Bank's commitment to sustainable social and environmental initiatives.

Review Committee

Composition:

●● | ●

Role: Consider proposal of identification Committee for classifications of a borrower as wilful defaulter.

Acquisitions, Divestments, and Mergers Committee (ADAM)

Composition:

●●● | ●●

Role: Consider and recommend proposals relating to mergers, acquisitions, strategic investments, and divestments.

● Non–executive Director

● Whole–Time Directors

● Independent Director

ESG Committee

Composition:

●● | ●

Role: Guiding the Bank's ESG strategy, highlighting key material ESG topics, reviewing ESG–related policies for regulatory compliance, and advises on adoption of relevant performance metrics and targets.

Committee of Whole–Time Directors

Composition:

●●●●

Role: Review and approve routine administrative matters such as issuance of power of attorney, allotment of securities, and such other matters as may be delegated to it by the Board or Board Committee

Policies and Frameworks

A robust set of policies and frameworks underpins the Bank's approach to responsible governance, guiding decision–making, risk management, and ethical conduct across all levels of the organisation.

Code of Conduct

Our Code of Conduct and Ethics reflects our unwavering dedication to ethical conduct and integrity, reinforced by our core values. It sets clear expectations for employee conduct, ensures compliance with regulatory standards and provides mechanisms for reporting ethical violations. New hires must acknowledge the Code, while existing staff annually reaffirm their commitment.

Besides the Code of Conduct (including the Anti–Bribery and Corruption related provisions), policies related to the Prevention of Sexual Harassment (POSH), Whistleblower Mechanism, Conflict of Interest, and Staff Accountability framework guide employee conduct.

Tax Policy

This policy ensures the Bank handles its tax affairs responsibly, complies with relevant laws, and fulfils its disclosure obligations in keeping with international standards such as the OECD guidelines. It aligns tax management with the Bank's business strategy to support long–term value creation and maintain a strong, responsible taxpayer profile.

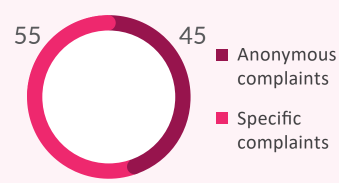
Whistleblower and Vigil Mechanism

We maintain a zero–tolerance policy for breaches of our Code of Conduct and Ethics. Our Whistleblower Policy and vigil mechanism encourage employees to report any illegal, unethical, or inappropriate conduct, ensuring the anonymity and protection of the whistleblower. Complaints can be reported anonymously through our dedicated web–based platform.

673

Incidents reported under the Whistleblower Policy

Whistleblower Complaints (%)



Anti-corruption and Anti-bribery

The Bank's vigilance function, governed by a Board-approved policy, is led by the Chief of Internal Vigilance (CIV), who drives preventive vigilance, supports policy formulation and reports to the Board's Audit Committee. Key initiatives include conducting the Vigilance Awareness Week, annual staff declarations, upholding the Bank's Anti-Bribery and Anti-Corruption Policy online, training, and ensuring service providers uphold vigilance standards.

343

Vigilance cases processed in fiscal 2025

427

Officials were subjected to disciplinary action during the year

Conflict of Interest Policy

The Conflict of Interest Policy identifies, prevents, and manages conflicts between employees and stakeholders. Employees are advised to avoid business with relatives, prioritise the Bank's interests, and report conflicts to the Ethics Department.

Human Rights

Our approach is guided by our Human Rights Policy, which aligns with international human rights frameworks established by the UN, ILO, and OECD. We have established systems and procedures in place to prevent human rights violations across our operations.

Compliance

Compliance is a key pillar of Axis Bank's corporate governance, reinforced by Board-approved policies and a zero-tolerance approach to non-compliance. In collaboration with Risk and Internal Audit functions, the Compliance department proactively manages regulatory risks, guides business units, and uses tech tools to strengthen oversight. A group governance framework ensures that subsidiaries align with the Bank's standards. The Group Chief Compliance Officer (GCCO) oversees consistent compliance across the group through structured reporting and monitoring.

Note: Detailed information on all our policies, including the ones mentioned above, can be accessed on our website at

https://www.axisbank.com/shareholders-corner/corporate-governance

Subsidiary Governance

Axis Bank oversees its subsidiaries to ensure they adhere to corporate governance principles. The Bank is committed to continuously improving internal controls and overseeing its subsidiaries as a Financial Conglomerate (FC).

To ensure the alignment of governance practices at the Group (Axis Bank and its subsidiaries) level and to positively engage the Group, the Bank has established a Subsidiary Governance Committee (SGC). This committee also helps implement the 'One Axis' theme by sharing uniform practices and building synergies between Group entities. Additionally, along with SGC, all matters of subsidiary governance are overseen by the executive committees, the Enterprise Risk Management Committee (EGRMC) and the Board of the Bank.

The Bank continues to undertake several initiatives to strengthen the Governance Framework under the supervision of the SGC. The framework also helps align key organisation functions, such as Risk, Compliance, Audit, Human Resources, Finance, Information Technology, Cyber Security, Legal, Corporate Communication, Marketing, and Corporate Secretarial across the Group.

ESG Governance

The Bank's establishment of the standalone ESG Committee in 2021, a pioneering move in the Indian banking sector, reflects its deep-seated commitment to Environmental, Social, and Governance (ESG) principles. The ESG committee drives initiatives in alignment with the Bank's purpose statement—banking for a more inclusive and equitable economy, fostering a thriving community and a healthier planet.

The ESG Committee of the Board is supported by a management-level ESG Steering Committee and ESG Working Group to drive Sustainable Financing initiatives. The Bank has in place a Diversity, Equity and Inclusion (DEI) Council to shape and drive the Bank's DEI priorities. The ESG Committee ensures integration of ESG goals with the Bank's operations, enhancing stakeholder trust, and establishing Axis Bank as a leader in sustainable and ***'open'*** banking practices.

In fiscal 2025, the ESG Committee of the Board met four times, reviewing the Bank's progress towards achieving its ESG-aligned commitments and providing guidance on new initiatives and activities. The Bank's overall ESG-aligned activities, highlights and developments during the fiscal year, including its progress on its commitments, are published in this report and the ESG data book fiscal 2025, prepared per the <IIRC> and GRI reporting framework.

ESG Committee

Chairman

Prof. S. Mahendra Dev
Independent Director

Committee Member

Amitabh Chaudhry
MD & CEO

G. Padmanabhan
Independent Director

(As on April 24, 2025)

Fraud Risk Management

The Bank's governance framework for fraud risk management integrates advanced methodologies and strategic oversight to prevent, detect, and mitigate fraud risks. The Financial Crime Intelligence (FCI) unit is central to our operations, ensuring transparency and security in every customer interaction. The unit leverages cutting-edge technology, real-time analytics, and robust internal controls to build a fraud-resistant environment. We aim to position the Bank as the most preferred banking choice for customers and the least attractive option for fraudsters.

Key Initiatives of the FCI Unit

The Bank is focusing on enhancing fraud prevention capabilities through streamlined yet secure onboarding, advanced technologies to combat cyber threats like phishing and transaction laundering, and cross-authentication methods for enhanced security. Real-time anomaly detection helps prevent account takeovers, while proactive measures address mule account fraud. Strong collaboration with law enforcement and the Indian Cyber Crime Coordination Centre (I4C) enables swift action against cyber fraud. Enhanced staff monitoring and targeted training reinforce internal controls and fraud resilience.

Fraud awareness and engagement are necessary to empower customers, employees, and corporate clients to identify and mitigate fraud risks. Among the key initiatives in this regard are the following:

- **Customer Awareness:** Digital campaigns (SMS, email, app, social media), educational blogs and self-service security tools.
- **Employee Engagement:** Regular fraud risk training, leadership discussions, monthly 'Sparsh Pulsate' sessions, and internal awareness drives.
- **Corporate Client Advisory:** Industry-specific workshops on secure digital practices and cyber threat mitigation.
- **Future-ready Fraud Defence:** Enhanced verification via risk-based and multi-factor authentication, AI-driven behavioural analytics, refined fraud algorithms, seamless security integration, stronger onboarding checks, self-service security dashboards, and real-time anomaly detection.

RISK MANAGEMENT

Resilience through purposeful risk stewardship

We maintain a robust and comprehensive Risk Management Framework that empowers us to identify and address evolving risks proactively. Supported by an independent Risk function, the Board maintains a keen oversight on every aspect of risk management, ensuring transparency, accountability, and resilience.

Risk Governance Framework

A robust and comprehensive Risk Management Framework enables proactive and comprehensive risk management. It provides guidelines for managing various risks, including credit, liquidity, market, operational, compliance and reputation risk.

The Board, which is the apex governing body, has both direct and indirect responsibilities for risk oversight, which are exercised through the Risk Management Committee (RMC) of the Board. The principal authority responsible for risk management, the RMC is assisted by an independent Risk function that reports to both the Board and the RMC.

The policies and frameworks approved by the executive committees and the RMC are implemented by the Risk Management Department (RMD), headed by the Chief Risk Officer (CRO). The Board, which appoints the CRO and decides the CRO's role and responsibilities, plays a pivotal role in ensuring the appointee's independence. The CRO, who steers the Bank's risk management strategy, reports directly to the MD & CEO. The RMD operates autonomously and actively participates in critical decision–making forums.

Proactive management of focus areas will contribute to a credit–led growth in the retail space while maintaining strong focus on cyber security, technological resilience, and embedding sustainability through a robust risk culture. The roadmap also includes targeted initiatives on managing subsidiary risk, operational risk, vendor risk, fraud risk, digital risk, and underwriting standards. Successful execution of these measures will enable the Bank to achieve its GPS objectives sustainably.

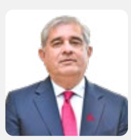
Risk Governance Structure

Board of Directors → Executive Risk Committee → Risk Management Department

- Credit Risk Management Committee (CRMC)
- Operation Risk Management Committee (ORMC)
- Asset and Liability Management Committee (ALCO)
- Information Systems Security Committee (ISSC)
- Central Outsourcing Committee (COC)
- BCP & Crisis Management Committee (BCPMC)
- Apex Committee
- Subsidiary Governance Committee (SGC)
- Enterprise & Group Risk Management Committee (EGRMC)

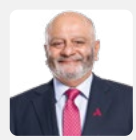
Risk Management Committee (RMC) Members

G. Padmanabhan
Chairperson, Independent Director

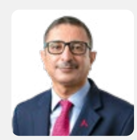


Amitabh Chaudhry
Member, Managing Director & CEO

Girish Paranjpe
Member, Independent Director



Pranam Wahi
Member, Independent Director



Munish Sharda
Member, Executive Director

KEY ACHIEVEMENTS OF THE RMC IN FISCAL 2025

- Strengthened Group risk oversight
- Stress testing framework enhancements
- Enhanced monitoring and risk coverage
- Strengthened cyber security
- Model risk enhancements
- Strengthened risk resilience

KEY FOCUS AREAS FOR FISCAL 2026

- Enhancing governance around risk appetite
- Ensuring cyber security
- Unsecured lending, including models
- Managing digital and technology risk
- Risk & compliance culture

Other Components of Risk Management

Internal Audit

The Bank's Internal Audit function independently evaluates internal controls, risk management, and governance, and reports to the Board on compliance with internal and regulatory guidelines. Guided by the RBI's Risk-Based Internal Audit (RBIA) standards, the Bank's audit policy emphasises a strategic focus on emerging business risks. A range of audit methodologies are followed by Internal Audit, which has also embraced technology-driven audits to enhance efficiency and effectiveness. Emphasis is laid on continuous skill-building and compliance with guidelines and established standards to uphold robust controls, which reflects our commitment to building trust and openness amongst stakeholders.

Business Continuity Plan

The Business Continuity Plan (BCP) is overseen by the Business Continuity Planning Management Committee (BCPMC), an executive risk committee mandated by the RMC. The committee ensures effective implementation and testing of the BCP framework across critical internal operations, preparing the Bank to respond seamlessly to various contingency scenarios. Insights gathered from these tests and exercises are systematically integrated into the BCP to ensure uninterrupted services and trust-building with customers.

Fraud Detection and Mitigation

Guided by a comprehensive Fraud Risk Management Policy, which is reinforced by established processes, the Bank is committed to providing robust protection against fraud. An advanced IT system ensures that transactions are monitored in real-time, ensuring that suspicious activities are immediately detected. An enterprise-wide anti-money laundering (AML) software generates timely alerts, enabling efficient monitoring, investigation, and reporting of potentially fraudulent transactions. A dedicated fraud management system further strengthens the Bank's defences by actively tackling fraudulent activities in credit and debit card transactions.

Risk Management Approach

Our approach to risk management is not just about safeguarding assets, it is about cultivating trust, transparency, and resilience through every decision we make. Built on four foundational pillars, our framework empowers us to anticipate uncertainties, respond proactively, and confidently navigate them.

Foundational Pillars of Risk Management

Risk Philosophy

At the Bank, risk is everyone's responsibility. Recognising that trust is invaluable, we ensure that compliance and reputation protection are non-negotiable. This shared responsibility fosters a culture of integrity and openness, where protecting our stakeholders' interests becomes our topmost priority.

Risk Identification and Mitigation

Through vigilant monitoring, the RMD remains cognisant of emerging risks, reporting them on time to the Board and RMC via established frameworks such as ICAAP and Risk Dashboards. In close collaboration with the business units, RMD ensures effective risk mitigation, fostering a culture where everyone actively owns and manages risks in their daily roles.

Risk Appetite and Policies

Our clearly defined risk appetite, approved by the RMC, empowers informed decision-making. Robust, Board-approved policies transparently outline our risk-taking boundaries. Executive committees and the Risk Management Department (RMD) ensure effective and transparent implementation.

Risk Culture

A robust risk culture is reinforced at all levels. Our Board and senior management lead by example, championing openness, accountability, and transparency. The compliance function and RMD ensure the culture permeates across the group.

Specific Risk Management Initiatives

KEY MATERIAL RISKS	Mitigation Measures		Risk Status
Credit Risk Credit risk refers to the potential financial loss when a counterparty, such as a customer, borrower, or security issuer, fails to fulfil contractual obligations. Our credit risk management is designed to maintain asset quality and manage concentration risks at both individual exposure and portfolio levels. **Capital Linkage** **SDGs Impacted**	**Wholesale Banking** Internal ratings form the backbone of our risk management process, determining risk acceptance, maximum exposure limits, sanctioning authority, pricing, and review frequency.	**Retail Banking** Product-specific scorecards are used for retail customers, including small businesses and small agriculture borrowers. An independent validation team rigorously evaluates these credit models to ensure robust discriminatory power, precise calibration, and long-term stability.	Increase

KEY MATERIAL RISKS	Mitigation Measures		Risk Status
Market Risk Market risk arises from potential losses in on- and off-balance sheet positions, resulting from market price movements and their associated volatility, which can impact the Bank's earnings and capital. This includes interest rate, equity price, and foreign exchange rates. Our trading and investment activities, carried out for customers and on a proprietary basis, are primary sources of market risk. **Capital Linkage** **SDGs Impacted**	**Comprehensive Framework** The Bank employs a well-defined market risk management framework, guided by clear policies, guidelines, and processes, to identify, measure, monitor, and report exposures within its risk appetite. **Independent Oversight** RMD independently monitors investment and trading portfolios, ensuring adherence to predefined risk limits and promptly reporting deviations. **Statistical & Non-Statistical Measures** The Bank utilises statistical tools, including Value at	Risk (VaR), stress tests, back tests, and scenario analysis, as well as non-statistical measures such as position limits, Marked-to-Market (MTM) evaluations, and stop-loss limits, to manage risk effectively. **VaR Calculation** VaR is calculated using a historical simulation at a 99% confidence level over a one-day holding period, based on a 250-day horizon, and bolstered by continuous back testing and stress testing. This ensures a proactive and resilient approach to managing market risk aligned with the Bank's risk appetite.	No Change

Increase — No Change

KEY MATERIAL RISKS	Mitigation Measures		Risk Status
Liquidity Risk Liquidity refers to a bank's ability to finance asset growth and fulfil expected and unexpected cash and collateral obligations at a reasonable cost. Liquidity risk arises when the bank cannot meet these obligations without compromising its financial condition. **Capital Linkage** **SDG Impacted** 8 DECENT WORK AND ECONOMIC GROWTH	**Comprehensive Framework** The Bank's Asset Liability Management (ALM) Policy outlines a robust liquidity risk management system, supported by additional policies for intraday liquidity, stress testing, contingency funding, and branch-level liquidity. **Monitoring & Oversight** Liquidity profiles are reviewed through static and dynamic gap analyses, key ratios, and stress tests, with ongoing supervision by the ALCO and RMC.	**Regulatory Adherence** The Bank aligns with RBI guidelines and Basel III requirements such as the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), maintaining levels consistent with regulations and the Bank's risk appetite.	▲

KEY MATERIAL RISKS	Mitigation Measures		Risk Status
Information and Cyber Security Risks Information and cyber security risks for banks arise from the possibility of unauthorised access, manipulation, or theft of sensitive data and assets. Breaches, whether through hacking, phishing, or malware, can disrupt services, compromise customer information, and erode trust in the bank's operations. Strong security measures, such as encryption, multi-factor authentication, and regular audits, protect the institution and its customers from evolving cyber threats. **Capital Linkage** **SDGs Impacted** 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**Robust Framework and Governance** The Bank has implemented a comprehensive Information and Cyber Security program governed by the Information System Security Committee. Policies and standards are aligned with best practices and regulatory guidelines, including NIST, ISO 27001:2013, and PCI DSS, that ensure regular threat assessments and controls. **Proactive Security Measures** Technical and administrative controls prevent, detect, and respond to suspicious activities. Prior to deploying IT infrastructure or applications, the Bank conducts thorough security checks, vulnerability assessments, and penetration tests.	**Defence-in-Depth and 24x7 Monitoring** A multi-layered security approach, supported by round-the-clock Security Operation Centres (SOC), continuously monitors digital assets. The Bank collaborates with regulatory bodies and industry stakeholders to strengthen its cyber defence and implement recommended measures.	▲

▲ Increase — No Change

KEY MATERIAL RISKS | Mitigation Measures | Risk Status

Operational Risk

Operational risks can arise from inadequate or missing controls within internal processes, personnel, and systems, as well as from external events or a combination of these factors.

Capital Linkage

SDGs Impacted

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Mitigation Measures

Comprehensive ORM Policy and Governance
A structured Operational Risk Management (ORM) Policy guides proactive risk identification, assessment, mitigation, and monitoring, reinforced by a clear governance framework.

Thorough Evaluation and Committee Oversight
All new products, processes, and changes undergo rigorous risk assessment by the Operational Risk team, supported by Product/Change Management Committees and the Outsourcing Committee. The Information System Security Committee oversees operational risk within information systems.

Measurement System and Continuous Enhancement
A dedicated Operational Risk Measurement System documents, assesses, and periodically reviews risks and controls across all business lines.

Risk Status: No Change

KEY MATERIAL RISKS | Mitigation Measures | Risk Status

Climate Risk

Climate risk broadly fall into two categories:

Transition Risks
These arise from shifts in policy, regulation, technology, or consumer preferences as the world moves toward a low-carbon future.

Physical Risks
This category includes both chronic and acute impacts of climate change. Chronic risks involve long-term changes in temperature, precipitation patterns, agricultural productivity, and sea levels, whereas acute risks encompass more immediate events, such as heat waves, floods, cyclones, and wildfires.

Capital Linkage

SDGs Impacted

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

Mitigation Measures

Global Framework Alignment and Climate Risk Integration
The Bank publishes TCFD-aligned disclosures in accordance with the RBI's guidelines, recognising that climate change affects credit, operational, market, reputational, and liquidity risks. We now monitor physical and transition risk for key business verticals under the purview of the ESG Committee, and continue to focus on developing capability for climate scenario analysis and stress testing in line with regulatory guidance.

Robust Governance and Strategic Oversight
Since 2021, the ESG Committee has guided the Bank's approach to climate-related and ESG risks. Focusing on high-transition-risk sectors and natural hazards, we strengthen enterprise-wide risk management and foster resilience across our retail, rural, and SME portfolios.

Building Capabilities and Fostering a Climate-conscious Culture
Our Climate Risk Dashboards capture key risk metrics, while a Bank-wide ESG e-module and specialised training embed climate awareness. Collaborating with industry bodies and regulators, we seek to safeguard our operations and further our sustainability objectives.

Risk Status: Increase

▲ Increase — No Change

CYBER SECURITY AND DATA PRIVACY

Safeguarding customer confidence with uncompromising security

Our Cyber Security and Data Privacy Framework is critical in upholding customer trust and assuring them that their personal and financial information are handled responsibly. Our goal is to create secure, seamless and trusted banking experiences that give customers the freedom to engage with us confidently, knowing that behind every open interaction is a deeply secure foundation.

Material Issues Linkage

M1 M5

Capital Linkage

SDG Impacted

An efficient cyber security governance and a protective architecture are more critical than ever in today's rapidly advancing digital landscape. Our adherence to ISO 27001 and PCI–DSS standards, our ISO 27017 cloud security certification, and the newly acquired ISO 27018 (Cloud PII Data Security) certification demonstrate our deep commitment to protecting customers' personal information.

A robust defence–in–depth approach, coupled with 24x7 monitoring from our Security Operations Centre (SOC), shields our critical assets from unauthorised access, hacking attempts, and data loss. Aligned with industry best practices and regulatory guidelines, we reinforce customer confidence across every banking channel, demonstrating how openness and security coexist seamlessly.

Cyber Security Governance Framework

The Bank has a robust corporate governance framework for information and cyber security. The Information System Security Committee (ISSC), chaired by the Chief Risk Officer, meets quarterly to review the evolving cyber threat landscape and validate the Bank's cyber security controls.

The Information Technology and Digital Strategy Committee and the Risk Management Committee provide oversight of information and cyber security related initiatives, ensuring they remain aligned with regulatory directives and benchmarked against industry best practices.

Board Committees

- Risk Management Committee
- Information Technology & Digital Strategy Committee

Executive Committees

- Information System Security Committee

Oversee

Information and cyber security initiatives to assess the threat landscape and ensure that controls are commensurate with the cyber risks

The Bank has a comprehensive Information and Cyber Security Policy and has invested in robust technical and administrative controls to prevent, detect, and respond to suspicious activity. We conduct thorough assessments before introducing new systems or services, encompassing application security and vulnerability checks, penetration testing, and architecture reviews. We also work closely with regulatory bodies and continuously invest in vendor risk management and security awareness programs for outsourced employees. We have also subscribed to Commercial Threat Intelligence Feeds and receive inputs from various regulatory bodies, such as the Reserve Bank of India – Cyber Security and Information Technology Examination (RBI–CSITE) and the National Critical Information Infrastructure Protection Centre (NCIIPC).

We extend a powerful security umbrella across Internet Banking, Mobile Banking, and Credit Cards by combining multifactor authentication, real–time fraud monitoring, and other best practices. We protect customer data through vigilant detection and rapid response to threats.

Measures for Proactive Detection of Cyber Threats

- Combining a **Zero-Trust architecture with micro-segmentation** to minimise the potential for cyber-attacks and to ensure secure remote access
- A **well-defined security framework** ensures end-to-end compliance, continuous monitoring, and consistent adherence to global standards
- **Encryption, digital rights management**, and **data classification** are integrated into the Bank's architecture and standard operating procedures (SOPs), ensuring that privacy is an integral part of every process
- **Sophisticated endpoint controls and Data Loss Prevention (DLP)** systems help identify and prevent unauthorised data exposures
- **Round-the-clock vigilance** detects malicious activities early, supported by real-time threat intelligence to pre-empt potential breaches
- Enhanced monitoring **detects unauthorised access** and potential data leaks, while secure mobile capabilities facilitate remote work aligned with sustainability goals
- **Federated identity management** and network access controls ensure that only authorised users can access sensitive data and systems
- The **Security Operation Centre** collaborates closely with regulatory bodies, leveraging real-time insights to strengthen cyber defence across all operations
- We ensure our applications and **on-premises tools** (e.g. patch management and file integrity monitoring) are fortified against threats
- Encryption and compliance controls underpin the Bank's **Cloud-First strategy**, while rigorous evaluations of SaaS and PaaS providers guarantee alignment with regulatory and security benchmarks
- The Bank has deployed **Microsoft Defender XDR** for real-time threat detection and response; Microsoft Defender (Endpoint) utilises machine learning and artificial intelligence to monitor threats continuously

Data Privacy: Securing Trust, *Dil Se*

Data privacy is integral to the Bank's mission to become India's most valuable bank and ensure that it can uphold its promise of '***Har raah dil se open***'. Recognising the importance of safeguarding personal information, we implement rigorous processes and technology frameworks to protect customer data.

Our Approach to Data Protection

- **Structured Data Management**
  We diligently classify data into Personally Identifiable Information (PII), Sensitive Personal Data Identification (SPDI), and non-PII/SPDI categories, conducting comprehensive privacy impact assessments for every initiative. Privileged identity and access management solutions strengthen data access security, with Aadhaar data secured in a dedicated vault in full compliance with RBI guidelines.
- **Comprehensive Privacy Controls**
  The Bank has implemented robust privacy measures, encompassing user access management, network security, secure configurations and database security. These foundational measures reinforce operational resilience and customer confidence.
- **Privacy in Payments Innovation**
  The Bank maintains a leading position with about 30% of the market share in the evolving landscape of UPI payments. Our commitment to seamless and secure customer experiences is evident through innovations such as UPI-enabled ATM services, RuPay Credit Cards on UPI, and global payment capabilities. Our robust IT infrastructure ensures reliability and minimal technical disruptions, solidifying our position as a trusted payments partner.
- **API Ecosystem and Data Security**
  Our API-driven ecosystem continues to expand, with more than 850 partners and 5,000 developers actively engaging through our cloud-based integration platform and sandbox environment. Over 460 APIs have been published, enabling strategic collaborations with major partners like Flipkart, Google, and Airtel. The API Security Guard Rails Policy provides stringent, controlled, and monitored data access across public, private and enterprise APIs.

» **Personalised Customer Experiences**
The Bank's commitment to personalisation fosters deeper customer engagement through tailored experiences, dynamic dashboards, gamified interactions, smart expense forecasting, and virtual financial assistants. These initiatives operate under rigorous privacy standards, ensuring secure and trusted customer interactions.

» **Strengthening Operational Resiliency**
Operational resiliency remains central to our strategy, supported by automated disaster recovery processes, advanced testing methodologies, and real-time incident management. Our ongoing efforts to integrate Site Reliability Engineering (SRE) practices and AI-driven operational analytics will further enhance infrastructure stability and rapid incident resolution.

» **Enterprise Architecture and Cloud Leadership**
Our forward-looking approach to enterprise architecture and cloud capabilities is exemplified by the successful deployment of Data Lakehouse, utilising Iceberg on Cloud. With robust open-source governance frameworks and mature cloud infrastructure, we ensure comprehensive governance, enhanced resiliency, strong security, real-time monitoring, and effective incident response. Integrating Machine Learning (ML) operations into our Data Lakehouse will reinforce our commitment to secure, transparent, and trusted data usage.

THOUGHT LEADERSHIP AND POLICY ADVOCACY

Translating ideas into impactful change

We drive conversations that lead the way to long-term change. Through proactive thought leadership, strategic policy engagement, and global collaboration, we are shaping a future-ready, inclusive financial ecosystem equipped to address the challenges of tomorrow.

Material Issues Linkage

M14

Capital Linkage

SDGs Impacted

Participation in Key Global Platforms

World Economic Forum's (WEF) Alliance of CEO Climate Leaders

Axis Bank is a proud member of the Alliance of CEO Climate Leaders of the World Economic Forum and actively engages in the Alliance's research and policy advocacy initiatives. The Alliance is currently focusing on three key thematic areas to drive action:

- Decarbonising materials and the supply chain
- Catalysing India's hydrogen economy
- Developing a business model to protect old forests and promote afforestation

The Bank actively contributed as part of the Steering Committee in the shaping of a joint industry survey conducted by the Confederation of Indian Industry (CII) and WEF on national climate solutions. This survey aims to inform a forthcoming whitepaper, offering insights and recommendations to facilitate increased private sector investments in natural climate solutions. The Bank actively participates in other initiatives under the Alliance, focusing on green hydrogen and environmental conservation.

Industry Collaboration and Policy Inputs

FICCI Committee Meetings

- Feedback on Digital Personal Data Protection (DPDP) Act – April & February 2024 – Damini Marwah
- Credit Card policy inputs – May 2024 & paper finalised in July 2024 – Sanjeev Moghe
- Inputs on Regulatory Compliance Review – January 2025 – Bimal Bhattacharyya
- Submissions on Bank-Fintech Partnerships – July 2024 – Sameer Shetty (including meeting with RBI Fintech ED)
- Review of export-import regulations – September 2024 – Neeraj Gambhir
- Contribution to Digital Lending Framework – July 2024 – Sameer Shetty
- Pre- and Post-Union Budget 2023-24 inputs – July & February 2025 – Amitabh Chaudhry

CII Engagements

- Thought Leadership Paper: Preparing for Viksit Bharat – August 2024 – Amitabh Chaudhry
- Submission to CII National Banking Committee – January 2025 – Rajiv Anand
- Inputs on climate finance terminology – October 2024 – Abhejit Agarwal

Government Consultations

Inputs to Department of Commerce on:

- Classifying Export Finance as PSL
- Setting up an International Arbitration Centre in GIFT City
- Enabling video KYC for NRIs & Special Rupee Vostro Accounts – November 2024

Media and Public Thought Leadership

- CNBC TV18 Podcasts: 'AI Dialogues' – April 2024 – Avinash Raghavendra
- CNBC TV18 Podcasts: 'AI Dialogues' – August 2024 – Anoop Manohar
- WEF Blog: Investing in People – December 2024 – Amitabh Chaudhry
- World CX Summit 2024 Compendium – Article on Future of Customer Experience – August 2024 – Shruthi Bopaiah

Case Studies and Publications

- Axis Bank – Redis Mobile Banking Case Study – June 2024 – Avinash Raghavendra
- Sustainable Agriculture Project Case Studies featured in FICCI-Yes Bank Compendium – October & November 2024 (Agriculture Based Finance – ABF)

Strategic Papers and Recommendations

- Draft Paper: Agenda for the New Government – May 2024 – Neelkanth Mishra
- Pre-budget recommendations & quote – July 2024 – Amitabh Chaudhry
- Feedback on PM Internship Yojana Draft – September 2024 – Rajkamal Vempati
- Working Groups:
  - Cyber security Strengthening
  - Aligning PSL Framework to National Priorities

Representation on Industry Platforms in Fiscal 2025

Amitabh Chaudhry
(MD&CEO)

- Chairman of the FICCI National Banking Committee
- Author/Contributor with the World Economic Forum
- Member of the CII Davos Steering Committee

Rajiv Anand
(Deputy Managing Director)

- Member of CII National Committee on Banking
- Chair of the Working Group on Payment Aggregators under the aegis of CII Banking Committee
- Member of the CII Regulatory Reforms Working Group (Agenda Initiative)
- Member of the CII Working Groups – Cyber Security and PSL

Arjun Chowdhry
(Group Executive – Affluent Banking, Retail Lending, NRI, Cards & Payments)

- Member of the Visa Asia-Pacific Client Council
- Member of the CII Joint Working Group of India-Australia CEO's Forum

Neeraj Gambhir
(Group Executive – Treasury & Markets and Wholesale Banking Products)

- Member of FICCI National Banking Committee
- Member of Global Debt Market Initiatives
- Board Member at FIMMDA (International)
- Member of Treasury and Global Markets, RBI

Rajkamal Vempati
(President – Human Resources)

- Member of the Advisory Board of the Centre of Gender Equality and Inclusive Leadership, XLRI
- Member of CII National HR Council
- Co-Chair of FICCI HR Committee

Sameer Shetty
(Group Executive – Digital Business and Transformation)

- Member of the FICCI Working Group on Banks-Fintech Partnership under the aegis of FICCI National Banking Committee
- Member of the Jury of Finacle-Infosys Innovation Awards
- Member of CII National Committee on FinTech
- Member of the Jury of FICCI Fintech Awards

Bimal Bhattacharyya
(President & Group Chief Audit Executive)

- Member of the CII Working Group on Regulatory Reforms

Damini Marwah
(President – Legal and Chief Ethics Officer)

- Member of ASSOCHAM Steering Committee on Insolvency & Bankruptcy Code and Valuation
- Member of the CII National Committee on Regulatory Affairs
- Member of the CII Taskforce on Insolvency and Bankruptcy
- Member of the FICCI Taskforce on DPDP Act 2024

Representation on Industry Platforms in Fiscal 2025

Sanjeev Moghe
(President – Cards)

» Member of the FICCI Sub-working Group on Credit Card issues

Vivek Gupta
(President – Wholesale Banking Products)

» Jury Member of the NPCI-IAMAI Global Fintech Awards

» Member of the Standing Advisory/Expert Committee of IFSC Authority

Abhejit Agarwal
(Senior Vice President & Head – Sustainability and CSR)

» Member of the FICCI Task Force on ESG

» Member of the CII Climate Change Council

» Member of the CII Net Zero Council

» Member of the Advisory Board – Centre for Development Policy and Management, IIM Udaipur

Ashish RS Sharma
(Senior Vice President – Financial Crime Intelligence)

» Member (Industry Expert), Board of Studies, SIES College

Harish Iyer
(Senior Vice President – Diversity, Equity and Inclusion)

» Member of the Advisory Board of ET Global DE&I Alliance

Nitin Anand
(Senior Vice President – MNC, NEG & FS Group)

» Member of the FICCI LAC Regional Council

Piyali Reddy
(Senior Vice President & Head – Corporate Communications)

» Jury Member of the Haymarkets Asia PR and Comms Awards 2024

Anoop Manohar
(Chief Marketing Officer)

» Member of ASSOCHAM National Branding and Marketing Council

» Jury Member of the Advisory Board of CX India Summit and Awards

» Jury Member of the ET BrandEquity Awards

Dhruvi Shah
(Executive Trustee and CEO – Axis Bank Foundation)

» Member of FICCI Task Force on Climate Change and Sustainable Agriculture

» Member of the CSR Committee of Bombay Chamber of Commerce and Industry

» Member of the CII Council on Women Empowerment and Inclusion

» Jury Member of FICCI Agri Startup Awards

Munish Sharda
(Executive Director – Bharat Banking)

» Member of the ICC India Working Group on Digitalisation and FinTechs

Bank's Representation Speaker or Panellist at Key Conferences and Seminars during Fiscal 2025

Speaker	Organiser	Event	Topic
Amitabh Chaudhry MD & CEO	**Future Talent Council**	Future Talent Summit	The Future of AI, Work, and Education
Rajiv Anand Deputy Managing Director	**IBA**	IBA–IBFed Conference	Mobilising Climate Finance for Sustainable Growth
Rajiv Anand Deputy Managing Director	**India Today**	India Today Smart Money Financial Summit	A Changing Landscape: Technology & Innovation in Financial Services
Rajkamal Vempati President – Human Resources	**ET**	ET HR World Nextech HR summit	HR Tech Trends
Abhejit Agarwal Head – Sustainability and CSR	**ET Edge**	Times Now Global Sustainability Alliance 3rd Edition of Sustainable Organisations 2024	Narratives of Green Transformation: Empowering Businesses with Innovation and Sustainable Technologies
Rajiv Anand Deputy Managing Director	**Climate Bond Initiative**	India Conference on Climate Risks and Sustainable Finance	Seizing Opportunities and Mitigating Risks in the Era of Climate Crises: How can Industry Accelerate Action?
Abhijit Dey Vice President – DBAT	**IDC**	India Financial Services Summit	Transformative Potential of Connected Finance
Avinash Raghavendra President – Information Technology	**Nasdaq**	The Dance of Innovation and Stability: Banks and Regulatory changes in India's evolving Regulatory Landscape	Powering Compliance: Leveraging RegTech for Cloud and Data Security in the Indian Banking Landscape
Harish Iyer Senior Vice President – Diversity, Equity and Inclusion	**ET Now**	ET Now Diversity and Inclusion Summit	People, Purpose, Pride: The Promise of the Pink Economy

Membership Fees Paid

The details of membership fees paid by the Bank for fiscal 2025*

IBA	World Economic Forum	FICCI
₹75.00 lakhs	**₹1.72 crores**	**₹1.50 lakhs**
CII	BCCI	ASSOCHAM
₹3.30 lakhs	**₹0.75 lakhs**	**₹1.50 lakhs**

*exclusive of applicable taxes

KEY EVENTS AT THE CORPORATE OFFICE

Abhisaran: Partnership CSO

Abhisaran 2025 saw leaders from across the social impact ecosystem convening for two energising days at our Mumbai corporate office, sparking dialogue on the future of philanthropy, CSR, and non-profit strategy. With a strong focus on collaboration, the event championed the power of collective action, shared storytelling, and cross-sectoral partnerships to drive meaningful, scalable change.

Wide Angle Season 9

Dia Mirza, a sustainability champion, took the stage at **WIDE ANGLE Season 9**, a thought leadership series for employees. She offered a thought-provoking perspective on environmental responsibility and inspired our employees to rethink their impact on nature and advised on how to embrace responsible change.

INTERPLAY OF CAPITALS

Capitals not only contribute to other capitals but can also enhance themselves through internal reinvestment, development, or transformation. This dynamic synergy strengthens our ability to serve stakeholders, adapt, grow inclusively, and stay ahead in an evolving financial ecosystem.




From/To capitals	Financial	Manufactured	Intellectual	Human	Social and Relationship	Natural
Financial	Steady capital mobilisation enabled investments across physical, digital and human capital. Key enablers included sustained improvement in core operating profit and disciplined cost controls.	Capital was deployed to expand our branch and ATM footprint across 693 districts. Strategic investments were made in expanding digital and rural infrastructure.	Investment in digital transformation enhanced core banking systems, CRM, analytics, and AI-driven interfaces, accelerating innovation and speed-to-market.	Capital was directed towards scaling our learning platforms, talent acquisition, and employee wellbeing initiatives, fostering a resilient workforce.	CSR investments of ₹427 crores were channelled towards furthering livelihoods, education, health, financial inclusion, environment, sports and humanitarian relief, touching over 1 million participants across India this fiscal.	Scaling sustainable financing, new green capital raising, moving on glide path for reducing exposure to coal and thermal power, committing to incremental financing of Rs 60,000 crores by 2030 in wholesale banking.
Manufactured	Deposit mobilisation (↑10% y-o-y) and rural advances (↑7%) were powered by our extensive physical and digital distribution across India.	Over 250 new Bharat Banking branches and 13,941 ATMs/CDMs ensured deep coverage across semi-urban and rural regions.	Integrated platforms such as ***'Open'*** by Axis and ***neo*** expanded access and digitised services. Unified systems ensured seamless physical and digital delivery.	High-touch phygital infrastructure supported employee enablement and onboarding across roles and locations, including 4,000+ branch banking officers.	Bharat-focused infrastructure enabled the delivery of high-quality services - from government partnerships (e.g. Smart Cities) to Direct Benefit Transfer.	Green branches and energy-efficient infrastructure contributed to lower emissions, while water management facilities enhanced sustainability outcomes.
Intellectual	The Bank's ***'Open'*** by Axis now contributes ~6% to the overall franchise. In fiscal 2025, platforms like Adi, '*Siddhi*', and ***neo*** accelerated productivity, enhanced decision-making, and strengthened CX design platforms.	Proprietary platforms supported customer journeys across both retail and wholesale banking. Tech upgrades enabled end-to-end digitisation.	135+ open APIs, 850+ fintech partnerships, and 460+ live integrations helped create a vibrant digital ecosystem.	Learning platforms like Open Learning Lab and Capability Factories enhanced employee skilling across ESG, tech, and frontline roles.	Our CX design platforms (Kaleidoscope) and idea generation initiatives (Ignite) enabled continuous service improvement and innovation.	Proprietary digital tools enabled smart energy management, emissions tracking, and ESG portfolio evaluation across operations
Human	Workforce productivity increased, with profit per employee of ₹0.25 crores. Engagement and diversity metrics improved, with 27.7% women representation.	Investments in employee amenities, flexible workspaces and safety protocols enabled a future-ready workplace.	Structured capability-building programs (1,000 Change Leaders, Thrive) enhanced managerial and leadership capabilities across the Bank.	6 million+ learning hours clocked; 97% employees active on the Open Learning Lab. Skill Factories and academies developed domain-specific talent.	Through initiatives like Axis Cares and '*Siddhi*', employees engaged in CSR, DE&I, and financial inclusion drives, enhancing organisational culture.	Training on climate action, health & safety, and ESG literacy empowered employees to contribute to responsible banking goals.
Social and Relationship	Strong customer franchise across Retail, Bharat, and Wholesale segments drove fee income (↑11%) and sustained market share across UPI, cards and MSME.	Our network of 28,000+ CSCs and 2,736 Bharat branches enabled last-mile access and improved customer service across India.	Customer-centric innovations like 'Benefits Dashboard', Digital Unboxing, and '*Siddhi*' drove ~80% digital activation in cards.	Axis Dil Se and Foundation programs built trust with 2 million+ rural families. Pride by Axis scored high on engagement.	Community programs across livelihoods, education, and inclusion scaled up significantly; Mission 4 Million launched in fiscal 2025.	Social programs promoted climate-resilient livelihoods (e.g. solar irrigation, watershed management) and aligned with national climate goals.
Natural	Our ESG-aligned portfolio includes green bonds, EV loans and ₹48,412 crores in cumulative ESG sanctions by fiscal 2025 since fiscal 2022.	Four large offices now run entirely on renewable energy; ~3.27 million trees planted under habitat restoration commitments.	Building capability for climate stress testing and scenario analysis, proprietary ESG rating tool, TCFD-aligned disclosures, and ESG lending policy integrated across enterprise systems.	Enhanced focus on wellness, occupational health, and climate-related training reinforced environmental awareness.	ESG governance embedded into operations with a Board-level ESG Committee; Bank-wide initiatives reinforced environmental stewardship.	~3.27 million trees planted since 2022 (including target of 2 million tree plantations, Miyawaki plantations and other tree plantation programs); Scope 1-2-3 emission reductions aligned with glide path; smart water, paper and energy use reduced footprint.

Honours that inspire us

Best Bank for Talent and Workforce

Best Digital Bank of the Year

Future of Trust

IDC Future Enterprise Awards

Derivatives House of the Year

AsiaRisk Awards 2024

Bank of the Year Award

FT FINANCIAL TIMES

Most Effective Credit/Debit Card Marketing Campaign

Pitch BFSI MARKETING SUMMIT & AWARDS

Reinvention Awards 2025 APAC Innovator of the Year

Qorus

ICAI Silver Shield for Excellence in Financial Reporting for fiscal 2024

Domestic Trade Finance Bank of the Year Digital Tx Bank of the Year (Project *neo*)

ASIAN BANKING & FINANCE WHOLESALE BANKING AWARDS

Sustainable Agriculture Award 2024 Sustainable Farmer Income Enhancement in 2023

FICCI

Board's report

Dear Members,

Your Board of Directors (the "**Board**") is pleased to present its 31st Board's report on the performance of Axis Bank Limited (the "**Bank**") together with the audited financial statements for fiscal 2025.

Financial Performance and State of the Bank's Affairs

The Bank provides a complete suite of banking products and financial services covering retail banking, wholesale banking and treasury operations and is the third largest private sector bank in India in terms of total assets, based on public filings of private sector banks. The Bank's total assets increased from ₹1,477,209 crores as at 31 March, 2024 to ₹1,609,930 crores as at 31 March, 2025. Furthermore, total deposits increased from ₹1,068,641 crores as at 31 March, 2024 to ₹1,172,952 crores as at 31 March, 2025 and total advances increased from ₹965,068 crores as at 31 March, 2024 to ₹1,040,811 crores as at 31 March, 2025.

Operating revenue increased by 10% year-on-year ("**Y-o-Y**") to ₹79,605 crores in fiscal 2025. Net Interest Income ("**NII**") increased 9% to ₹54,348 crores in fiscal 2025. Non-interest income consisting of fee, trading and other income increased by 13% to ₹25,257 crores in fiscal 2025. Operating expenses grew 6% to ₹37,500 crores in fiscal 2025. As a result, the operating profit grew by 13% to ₹42,105 crores. Provisions and contingencies increased by 91% to ₹7,759 crores in fiscal 2025. Net profit grew by 6% to ₹26,373 crores in fiscal 2025.

The financial highlights (standalone) for the year under review, are presented below:

(₹ in crores)

Particulars	2024-25	2023-24	Growth
Balance sheet:			
Deposits	**1,172,952**	**1,068,641**	**10%**
Savings bank deposits	311,389	302,132	3%
Current account deposits	166,799	157,268	6%
Term deposits	694,764	609,241	14%
Advances	**1,040,811**	**965,068**	**8%**
Retail advances	622,897	583,265	7%
Non-retail advances	417,914	381,803	9%
Total assets / liabilities	**1,609,930**	**1,477,209**	**9%**
Profit & loss account:			
Net interest income	**54,348**	**49,894**	**9%**
Other income	**25,257**	**22,442**	**13%**
Fee income	22,504	20,257	11%
Trading profit[1]	2,059	1,731	19%
Miscellaneous income	694	454	53%
Operating expenses	**37,500**	**35,213**	**6%**
Operating profit	**42,105**	**37,123**	**13%**
Provisions and contingencies (other than tax)	7,759	4,063	91%
Profit before tax	**34,346**	**33,060**	**4%**
Provision for tax	7,973	8,199	(3%)

(₹ in crores)

Particulars	2024-25	2023-24	Growth
Net profit	**26,373**	**24,861**	**6%**
Balance in profit and loss account brought forward from previous year	60,254	44,145	-
Amount available for appropriation	**86,627**	**69,006**	**-**
Appropriations			
Transfer to statutory reserve	6,593	6,215	-
Transfer to capital reserve	214	140	-
Transfer to investment reserve	-	242	-
Transfer to special reserve	1,025	968	-
Transfer to investment fluctuation reserve	248	879	-
Dividend paid	309	308	-
Surplus carried over to balance sheet	**78,238**	**60,254**	**-**

[1]Excluding merchant exchange profit.

Key Performance Indicators

Key Performance Indicators	2024-25	2023-24
Interest income as a % of working funds[1]	8.10	8.05
Non-interest income as a % of working funds[1]	1.67	1.65
Net interest margin (%)	3.98	4.07
Return on average net worth (%)	16.52	18.86
Operating profit as a % of working funds[1]	2.78	2.73
Return on average assets (%)	1.74	1.83
Profit per employee[2] (₹ in lacs)	25.45	25.29
Business (Deposits less inter-bank deposits + advances) per employee[2] (₹ in crores)	20.88	20.19
Net non-performing assets as a % of net customer assets[3]	0.33	0.31

[1] Working funds represent average total assets.
[2] Productivity ratios are based on average number of employees for the year.
[3] Customer assets include advances and credit substitutes.

Previous fiscal year's figures have been re-grouped, wherever necessary.

Financial Performance of the Group

Subsidiaries of the Bank continued to deliver steady performance. The domestic subsidiaries, collectively, reported a net profit of ₹1,768 crores in fiscal 2025. This translates into a return on investment of 46%. Consolidated net profit of the group for fiscal 2025 stood at ₹28,055 crores, growing 6% Y-o-Y. Consolidated return on equity for fiscal 2025 stood at 16.89%, with subsidiaries contributing 37 bps.

Divergence in Asset Classification and Provisioning for NPAs

In terms of Reserve Bank of India (the "**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% of the published incremental gross NPAs for the reference period.

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 fiscal 2024.

Dividend

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**SEBI Listing Regulations**"), the Bank has formulated and adopted a Dividend Distribution Policy, which was reviewed by the Board. The said policy is available on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance. The Bank has been in compliance with its Dividend Distribution Policy during the past three fiscal years.

In view of the overall performance of the Bank, while retaining capital to support future growth and in line with the Dividend Distribution Policy, the Board at its meeting held on 24 April, 2025, recommended a final dividend of ₹1/- per equity share of ₹2/- each fully paid (i.e., 50% of the face value), subject to the approval of members at the ensuing 31st Annual General Meeting (the "**AGM**"). Upon approval, and in compliance to regulatory guidelines, the dividend will be paid to the members whose names appear in the register of members of the Bank and in the statement of beneficiary position furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as on the record date i.e., Friday, 4 July, 2025. The total dividend payout will be approximately ₹309 crores resulting in a payout of 1.17% of the standalone profit after tax of the Bank. Additional shares issued by the Bank pursuant to exercise of stock options / stock units, until the record date shall also be eligible for such proposed dividend. The total dividend payout shall stand modified accordingly. In terms of the provisions of the Income Tax Act, 1961, dividend income is taxable in the hands of the members, and therefore will be subject to deduction of applicable tax.

In terms of Accounting Standard ("**AS**") - 4 'Contingencies and Events Occurring After the Balance Sheet Date' as notified by the Ministry of Corporate Affairs (the "**MCA**") under Section 133 of the Companies Act, 2013 (the "**Act**") read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021, such proposed dividend has not been recognised as a liability as on 31 March, 2025.

Integrated Annual Report

In terms of SEBI circular dated 6 February, 2017, the Bank had voluntarily published its first Integrated Annual Report for fiscal 2024, which included both financial and non-financial information and was based on the International Integrated Reporting Framework ("**IIRC**") and SEBI's guidelines on Integrated reporting. For fiscal 2025, the Bank continues to voluntarily publish the Integrated Annual Report. This report covers aspects such as organisation's strategy, governance framework, performance, risk management and prospects of value creation based on the six forms of capitals *viz*., financial capital, intellectual capital, manufactured capital, human capital, social and relationship capital, and natural capital.

Capital Structure

Share Capital

During fiscal 2025, the Bank issued and allotted 10,798,691 equity shares of ₹2/- each, pursuant to exercise of stock options / stock units by the Whole-Time Directors / employees of the Bank and of its subsidiary companies, under the Bank's Employee Stock Option Scheme, 2000-01 and Employee Stock Unit Scheme, 2022.

Consequent to the above, the total issued and paid-up equity share capital of the Bank increased by ₹2.16 crores to ₹619.47 crores as on 31 March, 2025, vis-à-vis ₹617.31 crores, as on 31 March, 2024. The equity shares issued under the above schemes rank *pari-passu* with the existing equity shares of the Bank.

Apart from the above, the Bank did not raise any additional equity share capital during the year.

Debt Instruments

On 5 September, 2024, the Bank issued and allotted 3,92,500 fully paid, senior, rated, listed, unsecured, taxable, redeemable, long term non-convertible debentures (Series–8) of face value of ₹100,000 each, aggregating to ₹3,925 crores, at a coupon rate of 7.45% per annum on a private placement basis for enhancing long term resources for funding infrastructure and affordable housing. The aforesaid debentures shall be redeemed at par on maturity on 5 September, 2034.

The Audit Committee of the Board (the "**ACB**") at its meeting held on 17 October, 2024, has reviewed and confirmed that the Bank has utilised the said funds for the above-mentioned purposes.

On 5 December, 2024, the Bank redeemed senior unsecured redeemable non-convertible debentures amounting to ₹5,705 crores. Further, on 12 February, 2025, the Bank also redeemed unsecured redeemable non-convertible fully paid up Basel III compliant tier 2 bonds in the nature of debentures for inclusion in tier 2 capital (bonds) amounting to ₹850 crores.

Capital Adequacy Ratio

The Bank's overall Capital Adequacy Ratio ("**CAR**") under Basel III stood at 17.07% at the end of fiscal 2025, well above the benchmark requirement of 11.50% stipulated by the RBI. Of this, the Common Equity Tier I ("**CET I**") CAR was 14.67% (against minimum regulatory requirement of 8.00%) and Tier I CAR was 15.07% (against minimum regulatory requirement of 9.50%). As on 31 March, 2025, the Bank's Tier II CAR under Basel III stood at 2.00%.

Ratings of various Debt Instruments

The details of credit ratings obtained by the Bank along with any revisions thereto, if any, during fiscal 2025, for all the debt instruments outstanding as on 31 March, 2025, are provided in the Report on Corporate Governance, forming part of this Integrated Annual Report.

Subsidiaries, Joint Ventures and Associates

Details of subsidiary and associate companies as on 31 March, 2025 are tabulated below:

Sr. No.	Name of the Company	Subsidiary/ Associate	Business Activity	Percentage stake held by the group
1.	Axis Capital Limited	Subsidiary	Business of intermediation such as investment banking, capital market advisory, private equity advisory, M&A advisory and institutional equities.	100
2.	Axis Finance Limited	Subsidiary	Non-Banking Financial Company (NBFC) offering loans to corporates, MSME and retail customers.	100
3.	Axis Securities Limited	Subsidiary	Retail broking services.	100
4.	Axis Trustee Services Limited	Subsidiary	Trusteeship activities and agency & administration services.	100
5.	Freecharge Payment Technologies Private Limited	Subsidiary	Merchant acquiring services, payment aggregation services, payment support services, and business correspondent to a bank / financial institution.	100
6.	Axis UK Limited[1]	Subsidiary	-	100
7.	Freecharge Business and Technology Services Limited	Subsidiary	Business correspondent and technological service provider to the Bank.	100
8.	Axis Capital USA, LLC	Step down subsidiary	Services relating to equity capital market, stock broking to institutional investors in USA.	100 (held by Axis Capital Limited)
9.	Axis Asset Management Company Limited	Subsidiary	Managing investment portfolios of the scheme(s) launched by Axis Mutual Fund, Axis Alternative Investment Fund - category II & III and portfolios under portfolio management services.	75
10.	Axis Mutual Fund Trustee Limited	Subsidiary	Trustee for the mutual fund business.	75
11.	A.Treds Limited	Subsidiary	Facilitating financing of trade receivables.	67
12.	Axis Pension Fund Management Limited	Step down subsidiary	Pension fund management business under the National Pension System.	47.27 (Axis Asset Management Company Limited-51, Axis Bank Limited-9.02)
13.	Axis Max Life Insurance Limited[2]	Associate	Life insurance and long-term saving and protection products.	19.02 (Axis Bank Limited-16.22 Axis Capital Limited-1.89, Axis Securities Limited-0.93)

[1] The banking license of subsidiary was cancelled by the UK regulators with effect from 24 October, 2024. Subsequently, the name of the Company was changed from Axis Bank UK Ltd. to Axis UK Ltd. with effect from 1 November, 2024. The Company is into liquidation since 9 December, 2024.

[2] Post receipt of regulatory approvals, Max Life Insurance Company Limited was officially rebranded to Axis Max Life Insurance Limited on 13 December, 2024.

As on 31 March, 2025, the Bank did not have any joint venture company.

The financial position and performance of each of the Bank's key subsidiary companies is given in the Management Discussion & Analysis Report, which forms part of this Integrated Annual Report.

Consolidated Financial Statements

In accordance with the provisions of Section 129(3) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, the Bank has prepared its consolidated financial statements, which forms part of this Integrated Annual Report. The statement in form AOC-1 containing the salient features of the financial statements of the subsidiary companies and associate company of the Bank, also forms part of this Integrated Annual Report.

In accordance with the third proviso to Section 136(1) of the Act, the Integrated Annual Report of the Bank, containing standalone financial statements and the consolidated financial statements and all other documents required to be attached thereto is available on the website of the Bank at https://www.axisbank.com/shareholders-corner/shareholders-information/annual-reports.

Further, in accordance with the fourth proviso to the said section, the audited financial statements of each of the subsidiary companies are available on the website of the Bank at https://www.axisbank.com/shareholders-corner/shareholders-information/annual-reports. The said financial statements will be available for inspection by the members of the Bank and trustees of debenture holders at the registered office of the Bank during business hours on all working days except Saturdays, Sundays, bank holidays and National Holidays. Any member interested in obtaining a physical copy of the said financial statements can send an email to the Company Secretary of the Bank at shareholders@axisbank.com.

Corporate Governance

The Bank is committed to upholding the highest standards of corporate governance and it constantly benchmarks itself with the best national and global governance and disclosure practices.

The Report on Corporate Governance for fiscal 2025 along with general shareholder information forms part of this Integrated Annual Report. M/s. M M Nissim & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 107122W/W100672), Joint Statutory Auditors of the Bank, has issued a certificate confirming compliance with the provisions of corporate governance by the Bank for fiscal 2025, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the SEBI Listing Regulations, and the same is attached along with the Report on Corporate Governance.

The corporate governance framework of the Bank incorporates all the mandatory requirements as prescribed in the SEBI Listing Regulations. The Bank has also adopted the non-mandatory requirements recommended in the SEBI Listing Regulations, as detailed in the Report on Corporate Governance.

Management's Discussion and Analysis Report

The Management's Discussion and Analysis Report as stipulated under Regulation 34(2)(e) of the SEBI Listing Regulations, forms part of this Integrated Annual Report.

Board of Directors

Appointment and Re-appointment of Directors

During fiscal 2025, pursuant to the recommendation of the Nomination and Remuneration Committee (the "**NRC**") and based on performance evaluation, the Board at its meeting held on 17 January, 2025, re-appointed Prof. S. Mahendra Dev as an Independent Director of the Bank for a further period of four years, with effect from 14 June, 2025 upto 13 June, 2029 (both days inclusive), subject to approval of the members of the Bank. He is not liable to retire by rotation. The Board was of the opinion that Prof. S. Mahendra Dev has the integrity, expertise and requisite experience, which is beneficial to the business interest of the Bank. Further, he is in compliance with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to enrolling his name in the online databank of Independent Directors and qualifying the online proficiency self-assessment test for Independent Directors.

The members of the Bank approved the appointment of Pranam Wahi as an Independent Director of the Bank for a period of four years with effect from 15 February, 2024 up to 14 February, 2028 (both days inclusive), *vide* postal ballot on 10 May, 2024.

Further, the members of the Bank at their 30th AGM held on 26 July, 2024 approved the re-appointment of Meena Ganesh, Independent Director with effect from 1 August, 2024 up to 31 July, 2028 (both days inclusive) and re-appointment of G. Padmanabhan, Independent Director with effect from 28 October, 2024 up to 27 October, 2028 (both days inclusive).

The members of the Bank also approved the re-appointment of Amitabh Chaudhry as the Managing Director & CEO of the Bank with effect from 1 January, 2025 upto 31 December, 2027 (both days inclusive). The RBI *vide* its letter dated 24 October, 2024, has also approved the said re-appointment.

Mini Ipe, Non-Executive Director of the Bank (Nominee of Life Insurance Corporation of India, promoter of the Bank), is liable to retire by rotation at the ensuing AGM, and being eligible seeks re-appointment. Based on performance evaluation and recommendation of the NRC, the Board recommends her re-appointment to the members of the Bank. Resolution in respect of re-appointment of Mini Ipe is included in the notice convening the 31st AGM of the Bank.

None of the Bank's directors are disqualified from being appointed as a director as specified in Section 164 of the Act. All Directors have further confirmed that they are not debarred from holding the office of a director under any order from SEBI or any other such authority.

Key Managerial Personnel

During the year, there was no change in the Key Managerial Personnel ("**KMP**"). As on the date of this report, following are the KMP's as per Section 203(1) read with Section 2(51) of the Act and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Name of the KMP	Designation
Amitabh Chaudhry	Managing Director & CEO
Rajiv Anand	Deputy Managing Director
Subrat Mohanty	Executive Director
Munish Sharda	Executive Director
Puneet Sharma	Group Executive and Chief Financial Officer
Sandeep Poddar	Company Secretary and Compliance officer

Selection and Appointment of Directors

The selection and appointment of Directors of the Bank is done in accordance with the applicable provisions of the Act, rules made thereunder, the Banking Regulation Act, 1949, the guidelines issued by the RBI and the relevant provisions of the SEBI Listing Regulations. The Bank has formulated and adopted various policies with respect to selection and appointment of Directors *viz.*, Succession Planning Policy for the Board and Key Officials of the Bank, Policy on fit and proper criteria for Directors of the Bank, Board Diversity Policy and Policy on Training of Directors, the details of which are provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

Declaration of Independence

All the Independent Directors of the Bank have confirmed that they meet the criteria prescribed for independence under the provisions of Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and continue to comply with the Code of Conduct laid down under Schedule IV of the Act.

The Board has assessed the veracity of the confirmations submitted by the Independent Directors and thereafter has taken the same on record. There has been no change in the circumstances affecting their status as Independent Directors of the Bank. In the opinion of the Board, the Independent Directors are competent, experienced, proficient and possess necessary expertise and integrity to discharge their duties and functions as Independent Directors. The names of all Independent Directors are included in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

In the opinion of the Board, all the Independent Directors are independent of the management.

Board Performance Evaluation

The Act and the SEBI Listing Regulations provide for evaluation of the performance of the Board, its Committees, individual Directors and the Chairperson of a Company.

The Bank has institutionalised the board performance evaluation process. The NRC annually reviews and approves the criteria and the mechanism for carrying out the exercise effectively.

The methodology used for the annual board performance evaluation, the outcome, progress made over last year and the proposed actions for implementation during fiscal 2026, are provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

Directors' Responsibility Statement

In terms of Section 134(3)(c) and 134(5) of the Act, the Directors hereby state that:

a) the applicable accounting standards have been followed in the preparation of the annual accounts for fiscal 2025.

b) accounting policies have been selected and applied consistently, and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Bank as at 31 March, 2025 and of the profit of the Bank for the year ended on that date.

c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities.

d) the annual accounts have been prepared on a going concern basis.

e) adequate internal financial controls to be followed by the Bank have been laid down and they are operating effectively.

f) proper and adequate systems have been devised to ensure compliance with the provisions of all applicable laws and these systems are operating effectively.

Meetings of the Board / Committees

The schedule in respect of the meetings of the Board / Committees to be held during the next fiscal year is circulated in advance to all the members of the Board.

During fiscal 2025, nine meetings of the Board were held. Details of Board meetings, Board composition, Committee meetings and Committee composition are provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

Audit Committee of the Board

The composition, role and functions of the ACB is provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

During fiscal 2025, the Board has accepted all the recommendations made by the ACB and hence, no further explanation towards this is required to be provided, in this Report.

Related Party Transactions

During fiscal 2025, all the related party transactions were entered in the ordinary course of the business of the Bank and on an arm's length basis. Accordingly, there were no transactions entered during the fiscal year that fall under the scope of Section 188(1) of the Act, hence, form AOC-2 is not applicable to the Bank.

The details of related party transactions are provided in note no. 2.5 of schedule 18 to the standalone financial statements and in note no. 1.8 of schedule 18 to the consolidated financial statements.

Whistle Blower Policy and Vigil Mechanism

The Bank has formulated and adopted a whistle blower policy and vigil mechanism, details of which have been provided in the Report on Corporate Governance which forms part of this Integrated Annual Report.

Adequacy of Internal Financial Controls related to Financial Statements

The Bank has laid down a system of internal financial controls with reference to its financial statements. The integrity and reliability of the internal control systems are achieved through clear policies and procedures, process automation, training and development of employees, and an organisation structure that segregates responsibilities. These controls are reviewed and tested by the internal audit team to ensure the accuracy and completeness of the accounting records and the preparation of reliable financial statements.

The internal financial controls of the Bank with respect to the financial statements are adequate and are operating effectively.

Plan and Status of Ind AS implementation

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 fiscal 2018, to be published along with the financial statements 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 fiscal 2017, the Bank had undertaken a preliminary diagnostic analysis of the GAAP differences between Indian GAAP vis-à-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 of 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 ACB and the Board on a quarterly basis. Accounting impact on the application of Ind AS shall be recognised as and when it becomes statutorily applicable to banks and in the manner so prescribed.

Remuneration Policy

The Bank has formulated and adopted a remuneration policy for its Non-Executive Chairman and Non-Executive Directors and a remuneration policy for its Managing Director & CEO, Whole-Time Directors, material risk takers, control function staff and other employees, in terms of the relevant provisions of Section 178 of the Act, the relevant rules made thereunder, the SEBI Listing Regulations and guidelines / circulars issued by the RBI.

The details of the said policies have been provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report. The said policies are available on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance in terms of the SEBI Listing Regulations.

Share Based Employee Benefits

In order to enhance employee motivation, create a retention mechanism, usher in an 'owner-manager' culture, align the interest of the key executives / employees with that of the shareholders in driving long-term value creation for the Bank, achieve greater synergy between the Bank and its subsidiary and associate companies and enable employees to participate in the Bank's long-term growth and financial success, the following share based employee benefit schemes have been implemented by the Bank:

- Axis Bank Employee Stock Option Scheme, 2000-01 ("**ESOS**")
- Axis Bank Employee Stock Unit Scheme, 2022 ("**ESUS**")

The aforesaid ESOS and ESUS are in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [the "**SEBI (SBEB and SE) Regulations**"]. A certificate from the Secretarial Auditors of the Bank confirming that the ESOS and ESUS have been implemented in accordance with the SEBI (SBEB and SE) Regulations and in accordance with the resolutions passed by the members of the Bank, will be placed at the ensuing AGM.

Disclosure as mandated under the provisions of Regulation 14 of the SEBI (SBEB and SE) Regulations, is available on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance.

The above-mentioned schemes are also available on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance.

Particulars of Employees

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors / employees of the Bank, is attached as **Annexure 1** to this report.

In terms of Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of limits set out in said rules forms part of this report.

In accordance with the provisions of Section 136(1) of the Act, this Integrated Annual Report excluding the aforesaid information, is being sent to the members of the Bank and others entitled thereto. The said information is available for inspection by the members at the registered office of the Bank during business hours up to the date of the ensuing AGM.

Any member interested in obtaining a copy thereof, may write to the Company Secretary of the Bank at its registered office or at shareholders@axisbank.com.

Information under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Bank has formulated and adopted a policy on prevention of sexual harassment of women at workplace. The Bank has complied with the provisions relating to the constitution of internal committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The information relating to complaints received and redressed during fiscal 2025 is provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

Auditors

Statutory Auditors

M/s. M M Nissim & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 107122W / W100672) and M/s. KKC & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 105146W / W100621) were appointed as the Joint Statutory Auditors of the Bank at the 30th AGM, to hold office from the conclusion of the 30th AGM until the conclusion of the 33rd AGM, on such terms and conditions, including remuneration, as may be approved by the ACB, subject to the approval of the RBI every year.

There are no qualifications, reservations, adverse remarks or disclaimers made in the statutory auditors' report which forms part of this Integrated Annual Report.

In accordance with the RBI guidelines, the Bank has framed a policy on 'Appointment of Statutory Auditors' and has also identified internal set of evaluation criteria for assessing the goodness of fit in terms of experience and eligibility for the audit firms including auditor independence.

Secretarial Auditor

The Bank has voluntarily adopted a policy on 'Appointment of Secretarial Auditors', duly approved by the Board, on the recommendations of the ACB, which, *inter alia,* provides for the selection, appointment and rotation of Secretarial Auditors, which was reviewed by the Board.

Pursuant to the provisions of Section 204 of the Act read with the relevant provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI Listing Regulations, the Board, based on the recommendation of the ACB, has appointed M/s. Bhandari & Associates, Company Secretaries (Firm Registration No. P1981MH043700), as Secretarial Auditors of the Bank, for a term of five consecutive years, commencing from fiscal 2026 to fiscal 2030, subject to approval of the members of the Bank at the ensuing AGM. M/s. Bhandari & Associates have confirmed their eligibility for appointment as Secretarial Auditors of the Bank under the provisions of Section 204 of the Act, Regulation 24A of the SEBI Listing Regulations and Auditing Standards on Audit Engagement ("**CSAS-1**") issued by The Institute of Company Secretaries of India ("**ICSI**").

The Secretarial audit report for fiscal 2025 is attached as **Annexure 2** to this report. There are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditors of the Bank, in their report.

In terms of SEBI master circular dated 11 November, 2024, relating to Annual Secretarial Compliance Report, the Bank has appointed M/s. Bhandari & Associates, Company Secretaries, for issuing the aforesaid report for fiscal 2025. The Bank will submit the Annual Secretarial Compliance Report to the stock exchanges within the prescribed statutory timelines.

Disclosure under Foreign Exchange Management Act, 1999

The Bank has obtained a certificate from KKC & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 105146W/W100621), Joint Statutory Auditors of the Bank, that it is in compliance with provision of the Foreign Exchange Management Act, 1999 with respect to investments made in its consolidated subsidiaries and associate during fiscal 2025.

Certificate of Non-Disqualification of Directors

In terms of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the Bank has obtained a certificate from M/s. Bhandari & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Bank have been debarred or disqualified from being appointed or continuing as Directors of the Companies either by the SEBI or the MCA or any other statutory / regulatory authorities. The said certificate is attached as **Annexure 3** to this report.

Reporting of Frauds by Auditors

Pursuant to Section 143(12) of the Act, and circular issued by the National Financial Reporting Authority dated 26 June, 2023, there were 3 instances amounting to ₹16.62 crores of frauds committed during fiscal 2025, by the officers or employees of the Bank and reported by the Statutory Auditors to the ACB.

The details required under Rule 13(4) of the Companies (Audit and Auditors) Rules, 2014 are as under:

Sr. No.	Nature of the fraud with description	Approximate amount involved (in ₹ lakhs)	Remedial actions taken
1.	**Cheating & Forgery:** Third party mobile number/ email id updated in the customer's Corporate Internet Banking by submission of fake documents with forged signatures and thereafter multiple unauthorised transactions/ debits undertaken from customer's account by staff.	1,298.04	• Police complaint filed leading to arrest of some suspects • Stringent disciplinary action taken against the involved staff including terminating of service. • Fraud Monitoring Return ("**FMR**") reported to the RBI. • Insurance claim has been raised. • Below controls implemented to prevent recurrences of such frauds. - Restricting updation of e-mail id, mobile number, authorized signatory, mode of operation, Corporate Internet Banking ("**CIB**") user ID addition / deletion to home branch only. - Additional due diligence to be conducted of Bearer submitting such request. - Seeking mobile bill / related evidence to verify the credentials (name) in which the mobile number is issued. - Restrict CIB access for non-authorized signatories. CIB access to be enabled only post on-boarding the proposed user as authorized signatory / related party in Bank records.

Sr. No.	Nature of the fraud with description	Approximate amount involved (in ₹ lakhs)	Remedial actions taken
2.	**Misappropriation & Criminal Breach of Trust:** Bank staff misappropriated customer funds by executing multiple fraudulent debit transactions in the Saving and OD accounts of the customer through mobile app without customer's knowledge.	249.85	• Fraudulently updated mobile number has been delinked from the bank account of the customer. • Post lodgment of complaint by customer, the staff was arrested by Police. As per verbal information received from police authorities, bank staff has admitted having misappropriated funds of customer and recovery of ₹25.00 lakh has been made from the accounts of bank staff maintained with other banks. • Amount (pertaining to savings account) has been refunded to the customer. • FMR reported to the RBI. • Insurance claim has been initiated. Insurance company has appointed surveyor for the case. Bank is currently following up with insurance company for status. • Feasibility for creating additional check point of telephonic interaction by digital lending team for high value Digital OD against FD cases is being currently assessed.
3.	**Misappropriation & Criminal Breach of Trust:** Joint custodians misappropriated cash from the branch vault and executed fraudulent transactions in customer accounts.	114.00	• The Bank investigated the case and took necessary disciplinary action by terminating the involved staff and others responsible for the identified lapses. • Additionally, a police complaint was filed in the matter, leading to the arrest of the branch staff by authorities. • FMR reported to the RBI. Insurance claim has been initiated. • The Bank has proactively credited affected customer accounts after a thorough investigation and verification, ensuring minimal disruption to customer trust and service.

During fiscal 2025, pursuant to Section 143(12) of the Act, the Secretarial Auditors of the Bank have not reported any instances of frauds committed in the Bank by its officers or its employees.

Secretarial Standards

The Bank is in compliance with the applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by the ICSI. The Bank has also voluntarily adopted the recommendatory 'Secretarial Standard on Dividend' ("**SS-3**") and 'Secretarial Standard on Report of the Board of Directors' ("**SS-4**") issued by the ICSI.

Risk Management

Pursuant to Regulation 21 of the SEBI Listing Regulations, the Bank has constituted the Risk Management Committee of the Board which is chaired by an Independent Director. The details of the said Committee and its terms of reference are set out in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

The Bank has formulated and adopted a robust risk management framework. Whilst the Board is responsible for framing, implementing and monitoring the risk management framework, it has delegated its powers relating to monitoring, reviewing and identification of elements of risks associated with the business of the Bank to the said Committee. The details of the risk management framework and issues related thereto have been disclosed in the Management's Discussion and Analysis Report, which forms part of this Integrated Annual Report.

Corporate Social Responsibility

The Bank has been formally undertaking Corporate Social Responsibility ("**CSR**") activities since 2006, with the founding of Axis Bank Foundation ("**ABF**"). With the introduction of Section 135 of the Act making CSR mandatory, the Bank expanded its spectrum of activities to undertake interventions across India in identified themes, directly, through ABF and through credible implementation partners.

Pursuant to the provisions of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("**CSR Rules**"), as amended from time to time, the Bank has constituted the CSR Committee of the Board which is chaired by an Independent Director.

The Bank formulated and adopted a CSR policy which provides the focus areas (in accordance with Schedule VII of the Act) under which various developmental initiatives are undertaken.

The composition of the CSR Committee, CSR policy and projects / programs approved by the Board are available on the website of the Bank at https://www.axisbank.com/csr/social-responsibility.

The Annual Report on CSR activities of the Bank during fiscal 2025, in accordance with the CSR Rules, is attached as **Annexure 4** to this report. Further details on CSR activities also form part of this Integrated Annual Report.

Business Responsibility and Sustainability Report

In terms of Regulation 34(2)(f) of the SEBI Listing Regulations, top 1000 listed entities based on their market capitalisation as on 31 March, every year, were required to submit Business Responsibility Report ("**BRR**"), as a part of their annual report.

In November 2018, the MCA constituted a committee to revise the National Voluntary Guidelines ("**NVG**") on which the BRR was based, which were subsequently revised and released as the National Guidelines on Responsible Business Conduct ("**NGRBC**") in 2019. Further, the BRR was aligned to the NGRBC, and renamed and released as the Business Responsibility and Sustainability Report ("**BRSR**") in 2020.

SEBI *vide* circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July, 2023, as amended from time to time, updated the format of BRSR to include BRSR Core which is a set of key performance indicators / metrics under nine ESG attributes. SEBI further mandated the top 150 listed companies (by market capitalisation) to undertake a reasonable assurance of the BRSR Core from fiscal 2024.

The Bank's BRSR for fiscal 2025 along with the reasonable assurance statement from SGS India Private Limited is available on the website of the Bank at https://www.axisbank.com/shareholders-corner/shareholders-information/business-responsibility-report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars as prescribed under Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as **Annexure 5** to this report.

Annual Return

The annual return in Form MGT-7 as on 31 March, 2025, as mandated under the provisions of Section 92(3) read with Section 134(3)(a) of the Act, has been uploaded on the website of the Bank at https://www.axisbank.com/shareholders-corner/shareholders-information/annual-return.

Other Disclosures

- **Change in the nature of business:** There has been no change in the nature of business of the Bank.
- **Significant and material order passed by regulators or courts or tribunals impacting the going concern status and future operations of the Bank:** There were no significant and / or material orders passed by any regulator, court or tribunals against the Bank, which could impact its going concern status or future operations.
- **Deposits:** Being a banking company, the disclosures relating to deposits as required under Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, read with Sections 73 and 74 of the Act, are not applicable.
- **Material changes and commitments affecting the financial position of the Bank:** There were no material changes and commitments affecting the financial position of the Bank, between the end of the fiscal year to which the financial statements relate and the date of this report.

- **Particulars of loans, guarantees and investments:** Pursuant to Section 186(11) of the Act, the provisions of Section 186 of the Act, except sub-section (1), do not apply to a loan made, guarantee given, or security provided by a banking company in the ordinary course of its business. The particulars of investments made by the Bank are disclosed in schedule 8 of the financial statements as per the applicable provisions of the Banking Regulation Act, 1949.

- **Maintenance of cost records:** Being a banking company, provisions of Section 148(1) of the Act, relating to maintenance of cost records is not applicable.

- **Proceedings under Insolvency and Bankruptcy Code, 2016:** There is no application or proceeding pending against the Bank under the Insolvency and Bankruptcy Code, 2016 during the year under review.

- **One-Time Settlement:** There was no instance of one-time settlement with any other Bank or financial institution during the year under review.

Annexures

The following statements / reports / certificates are annexed to the Board's Report:

1. Disclosures pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

2. Secretarial Audit Report pursuant to Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations.

3. Certificate from Secretarial Auditor on non-disqualification of Directors pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations.

4. Annual Report on CSR activities of the Bank for fiscal 2025.

5. The particulars of Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo as prescribed under Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

Acknowledgements and Appreciations

The Board places on record its gratitude to the Government of India, RBI, MCA, SEBI, other statutory and regulatory authorities, financial institutions, stock exchanges, registrar and share transfer agent, debenture trustees, depositories and correspondent banks for their ongoing support and guidance.

The Board would also like to extend its sincere gratitude to each of its valued customers for the continued patronage and to all the members of the Bank for the ongoing support.

The Board also expresses its heartfelt thanks and appreciation to each employee and their families for their continued commitment towards the Bank and its customers, who by exhibiting strong work ethics, professionalism, teamwork and initiatives, helped the Bank continue to serve its depositors and customers and reinforce its customer centric reputation despite the challenging environment.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 25 April, 2025

N. S. Vishwanathan
Chairman

Annexure 1

DISCLOSURE ON REMUNERATION

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(i) The ratio of the remuneration of each Director of the Bank to the median remuneration of the employees of the Bank for the fiscal 2025 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary or Manager, if any, in the fiscal 2025, is as under:

Name of the Directors	Designation	Ratio of remuneration to median remuneration of all employees[2]	% increase in the remuneration in the fiscal 2025
N. S. Vishwanathan	Independent Director and Part-Time Chairman	8.0	NA
Girish Paranjpe	Independent Director	9.3	NA
Meena Ganesh	Independent Director	8.7	NA
G. Padmanabhan	Independent Director	6.8	NA
Prof. S. Mahendra Dev	Independent Director	9.4	NA
P. N. Prasad	Independent Director	7.7	NA
CH SS Mallikarjunarao	Independent Director	7.6	NA
Pranam Wahi	Independent Director	7.3	NA
Mini Ipe	Non-Executive Nominee Director	8.5	NA
Amitabh Chaudhry	Managing Director & CEO	101.8	5.23
Rajiv Anand	Deputy Managing Director	66.5	6.37
Subrat Mohanty	Executive Director	54.0	6.34
Munish Sharda	Executive Director	54.0	6.34
Puneet Sharma	Group Executive & Chief Financial Officer	32.9	7.23
Sandeep Poddar	Company Secretary	17.9	5.50

1 The Bank has considered the annualized fixed pay for computation of ratios and percentage increase in remuneration. Fixed pay includes salary, allowances, retiral benefits as well as value of perquisites as approved by the RBI. Variable pay has been excluded from the same.

2 All confirmed employees (excluding front line sales force), as on 31 March, 2025 have been considered.

3 All the Independent Directors and Nominee Director of the Bank were paid sitting fees of ₹100,000 for every meeting of the Board, Nomination and Remuneration Committee, Audit Committee of the Board, Committee of Directors, Risk Management Committee and IT & Digital Strategy Committee, attended by them. In respect of other Committees of the Board, sitting fees of ₹75,000 was paid to the Directors. Further, all the Independent Director of the Bank were paid sitting fees of ₹100,000 for attending every meeting of the Independent Directors. In accordance with the RBI circular dated 26 April, 2021 on 'Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board', the Bank has paid fixed remuneration to its Non-Executive Nominee Director and Independent Directors (except the Independent Part-Time Chairman) within the prescribed limit of ₹30 lakh per annum per Director.

(ii) The percentage increase in the median remuneration of the employees of the Bank during the fiscal 2025:

The median remuneration of employees of the Bank increased by 4.3% in fiscal 2025, as compared to fiscal 2024.

(iii) The number of permanent employees on the rolls of the Bank as on 31 March, 2025:

The Bank had 104,453 permanent employees on its rolls as on 31 March, 2025.

(iv) Average percentile increase already made in the salaries of employees of the Bank other than its managerial personnel during the last fiscal year and its comparison with the percentile increase in the managerial remuneration ("KMPs") and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average remuneration increase for non-managerial personnel of the Bank during fiscal 2025 was 8.03%.
- The average remuneration increase for the managerial personnel (KMPs) of the Bank was 6.2%.
- The difference in average remuneration is on account of annual fixed pay increase for non-managerial personnel.

(v) Affirmation that the remuneration is as per the remuneration policy of the Bank:

It is hereby affirmed that the remuneration paid during fiscal 2025, is in accordance with the remuneration policy of the Bank.

Annexure 2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
AXIS BANK LIMITED
CIN: L65110GJ1993PLC020769

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Axis Bank Limited** (hereinafter called "**the Bank**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Bank's books, papers, minute books, forms and returns filed and other records maintained by the Bank and also the information provided by the Bank, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Bank has, during the audit period covering the financial year ended **31 March, 2025** complied with the statutory provisions listed hereunder and also that the Bank has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Bank for the financial year ended 31 March, 2025 according to the provisions of:

i. The Companies Act, 2013 ("**the Act**") and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. The Bank has not made any Overseas Direct Investment and does not have External Commercial Borrowings during the financial year;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"): -

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018[#];

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021[#];

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018[#];

i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

j. The Securities and Exchange Board of India (Merchant Bankers) Regulation, 1992;

k. The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994;

l. The Securities and Exchange Board of India (Custodian) Regulations, 1996; and

m. The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.

The Regulations or Guidelines, as the case may be were not applicable to the Bank for the period under review.

The list of Acts, Laws and Regulations specifically applicable to the Bank are given below:

vi. The Banking Regulation Act, 1949 read with applicable circulars/notifications/guidelines issued by the Reserve Bank of India from time to time.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

During the period under review, the Bank has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable.

We further report that –

The Board of Directors of the Bank is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Bank commensurate with the size and operations of the Bank to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Bank has undertaken the following events / actions –

1. Members' approval was obtained at the 30th Annual General Meeting ("**AGM**") held on 26 July, 2024 for:

    a. borrowing / raising of funds denominated in Indian rupees or any other permitted foreign currency, by issue of debt securities on a private placement basis up to an amount of ₹35,000/- crores in domestic and / or overseas markets within the overall borrowing limits of the Bank;

    b. raising of funds by issue of equity shares / depository receipts and / or any other instruments or securities representing either equity shares and / or convertible securities linked to equity shares for an amount up to ₹20,000/- crores.

2. The Committee of Whole-time Directors of the Bank on 05 September, 2024, has approved the allotment of 3,92,500 fully paid, Senior, Rated, Listed, Unsecured, Taxable, Redeemable, Long Term Non-Convertible Debentures (Series – 8) of the face value of ₹1 lakh each, at par aggregating to ₹3,925/- crores, at a coupon rate of 7.45% p.a. payable annually, on a private placement basis.

3. The Bank has redeemed Senior, Unsecured and Redeemable Non-Convertible Debentures (Series- 1) aggregating to ₹5,705/- crores having ISIN INE238A08351 on 05 December, 2024 and Unsecured, Redeemable Non-Convertible Debentures (Series- 22) aggregating to ₹850/- crores having ISIN INE238A08369 on 12 February, 2025.

4. The Financial Intelligence Unit – India *vide* its order dated 03 June, 2024, has imposed a monetary penalty of ₹1,66,25,000/- on the Bank pertaining to non-compliance in respect of opening and monitoring of certain accounts under the Prevention of Money Laundering Act, 2002 read with Prevention of Money Laundering (Maintenance of Records) Rules, 2005.

5. The Reserve Bank of India ("**RBI**") *vide* its letter dated 10 September, 2024, has imposed a monetary penalty of ₹1.91/- crores on the Bank pertaining to non-compliance with certain provisions of the Banking Regulation Act, 1949 and certain directions issued by RBI on 'Interest Rate on Deposits', 'Know Your Customer' ("**KYC**") and 'Credit Flow to Agriculture- Collateral free agricultural loans'.

6. RBI *vide* its order and email dated 12 February, 2025, has imposed a compounding penalty of ₹37,32,505/- on the Bank pertaining to non-compliance with certain provisions of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and Foreign Exchange Management (Non-Debt Instruments) Rules, 2019.

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

Manisha Maheshwari
Partner
FCS No.: 13272; C P No.: 11031
ICSI UDIN: F013272G000193419

Mumbai | 25 April, 2025

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

'Annexure A'

To,
The Members,
AXIS BANK LIMITED
CIN: L65110GJ1993PLC020769

Our Secretarial Audit Report for the financial year ended **31 March, 2025** of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

Manisha Maheshwari
Partner
FCS No.: 13272; C P No.: 11031
ICSI UDIN: F013272G000193419

Mumbai | 25 April, 2025

Annexure 3

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Axis Bank Limited,
Trishul, 3rd Floor,
Opp. Samartheshwar Temple,
Law Garden Ellisbridge,
Ahmedabad – 380 006
Gujarat.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Axis Bank Limited** having Corporate Identity Number ("**CIN**") : L65110GJ1993PLC020769 and having registered office at Trishul, 3rd Floor, Opp. Samartheshwar Temple, Law Garden Ellisbridge, Ahmedabad – 380006, Gujarat (hereinafter referred to as "**the Bank**"), produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ("**DIN**") status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Bank & its officers, we hereby certify that none of the Directors on the Board of the Bank as stated below for the financial year ended 31 March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Bank
1.	Subramanian Nurani Vishwanathan	09568559	30.05.2023
2.	Girish Paranjpe	02172725	02.11.2018
3.	Meena Ganesh	00528252	01.08.2020
4.	G. Padmanabhan	07130908	28.10.2020
5.	Prof. S. Mahendra Dev	06519869	14.06.2021
6.	P. N. Prasad	07430506	20.10.2022
7.	CH S. S. Mallikarjunarao	07667641	01.02.2023
8.	Pranam Wahi	00031914	15.02.2024
9.	Mini Ipe	07791184	29.07.2023
10.	Rajiv Anand	02541753	04.08.2016
11.	Subrat Mohanty	08679444	17.08.2023
12.	Munish Sharda	06796060	27.02.2024
13.	Amitabh Chaudhry	00531120	01.01.2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

Manisha Maheshwari
Partner
FCS No.: 13272; C P No.: 11031
ICSI UDIN: F013272G000193463

Mumbai | 25 April, 2025

Annexure 4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014 and amended as per the Companies (Corporate Social Responsibility Policy) Amendment Rules]

1. **Brief outline on CSR Policy of the Company:** The Corporate Social Responsibility (CSR) philosophy is to make meaningful and measurable contributions to the inclusive, equitable and sustainable development of India. The Bank strives to support those from socially, economically, or physically excluded and disadvantaged communities, and strengthen the country's development ecosystem. The Bank has adopted an integrated approach that focuses on, creating opportunities for secure and sustainable livelihoods, improving the quality of and access to education, strengthening financial inclusion and financial literacy amongst unbanked and underbanked sections of society, supporting environmental sustainability, and providing humanitarian support and relief where needed.

2. **Composition of CSR Committee:**

Sr No	Name of Director	Designation/nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	N. S. Vishwanathan	Independent Director and Part Time Chairman	4	3
2	Rajiv Anand	Deputy Managing Director	4	4
3	Meena Ganesh	Independent Director	4	4
4	Prof. S. Mahendra Dev	Independent Director	4	4
5	Munish Sharda	Executive Director	4	3

3. **Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:**

   https://www.axisbank.com/csr/social-responsibility

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable:**

   An impact assessment was conducted through a third-party agency on five of our projects under Financial Literacy, Education and Humanitarian & Relief themes respectively, in accordance with sub-rule (3) (a) of Rule 8 of CSR Rules. A summary of these assessments is provided below and the complete assessment reports are available on the Bank's website at https://www.axisbank.com/csr/social-responsibility.

Impact Assessment Project 1

Financial Literacy Training Program

Axis Bank's financial literacy program aims to create awareness on personal financial management aspects through financial literacy initiatives and provide the underserved sections of society – especially rural population and urban poor, with access to formal banking channels and products under financial inclusion initiatives. The program also aims to facilitate access to Government benefit schemes and social security schemes through banking channels. The impact assessment of the program focuses on the effectiveness of trainings and short video films in local languages as the primary educational tool.

During fiscal 2023, a total of 0.9 million beneficiaries across 20 states and one Union Territory were provided financial literacy trainings. The assessment is based on data collected from an exhaustive survey conducted between October 2024 - January 2025, involving 2,326 women who participated in the program and a control group of 488 women from similar socio-economic backgrounds who did not view the video.

Key Findings:

1. The program achieved a 100% recall rate among participants, with the majority remembering key messages about savings and distinguishing essential from non-essential expenditures. In contrast, only 23% of the control group had similar exposure to financial literacy content.

2. 77% participants reported tracking their household incomes and expenditures post-training, compared to about 49% in the control group. Additionally, 44% of participants started this practice after watching the FL video, indicating a direct impact of the program on their financial habits.

3. Nearly all participants had a savings account, and over 90% were aware of receiving direct benefit transfers from the government, a significant increase from the control group 86%.

4. Among the participants, 94% have stated that health insurance is important as against 84% among the control group respondents.

5. The health and hygiene component appears to have been effective in raising awareness, with 84% of participants recalling related messages such as regular handwashing, keeping food covered, and maintaining hygiene while sneezing, compared to only 22% recall in the control group.

6. About 90% of respondents in the participant group have stated that they consider life insurance important as against the control group 78%. Further, 52% of these participants had some form of life insurance compared to only 37% of the control group respondents.

7. The case studies show improved financial awareness, Utilization of Skills for Income Generation, Awareness of government schemes etc. of the participants.

The Financial Literacy Program has been reasonably successful in raising financial awareness and capability among women participants. While the program has shown positive results in terms of awareness and behavioural change, there remains a gap in the actual subscription to financial products like insurance, suggesting a need for further targeted interventions.

Overall, the program significantly enhanced participants' financial literacy, leading to better financial planning and security, demonstrating the critical role of such education in empowering individuals economically.

Impact Assessment Project 2

Financial Literacy through Mobile Vans

The Financial Literacy Program, supported by Axis Bank and implemented by CSC Academy, aimed to enhance financial understanding among rural populations in India using 20 mobile vans operated by Village Level Entrepreneurs (VLEs). The initiative targeted remote areas, delivering financial education through video content. The impact assessment for fiscal 2023 covered 18 locations where these vans operated, gathering feedback from 455 participants. The assessment involved identifying VLEs, surveying locations, conducting interviews with VLEs and participants, and evaluating recall and understanding of financial literacy concepts.

Key Findings:

1. High recall was observed for bank account opening procedures (77%), budgeting and financial planning (71%) and insurance schemes (69%).

2. Digital literacy topics had lower recall, with UPI app registration at 55% and safe use of digital banking apps at 62%.

3. Fraud awareness, including Ponzi schemes, had a recall of 69%, indicating a moderate understanding of financial risks.

4. Key financial concepts such as the documents required for opening a bank account (80%) and maintaining a basic savings account (76%) were well understood.

5. Topics like using loans for intended purposes (66%) and BHIM app usage (54%) showed lower comprehension, highlighting gaps in digital financial literacy.

6. Awareness of life insurance benefits stood at 72%, while 71% understood government insurance schemes.

7. 62% of participants started budgeting after the training.

8. 64% initiated financial planning discussions with their families.

The program has positively impacted financial literacy and inclusion in rural India, particularly in foundational topics like budgeting and insurance awareness.

Strengthening VLE training and ensuring better responsiveness can further maximize the program's success.

Impact Assessment Project 3

Supporting Child Heart Surgeries in partnership with Sri Sathya Sai Health & Education Trust

Axis Bank in partnership with Sri Sathya Sai Health & Education Trust supported 300 heart surgeries for the children suffered by congenital heart disease at Sri Sathya Sai Sanjeevani Hospital during fiscal 2023. These surgeries were conducted at Sri Sathya Sai Sanjeevani Hospital, Raipur, Chhattisgarh with patients coming from 15 states across India, reflecting the program's widespread impact. The program ensured not only life-saving interventions but also provided holistic care, including structured preoperative, surgical, and postoperative follow-up services. The initiative has had a transformative impact on children's health, education, emotional well-being, and family finances, highlighting Axis Bank's commitment to fostering a healthier and more inclusive future.

The below key findings are based on quantitative data from the cases, including a focused review of a sample of 60 patient records (out of 300), and quantitative interviews conducted with 32 parents and children and qualitative interviews with key stakeholders, including cardiologists, surgeons, caseworkers, and chief medical officers along with the focussed group discussions ("**FGDs**") with the Sri Sathya Sai Hospital's Impact Assessment and Counselling Team.

Key Findings:

Notably, 300 surgeries supported by Axis Bank achieved a remarkable 100% surgical success rate at the time of surgery.

1. Child Health Improvement: 96.8 % of the interviewed respondents observed improvement in their health post-surgery.
2. School Attendance: 82.76% of the school-age children resumed school regularly post-surgery.
3. Regular follow-up: 96.8% of the respondents informed that they come to the hospital for regular follow-ups at specified intervals.
4. Children participation in physical activities: 84.38% of the respondents observed that their children participate very actively in physical activities as compared to pre-surgery.
5. Satisfaction with surgery: 93.76% of interviewed families showed satisfaction.
6. Family's emotional well-being: 81.26% of the interviewed respondents observed definite improvement in the emotional well-being.
7. Relevance: 90% of the families benefited out of the program are earning less than ₹ 20,000 per month.

Overall, the partnership with Sri Sathya Sai Health & Education Trust played a crucial role in the lives of children affected with congenital heart diseases. The surgeries saved lives and alleviated critical health conditions, enabling children to resume normal, healthy lives. Stakeholders noted reduced mortality and complications due to adherence to global best practices like intraoperative transesophageal echocardiography. Children, previously burdened by illness, were able to return to school, improving their academic performance and social interactions. This outcome provided families with a renewed sense of hope for their children's future. It also alleviated the financial problems and reducing economic burdens among the needy families.

Impact Assessment Project 4

Mid-Day Meal Program in partnership with the Akshaya Patra Foundation

Axis Bank in partnership with the Akshaya Patra Foundation provided Mid-Day Meals ("**MDM**") to select schools in Uttar Pradesh, Gujarat, Karnataka, and Odisha covering about 1 Lakh children between December 2022 and March 2023. The evaluation was designed to assess the effectiveness and impact of the MDM program on students, teachers, parents, and other key stakeholders. It measured improvement in child nutrition, school participation, learning outcomes, and general satisfaction with the quality of meals. The research applied a retrospective post-then-pre impact assessment design with a mixed-methods approach to provide a comprehensive assessment. Quantitative data were applied to measure the outcomes objectively, while qualitative insights were used to gain a deeper understanding of experiences and challenges.

Demographic Profile: The survey covered 150 students from 15 schools in Odisha and Karnataka. Among these, 60.6% were females, and 87.9% of total students belonged to Below Poverty Line ("**BPL**") families, which makes it evident that the programme catered to economically vulnerable children.

Key Findings:

1. Hunger Satisfaction: 96% of children satisfied with meal quantity, and it reflects an overwhelming acceptance of portion sizes.
2. Learning Outcomes: 100% of the teachers opined that the program improved students' concentration and engagement in learning.
3. Attendance Affected: 87.5% of the teachers opined that stopping MDM would negatively impact student attendance.
4. Quality of Meal (reported by teachers): 85% of teachers felt that the meals were satisfactory
5. Meal Quality and Satisfaction by students: 62% of the students rated taste as "very good". This percentage was the highest in Karnataka at 71%.
6. Health and Attendance: The project led to more energetic children, fewer sick days, and more attendance, hence, showing positive nutrition impacts.

Overall, the findings from various stakeholders highlight the significant impact of the MDM program on child nutrition, attendance, and academic performance.

Impact Assessment Project 5

Axis DilSe® - Lyzon Friendship School, Manipur in partnership with the Sunbird Trust

Axis Bank in partnership with the Sunbird Trust supported Lyzon Friendship School, Singngat subdivision, Churachandpur district, Manipur. The program interventions involved tuition and hostel fee support, key school infrastructure like Science Lab, digital classroom, etc.

The assessment was carried out to evaluate the social impact resulting from the implementation of the initiative. Given the nature of the project, a mixed method research approach was adopted to assess both quantitative and qualitative impact. Qualitative survey covered 15 students and 10 teachers from the school. In-depth interviews were conducted covering 8 children, 7 teachers, 8 parents and one principal and one hostel cook.

Key Findings:

1. Reducing financial stress: 100% of children reported that the support towards hostel and tuition fee reduced their financial stress, and further encouraged them to continue their educational journey. Teachers reported that financial aid served as motivation, prompting parents to ensure their children attended school regularly.
2. Reduced travel time and improved attendance: Support towards the hostel facility has proven to be highly beneficial for both students and their families. Students who previously had to travel long distances to reach school now benefit from the convenience of living on campus. This also led to better attendance and more time for study and extracurricular activities.
3. Dedicated Science Lab: 100% of the students reported that the lab class has been beneficial in Hands-on learning and 80% reported that it helped them to understand scientific methods better.

4. Digital classrooms: 67% of the students reported that they have benefited from the digital education classes in the school. 75% of teachers reported that they are conducting at least one digital class per week for students in grades 4 through 8.

Overall, the assessment mentioned that the project exemplifies inclusivity by addressing the needs of communities facing challenges, with a focus on empowering underserved children regardless of their age, gender, social category and geographic location.

5. (a) **Average net profit of the Company as per sub-section (5) of Section 135:** ₹21,296.18 crores

(b) **Two percent of average net profit of the Company as per sub-section (5) of Section 135:** ₹425.92 crores

(c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:** NIL

(d) **Amount required to be set-off for the financial year, if any:** Not Applicable

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹425.92 crores

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹284.86 crores

(b) **Amount spent in Administrative Overheads:** ₹1.73 crores

(c) **Amount spent on Impact Assessment, if applicable:** ₹0.33 crore

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹286.92 crores

(e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (₹ in crores)	Amount Unspent (₹ in crores)				
	Total Amount transferred to Unspent CSR Account as per sub- section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
286.92	139.65	17-Apr-2025 19-Apr-2025 21-Apr-2025 22-Apr-2025 23-Apr-2025	NA	NIL	NA

(f) **Excess amount for set-off, if any:**

Sl. No.	Particular	Amount (₹ in crores)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	425.92
(ii)	Total amount spent for the Financial Year	426.57
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.65
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.65

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6	7	8
Sl. No.	**Preceding Financial Year(s)**	**Amount transferred to Unspent CSR Account under sub- section (6) of Section 135 (₹ in crores)**	**Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (₹ in crores)**	**Amount Spent in the Financial Year (₹ in crores)**	**Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any**	**Amount remaining to be spent in succeeding Financial Years (₹ in crores)**	**Deficiency, if any**
1	Fiscal 2022	24.88	NIL	1.48	NIL	NIL	NIL
2	Fiscal 2023	29.61	1.22	3.06	NIL	1.22	NIL
3	Fiscal 2024	51.24	NIL	51.24	NIL	NIL	NIL

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

○ Yes ● No

If Yes, enter the number of Capital assets created / acquired: Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not applicable

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub- section (5) of Section 135:** Not Applicable.

Amitabh Chaudhry
Managing Director & CEO

N. S. Vishwanathan
Chairman of CSR Committee

Place: Mumbai
Date: 25 April 2025

Annexure 5

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy

The steps taken by the Bank or impact on conservation of energy:

a) Availability of Electrical vehicle charging facility at large buildings i.e., Axis House, Mumbai, Andheri MIDC & Axis House, Noida.

b) Lithium based battery backup is provided for all new UPS installations and existing replacement.

c) Inverter based air conditioning machines with green refrigerant gas (R32/R410A) is provided for all new installations and existing replacements.

d) Replacement of conventional lights with LED lights is provided in all branches / offices.

e) Centralized energy management system ("**CEMS**") is operational in 600 branches to monitor and control energy consumption.

f) Daily re-cycling capacity of 110 kiloliters ("**KL**") of water through sewage treatment plant is available at Axis House, Mumbai.

g) Availability of annual rainwater harvesting capacity of approximately 2000 KL at Axis House, Mumbai.

h) Savings of water consumption by use of sensors / bio-blocks in urinals at selected large offices.

The steps taken by the Bank for utilising alternate sources of energy:

a) Solar power purchased under power purchase agreement ("**PPA**") model for Bank's business continuity centre (data centre), Bengaluru.

b) Solar on ground installations aggregating 2MW.

c) Three large offices in Mumbai i.e., Axis House Mumbai, MIDC Andheri and the Ruby premises are being operational on 100% renewal green energy.

Capital Investments on energy conservation equipment:

a) Replacement of conventional lights with LED lights at existing set up and new branches estimated at approximately ₹3.55 crores per annum.

b) Yearly cost of approximately ₹3.22 crores towards centralised energy management services project.

Technology absorption

1. **Efforts made towards Technology Absorption:**

   The Bank remains committed to technology-driven business initiatives to simplify and enhance the banking experience for customers. Throughout fiscal 2025, several efforts were made to further bolster the Bank's technological capabilities through continuous innovation and adoption.

   a) **OPEN by Axis:** The Bank continues to expand its Mobile Banking platform, by offering over 250 features. The Bank has achieved impressive ratings of 4.8 on the iOS App Store from 349K ratings and 4.7 on the Google Play Store from 3.1 million reviews. The Bank's enhanced channel capabilities have significantly increased the number of branch service requests handled, leading to a rise in monthly active users to over 14.5 million. The Bank's Mobile Banking app now has 33.7 million registered customers. The Bank aims to maintain its leading position and high ratings on both the iOS App Store and Google Play Store throughout fiscal 2026.

   b) **Retail Channels:** The Bank's 'Support' website is now available in 10 languages: English, Hindi, Bengali, Tamil, Marathi, Gujarati, Kannada, Punjabi, Malayalam and Telugu. The Bank has expanded its digital services on the Branch of the Future ("**BOTF**") channel to 32, introducing new features such as EMI cycle changes, EMI repayment account adjustments and loan account statement downloads. Furthermore, the Bank's WhatsApp banking channel has surpassed 30 million customers, engaging in over 100 campaigns and facilitating more than 40 million communications, while also introducing FD booking and loan services as its latest offerings.

c) **UPI:** The Bank has upheld its robust presence in the UPI realm, boasting an accumulated VPA base of 1674 million and facilitating approximately 37.6 million merchant transactions daily through the UPI platform. The Bank has secured number one position in the UPI Payer PSP space, holding a market share of approximately 30%. Additionally, the Bank introduced UPI-enabled ATM cash withdrawals and deposits, complementing existing services such as RuPay Credit Card on UPI, digital currency interoperability through UPI and UPI enablement for international payments. The Bank remains dedicated to developing a robust IT infrastructure and enhancing IT capabilities, resulting in one of the lowest technical decline rates in the industry and setting its position as a leading payments solution provider.

d) **GenAI:** The Bank embarked on the journey of integrating GenAI into its operations and launched Axis Deep Intelligence ("**ADI**"), a Gen AI based internal chatbot. ADI is used across 5500+ branches across India and assists 100,000+ employees. The Bank is leveraging emerging technologies such as AI / ML, Automation and Data analytics to improve customer experience, operational efficiency and boost staff productivity by building AI assists. Furthermore, the Bank has empowered different departments with Co-pilot capabilities including 4500+ bots across 1850+ automated processes.

e) **API:** The Bank has implemented API Gateway and ESB to provide a reliable, secure and hybrid API platform for external partners and internal consumers respectively. The Bank has built a Bespoke integration platform on cloud to orchestrate API products for partners like Account opening and Co-lending. Furthermore, the API guardrails classify the Bank's APIs into different levels of criticality (High, Medium, Low) with better security controls and API governance. The Bank has launched API-based products including partnerships with Flipkart, Google, Airtel, that covers transactional banking, trade, credit card, forex, and payment solutions. The Bank has enhanced increased API consumption through 50% increase in daily API hits, 840+ partner APIs, 850+ partners onboardings, 2000+ Internal APIs. Additionally, the Bank's API developer portal provides a platform for 5000+ developer to access 460+ APIS enhancing the API accessibility.

f) **Enterprise Architecture and Cloud:** The Bank continued its commitment in fiscal 2025 to maintain a Cloud-first, Cloud-native architecture. Distinguishing itself from the peers, the Bank has established three enterprise-grade landing zones and successfully deployed 150+ applications on the Cloud and adopted continuous improvement/ continuous development practices for 100+ applications. Notably, the Bank holds the distinction of being the first Indian bank to attain ISO certification for AWS and Azure cloud security. The Bank continues to focus on hyper-automation leveraging Infra-as-a-Code capabilities and enhancing application observability through Cloud-based SRE capabilities. The Bank's cloud infrastructure has achieved high maturity across key performance indicators, including governance, resiliency, data recovery, security, monitoring, and incident response. The Bank has also obtained cloud privacy certification and implemented robust security measures such as Zero Trust Controls.

Furthermore, in fiscal 2025, the Bank built its First Data Lakehouse on Google Cloud for UPI in APAC. In fiscal 2026, the Bank aims to evangelize GenAI and Agentic AI adoption in initiatives targeting market differentiated experiences, process efficiency, developer productivity and future readiness.

g) **Infrastructure Resiliency:** The Bank has centralized IT infrastructure and operates from two primary data centers located in different seismic zones within the country (Mumbai and Bengaluru regions) along with one near DR data center (Bengaluru). The data centers are equipped with wide-area network connectivity consisting of leased lines and multiprotocol label switching, enabling the delivery of applications to domestic and overseas branches and offices.

Furthermore, the Bank's data centres are compliant with the highest benchmarking standards, built-in redundancy systems composed of multiple active power and cooling distribution paths. The Bank has implemented data privacy measures such as user access management, network security, secure configuration, business continuity planning ("**BCP**"), disaster recovery ("**DR**"), and database security. These initiatives allow seamless and accessible digital experiences for all customers, employees, and partners.

h) **Cyber security:** The Bank upholds unwavering dedication to maintaining the highest standards of data security and privacy, continually investing in fortifying its capabilities. The approach encompasses a comprehensive cyber security program, underpinned by a robust Cyber Security Policy and Standards aligned with industry best practices and regulatory mandates.

The Bank leverages the National Institute of Standards and Technology ("**NIST**") and ISO27001 Standards, and cyber security framework revolves around five core pillars: Identify, Protect, Detect, Respond, and Recover. In adherence to stringent standards, the Bank is compliant with ISO27001 Information Security Management System ("**ISMS**"), ISO27017 Cloud Security Standard, ISO27034 Business Application Security Certification for its Software development and management domain, and Payment Card Industry Data Security Standard ("**PCIDSS**").

Recently, the Bank achieved ISO27018 Cloud Privacy ("**PII**") Security Standard Certification. This milestone underscores the Bank's heightened cyber security resilience and reinforced controls over the Bank's IT and application assets. Operating round-the-clock, the Bank boasts a state-of-the-art Security Operations Centre and Cyber Security Operations System. All digital products undergo continuous monitoring on Dark Net and Deep Web platforms.

With a stellar BitSight Rating of 810 out of 900, surpassing 90% of tracked Banking and Finance entities, the Bank exhibits a well-controlled internet-facing security posture. Embracing a zero-trust architecture internally, the Bank continually augments its security technology and process controls. Furthermore, the Bank has conducted dedicated cyber security workshops for 1500+ mid and senior management employees, reinforcing its collective commitment to fostering a culture of cyber resilience across the organization.

i) Central bank digital currency ("CBDC"): The Bank has made significant progress in fiscal 2025 in the CBDC initiatives, becoming the first bank in Cohort to go live with both Android and iOS apps. The Bank has surpassed customer and transaction targets with 0.65+ million registered customers and 6+ million transactions. The Bank is also the preferred RBI partner to lead the Government-led Programmable CBDC initiative, collaborating with various ministries and organizations. The Banks aims to expand its collaboration with government for CBDC projects and integrate with TPAP to boost adoption.

2. Details of imported technology (imported during the last three years) reckoned from the beginning of the fiscal year is as follow:

a) The details of technology imported

(i) No hardware procurements have been made in foreign currency.

(ii) Several software licenses and upgrades across cards and payments and fund services - capital markets, have been procured over the past three financial years.

b) The year of import:

The details are provided below:

Year*	Currency	Expenditure
Fiscal 2023	USD	1,08,942.00
Fiscal 2024	USD	4,80,000.00
Fiscal 2025	USD	21,88,211.30
Total		**27,77,153.30**

* Indicates amount paid in fiscal 2025 for purchase orders released in fiscal 2023, fiscal 2024 and fiscal 2025.

c) Whether the technology been fully absorbed:

All licenses procured have been put to use.

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

NA.

3. The expenditure incurred on research and development:

Nil

Foreign exchange earning and outgo

For fiscal 2025, for the domestic operations, the Bank had a net foreign exchange gain arising on all exchange / derivatives transactions of ₹2,138.37 crores and the foreign exchange outgo towards the operating and capital expenditure was ₹786.00 crores.

Management's discussion and analysis

Macro-economic Environment

Global economy enters a period of structural adjustments

The global economic system operational post-World War 2 is currently in the process of being reset. The Trump Administration has interpreted its political mandate to course-correct on the sharp increase in income and wealth inequality in the US, the atrophying of its manufacturing base, and what it sees as misuse of multilateral institutions that it helped erect over the past 80 years. The Trump Administration has therefore begun to make structural changes to trade, taxes, regulations, immigration, currency and energy markets, among others. For example, it believes that existing global trading rules do not work anymore for the US and need to be dismantled or at least meaningfully amended, moving to bilateral agreements with partners instead of multilateral forums. However, it is still unclear what the new rules are likely to be, and by when the consensus around them can be built. Given US-China dominance in global trade, a prolonged conflict would have a substantial impact on global growth.

Similarly, the "new Triffin dilemma" necessitates a periodic downward reset of the US dollar. It highlights the risks from the country providing the global reserve currency needing to sustain a current account deficit, and thus, over decades, accumulating unsustainable international liabilities. Prior episodes of unilateral hikes in import tariffs, like in 1930 (Smoot-Hawley) and 1971 (the Nixon shock) also drove similar disruptions, and triggered significant currency market volatility. Large changes in exchange rates unsettle economies and markets.

Negotiations on these issues, and evolution of the new models of engagement are likely to be contentious, driving a prolonged period of policy vacuum. The only restraint on the pace of this shift seems to be market volatility – when uncertainty crosses a certain level, markets become chaotic. Fear of chaos has driven a pull-back from overly disruptive steps a few times.

Despite partial tariff rollbacks and ongoing negotiations to reduce them, the lack of clarity is likely to significantly slow global growth as 1) investment decisions will get postponed till visibility improves on tariffs and exchange rates; 2) higher tariffs mean fiscal tightening, among others driving a cutback in consumption; 3) financial conditions tighten due to uncertainty.

There can be some positive surprise for global growth if strong fiscal action materialises across Europe and China, breaking through the local political resistance. Similarly, an end to the Russia-Ukraine conflict can also help improve risk appetite and push energy prices lower.

Indian economy

In our view, the growth slowdown in the Indian economy in fiscal 2025 was due to fiscal and monetary tightening, much of it unintended.

There were two sets of challenges fiscally. First, the union government's fiscal deficit fell by 80 basis points of GDP in each of fiscal 2024 and fiscal 2025. Second, while the spending was front-loaded in fiscal 2024, it was back loaded in fiscal 2025, both due to the general elections. This created a prolonged lull in government. Both these headwinds are now receding. Deficit in fiscal 2026 is set to fall only 40 bps of GDP, and the spending lull is now over, with seasonal patterns back.

Second, on the monetary front, adjusted for the major merger in the banking system in fiscal 2024, non-food credit growth fell from 16.5% in March 2024 to 10.9% year-on-year ("Y-o-Y") in March 2025.

This sharp slowdown was broad-based (i.e. not just limited to unsecured loans segment) and largely supply-driven. It was triggered by the regulator's concerns on high loan-deposit ratios (LDR) at some banks. As banks slowed credit growth, deposit creation by banks slowed too, compounding the weak money injection by the RBI. Furthermore, FX intervention (USD sales by the central bank) drained durable liquidity by around ₹5 lakh crore, and intensified the liquidity stress, with rates on certificates of deposit diverging substantially from the expected policy rates.

Recent steps by the RBI, like a CRR cut, bond purchases, buy-sell FX swaps, repo rate cuts, macroprudential easing and easier LCR norms have led to conditions that should support growth better. Inflation falling below 4% means the policy focus now is squarely on growth.

India's economy is among the least exposed to global factors, with direct impact from initial US reciprocal tariffs among the least in the world. There is some potential for share gains as well, as the "China + 1" trend gets another impetus. Improving competitive metrics, like in infrastructure and value-chain development in electronics, are likely to help. India's services exports, particularly in the global capability centres, continue to be robust. The structural drivers behind this – disaggregation of global services value-chains, rapid increase in global cross-border telecom bandwidth, and the surge in remote-working – are likely to persist. India's share of modern services exports is now a remarkable 8%. However, uncertainty on global growth may adversely affect some sectors of the economy in the near-term.

Developments in the Banking system

Adjusted for a major merger in the financial system, banking system non-food credit grew 10.9% Y-o-Y as of 4 April, 2025, while deposit growth was up 10.1% Y-o-Y.

Credit growth continues to be dominated by services (this includes credit to NBFCs), followed by the retail segment. While credit to agriculture is strong, industry segment growth has stayed subdued. Within industry, growth in MSMEs continues to be faster than large corporates.

Regulators have rolled back risk weights on bank lending to NBFCs and MFIs which should contribute to the overall banking system growth going forward.

The banking system remains well capitalized to meet the needs of a growing economy, with early signs of growth in private investments, and credit risks remain subdued.

Prospects for fiscal 2026

A revival in the domestic real-estate market, and in general the reversal of several headwinds that slowed the economy last year should be supportive of credit demand. With liquidity conditions easing supply, and transmission of rate cuts underway, credit growth should pick up from current levels. The high uncertainty emanating from US trade policies and financial market shocks may push out corporate investments and keep their loan demand weak.

Medium term Outlook

Over the past decade, consensus estimates for India's trend growth rate declined from around 8% from fiscal 2007 to fiscal 2012 to the current range of 6-6.5%. COVID cast new shadows on potential trend growth. We believe the growth slowdown in the previous decade was due to cyclical factors, in particular the real-estate downturn, and trend growth remains above 7%. This consists of: a) 1% annual growth in labour input, as the number of workers of working age continues to expand, and female labour force participation and hours worked should rise; b) 2% to 2.5% annual growth in total-factor-productivity due to the state still willingly ceding space to the private sector, strong productivity growth in services, improvement in macro (highways, railways) as well as micro-infrastructure (like piped water, internet, electricity and cooking gas connections), and technology transfer emanating from the surge in global capability centres; and c) 4%-plus growth in capital formation due to a cyclical recovery in real-estate and private sector capex. We expect inflation to average 4% in fiscal 2026 as the economy remains nearly a year behind its pre-pandemic path, keeping labour in surplus.

With nominal GDP growth likely to average 11% annually, and the formal economy expected to grow faster, system bank credit growth can be in the low to mid-teens.

OVERVIEW OF FINANCIAL PERFORMANCE

Operating performance

(₹in crores)

Particulars	2024-25	2023-24	% change
Net interest income	54,348	49,894	9%
Non-interest income	25,257	22,442	13%
Operative revenue	**79,605**	**72,336**	**10%**
Operating expenses	37,500	35,213	6%
Operating profit	**42,105**	**37,123**	**13%**
Provisions and contingencies	7,759	4,063	91%
Profit before tax	**34,346**	**33,060**	**4%**
Provision for tax	7,973	8,199	(3%)
Net profit	**26,373**	**24,861**	**6%**

Operating revenue increased by 10% Y-o-Y (year-on-year) from ₹72,336 crores in fiscal 2024 to ₹79,605 crores in fiscal 2025. Net interest income (NII) rose 9% from ₹49,894 crores in fiscal 2024 to ₹54,348 crores in fiscal 2025. Non-interest income consisting of fee, trading and other income increased by 13% from ₹22,442 crores in fiscal 2024 to ₹25,257 crores in fiscal 2025. Operating expenses grew 6% from ₹35,213 crores in fiscal 2024 to ₹37,500 crores in fiscal 2025. As a result, the operating profit grew by 13% to ₹42,105 crores from ₹37,123 crores reported last year. Provisions and contingencies increased by 91% from ₹4,063 crores in fiscal 2024 to ₹7,759 crores in fiscal 2025. Consequently, net profit increased by 6% Y-o-Y from ₹24,861 crores in fiscal 2024 to ₹26,373 crores in fiscal 2025.

Net interest income

(₹ in crores)

Particulars	2024-25	2023-24	% change
Interest on loans	97,200	87,107	12%
Interest on investments	22,928	20,011	15%
Other interest income	2,549	2,251	13%
Interest income	**122,677**	**109,369**	**12%**
Interest on deposits	53,902	45,542	18%
Other interest expense	14,427	13,932	4%
Interest expense	**68,329**	**59,474**	**15%**
Net interest income	**54,348**	**49,894**	**9%**
Average interest earning assets[1]	1,364,266	1,225,443	11%
Average Current Account and Savings Account (CASA)[1]	413,419	398,848	4%
Net interest margin (NIM)	3.98%	4.07%	
Yield on assets	8.99%	8.92%	
Yield on advances	9.86%	9.89%	
Yield on investments	6.84%	6.70%	
Cost of funds	5.46%	5.25%	
Cost of deposits	5.12%	4.86%	

[1] computed on daily average basis

NII constituted 68% of the operating revenue and increased by 9% from ₹49,894 crores in fiscal 2024 to ₹54,348 crores in fiscal 2025. Yield on assets increased by 7 bps while cost of funds increased by 21 bps. As a result, the NIM declined 9 bps Y-o-Y to 3.98% in fiscal 2025.

During this period, the yield on interest earning assets increased from 8.92% in fiscal 2024 to 8.99% in fiscal 2025 largely due to improved mix of better yielding assets in the Balance Sheet. The yield on advances decreased marginally by 3 bps from 9.89% in fiscal 2024 to 9.86% in fiscal 2025. The decrease in yield on advances is mainly due to increase in interest reversals due to higher slippages. ~72% of the loans of the Bank are floating rate loans, linked to external/internal benchmark rates. Repo rate has decreased from 6.50% in fiscal 2024 to 6.25% in February 2025. The yield on investments increased by 14 bps during fiscal 2025.

The decrease in share of low cost bearing liabilities along with repricing of the term deposits during the course of the year has led to higher cost of funds. As a result, the cost of funds increased by 21 bps from 5.25% in fiscal 2024 to 5.46% in fiscal 2025. Cost of deposits increased to 5.12% from 4.86% last fiscal mainly due to increase in funding cost of term deposits. Daily average CASA ratio as a proportion to deposits decreased by 328 bps in fiscal 2025 to 39.26% from 42.54% in fiscal 2024.

Performance of the Bank against the key drivers for the NIM improvement journey of the Bank in fiscal 2025 is as follows:

- Improvement in Balance Sheet mix: loans and investments comprised 89% of total assets as at the end of fiscal 2025, improving 149 bps Y-o-Y;
- INR denominated loans comprised 96% of total advances at the end of fiscal 2025, stable Y-o-Y;
- Retail and CBG advances comprised 71% of total advances as at 31 March, 2025, improving 5 bps Y-o-Y;

- Balance outstanding in low-yielding priority sector shortfall deposits declined by ₹7,107 crores Y-o-Y with priority sector short fall deposits comprising 0.90% of total assets as at 31 March, 2025 as compared to 1.46% at 31 March, 2024;
- Quality of liabilities measured by outflow rate improved ~340 bps over last three years, month end CASA% at 41% at 31 March, 2025 continues to be amongst the highest in the large private sector banks universe.

The Bank also earned interest on income tax refund of ₹369 crores in fiscal 2025 as compared to ₹75 crores in fiscal 2024. The receipt, amount and timing of such income depends on the nature and determinations by tax authorities and is hence neither consistent nor predictable.

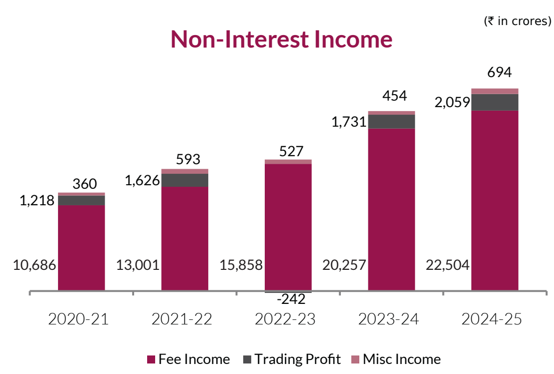
Non-interest income

(₹ in crores)

Particulars	2024-25	2023-24	% change
Fee income	22,504	20,257	11%
Trading profit	2,059	1,731	19%
Miscellaneous income	694	454	53%
Non-interest income	**25,257**	**22,442**	**13%**

Non-interest income comprising fees, trading profit and miscellaneous income increased by 13% to ₹25,257 crores in fiscal 2025 from ₹22,442 crores last year and constituted 32% of the operating revenue of the Bank.

Fee income increased by 11% to ₹22,504 crores from ₹20,257 crores last year and continued to remain a significant part of the Bank's non-interest income. It constituted 89% of non-interest income and contributed 28% to the operating revenue in fiscal 2025. Growth in reported fee income was mainly on account of increase in business across segments.



Segmental composition of fee income continued to remain stable Y-o-Y as under -

Particulars	2024-25	2023-24
Retail Banking	72%	72%
Wholesale Banking	25%	25%
Commercial Banking	3%	3%

Retail Banking fees constituted 72% of the total fee income of the Bank in fiscal 2025 and grew strongly at 12% on a Y-o-Y basis. Fees from retail cards grew 7% Y-o-Y in fiscal 2025 while retail non-card fees also grew strongly by 16%.

Fee income derived from the Wholesale Banking segment has remained stable Y-o-Y at 25% of the Bank's total fee income. Within Wholesale Banking, granular transaction banking fees grew 10% Y-o-Y. Fee income from the Bank's CBG (Commercial Banking Group) that lends to small and medium enterprises accounted for 3% of the Bank's total fee income.

Effective 1 April, 2024 the Bank 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'). During the year, trading profits without considering impact of mark-to-market gain/(loss) on revaluation of investments increased by 5% to ₹1,359 crores from ₹1,299 crores last year mainly on account of higher profits on the SLR portfolio.

The Bank recognised mark-to-market gain on revaluation of investments of ₹701 crores in fiscal 2025 as compared to a write back in provision for depreciation on investments of ₹431 crores in fiscal 2024.

The Bank's miscellaneous income in fiscal 2025 stood at ₹694 crores compared to ₹454 crores in fiscal 2024, comprising mainly income from display of publicity material amounting to ₹258 crores and income from sale of Priority Sector Lending Certificates (PSLC) amounting to ₹197 crores in fiscal 2025.

Operating revenue

The operating revenue of the Bank increased by 10% to ₹79,605 crores from ₹72,336 crores last year. The core income streams (NII and fees) constituted 97% of the operating revenue, reflecting the stability of the Bank's earnings.

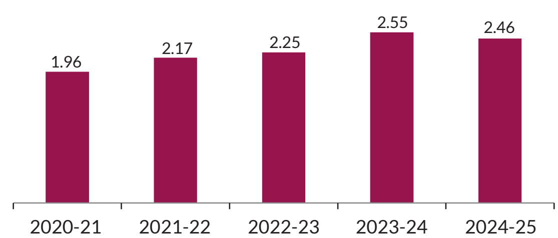
Operating expenses

(₹ in crores)

Particulars	2024-25	2023-24	% change
Staff cost	12,193	10,933	12%
Depreciation	1,699	1,334	27%
Other operating expenses	23,608	22,946	3%
Operating expenses	**37,500**	**35,213**	**6%**
Cost : Income Ratio	**47.11%**	48.68%	
Cost: Asset Ratio	**2.46%**	2.55%	

Y-o-Y growth rate in operating expenses moderated to 6% in fiscal 2025 as compared to 30% in fiscal 2024 with operating expenses increasing to ₹37,500 crores from ₹35,213 crores last year. The Bank continued to invest in technology and human capital for supporting the existing and new businesses. 17% of total cost increase was on account of investments in technology and future growth, 24% of the total cost increase was volume linked and balance 59% was business as usual expenses which was partially offset by reduction in integration costs.

Operating Expenses to Assets %



Staff cost increased by 12% from ₹10,933 crores in fiscal 2024 to ₹12,193 crores in fiscal 2025, primarily due to annual wage revision. The Bank's employee strength during fiscal 2025 was at 104,453 which remained largely stable as compared to 104,332 employees as at the end of fiscal 2024.

Other operating expenses increased by 4% from ₹24,280 crores in fiscal 2024 to ₹25,307 crores in fiscal 2025. The increase is primarily due to increase in volume linked costs coming from rising business volumes, investments in technology to support future business growth which was partially offset by reduction in integration cost.

The Operating Expenses to Assets ratio decreased to 2.46%, compared to 2.55% last year.

Operating profit

During the year, the operating profit of the Bank increased by 13% to ₹42,105 crores from ₹37,123 crores last year on account of strong growth in operating revenues and partially offset by a moderated growth in operating expenses.

Provisions and contingencies

(₹ in crores)

Particulars	2024-25	2023-24	% change
Provision for non-performing assets	11,356	6,453	76%
Recoveries from written off accounts	(3,809)	(2,773)	37%
Provision for restructured assets	(1)	(1)	-
Other Provisions			
- Provision for country risk	11	6	83%

Particulars	2024-25	2023-24	% change
- Provision for standard assets including unhedged foreign currency exposure	11	300	(96%)
- Additional provision for delay in implementation of resolution plan	(38)	49	-
- Provision for COVID-19 and MSME Restructuring	(143)	(279)	(49%)
- Provision for other contingencies	372	308	21%
Total Provision and contingencies	**7,759**	**4,063**	**91%**

During fiscal 2025, provisions (other than provisions for tax) increased 91% Y-o-Y to ₹7,759 crores from ₹4,063 crores last year. Key items of provisions are explained below -

Provisions for non-performing assets and Recoveries from written off accounts:

The gross slippages in % terms increased from 1.68% in fiscal 2024 to 1.99% in fiscal 2025. The Bank provided ₹11,356 crores towards non-performing assets compared to ₹6,453 crores last year. The increase in provision for non-performing assets is primarily on account of higher net slippage ratio at 1.16% in fiscal 2025 as compared to 0.64% crores in fiscal 2024.

The Bank's recoveries from written off accounts in fiscal 2025 was higher, amounting to ₹3,809 crores as against ₹2,773 crores in fiscal 2024.

Pursuant to the RBI notification dated 29 March, 2025, on revised norms for Government Guaranteed Security Receipts (SRs), the Bank has reversed excess provision of ₹801 crores to the Profit and Loss Account held on loans transferred to NARCL during fiscal 2025.

Other provisions:

- Provisions for standard assets:

  The Bank made a provision of ₹11 crores for standard assets including unhedged foreign currency exposure compared to provision of ₹300 crores last year.

  - During the year, the Bank made a provision for standard assets of ₹66 crores as against a provision of ₹208 crores made in fiscal 2024.
  - Further, during the year the Bank had a write back of ₹55 crores as against a provision of ₹92 crores made in fiscal 2024 for unhedged foreign currency exposure.
- During fiscal 2025, the Bank had a write back in provision of ₹38 crores pursuant to implementation of resolution plan in certain accounts. As compared to the same there was provision of ₹49 crores in fiscal 2024 for delay in implementation of resolution plan.
- During fiscal 2025, there was a write-back of ₹143 crores in provision for loans subjected to COVID-19 and MSME restructuring mainly on account of slippages and recoveries, as compared to a write back in provision of ₹279 crores in fiscal 2024.

As at the end of fiscal 2025, the cumulative non NPA provisions held by the Bank amounted to ₹11,957 crores with a standard asset coverage ratio (all non NPA provisions / standard assets) of 1.15%.

Provision for tax

Provision for tax for fiscal 2025 stood at ₹7,973 crores as compared to ₹8,199 crores for last year. The Bank received favourable orders at ITAT for 6 assessment years commencing AY 2010-11. This has resulted in a write-back of excess tax provisions made in the previous financial years, aggregating to ₹550 crores.

Net profit

Net profit for fiscal 2025 increased by 6% Y-o-Y to ₹26,373 crores as compared to the net profit of ₹24,861 crores last year.

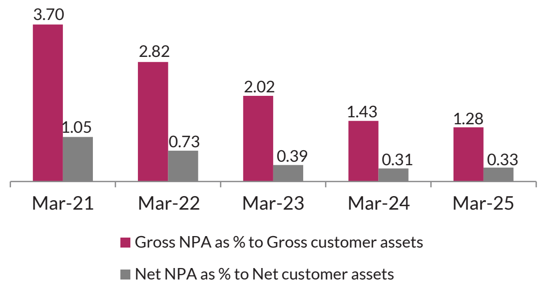
Asset Quality Parameters

The Bank added ₹19,474 crores to Gross NPAs during the year with the ratio of Gross NPAs to gross customer assets declining to 1.28%, at the end of March 2025 from 1.43% as at end of March 2024. The Bank added ₹11,195 crores to Net NPAs after adjusting for recoveries and upgradations of ₹4,627 crores and ₹3,652 crores respectively and the Bank's Net NPA ratio (Net NPAs as percentage of net customer assets) increased marginally to 0.33% from 0.31%. The Bank's provision coverage ratio excluding prudential write-offs during the fiscal stood at 75%. The Bank's accumulated prudential write-off pool stood at ₹42,818 crores as at end of fiscal 2025.

During the fiscal, the quantum of low rated pool of BB and below accounts (excluding investments and non-fund based exposure) decreased and stood at ₹2,548 crores as compared to ₹2,978 crores at the end of fiscal 2024. The aggregate outstanding in such low rated pool of BB and below investments and non-fund based accounts was ₹932 crores and ₹1,056 crores respectively as at the end of March 2025.

The fund based outstanding of standard loans under COVID -19 resolution scheme at 31 March, 2025 stood at ₹1,209 crores or ~0.11% of gross customer assets. The linked non fund based outstanding for which there has been no change in original terms stood at ₹630 crores. Outstanding restructured loans under the MSME scheme stood at ₹150 crores. The Bank holds a provision of ₹392 crores on these restructured assets including linked accounts.

Gross and Net NPA (%)



Key ratios

Particulars	2024-25	2023-24
Basic earnings per share (₹)	85.28	80.67
Diluted earnings per share (₹)	84.77	80.10
Book value per share (₹)	576.67	486.74
Return on equity (%)	16.52%	18.86%
Return on assets (%)	1.74%	1.83%
Net interest margin (%)	3.98%	4.07%
Profit per employee (₹ lakh)	25.45	25.29
Loan to Deposit ratio (Domestic)	88.47%	88.88%
Loan to Deposit ratio (Global)	88.73%	90.31%

Basic Earnings per Share (EPS) was ₹85.28 compared to ₹80.67 last year, while the Diluted EPS was ₹84.77 compared to ₹80.10 last year.

Return on Equity (RoE) was 16.52% for fiscal 2025 as compared to 18.86% in fiscal 2024. Return on Assets (RoA) was 1.74% in fiscal 2025 from 1.83% last year. Book Value per Share increased by 18% to ₹576.67 from ₹486.74 last year while profit per employee remained stable at ₹25.45 lakhs per employee.

Loan to Deposit (CD) ratio of the Bank as on 31 March, 2025 was at 88.73% with a domestic CD ratio of 88.47%.

Balance Sheet parameters

Assets

Particulars	2024-25	2023-24	% change
Cash and bank balances	**99,732**	**114,454**	**(13%)**
Government securities	308,076	247,816	24%
Other securities	88,066	83,711	5%
Total investments	**396,142**	**331,527**	**19%**

Particulars	2024-25	2023-24	% change
Retail advances	622,897	583,265	7%
Corporate advances	299,393	278,149	8%
SME advances	118,521	103,654	14%
Total advances	**1,040,811**	**965,068**	**8%**
Fixed assets	**6,292**	**5,685**	**11%**
Other assets[1]	**66,953**	**60,474**	**11%**
Total assets	**1,609,930**	**1,477,209**	**9%**

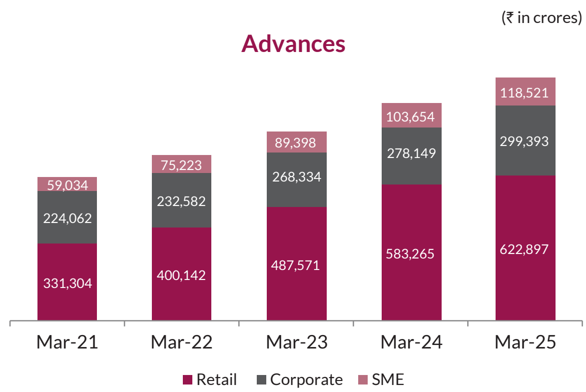
[1] includes Priority Sector Lending deposits of ₹14,450 crores (previous year ₹21,557 crores)

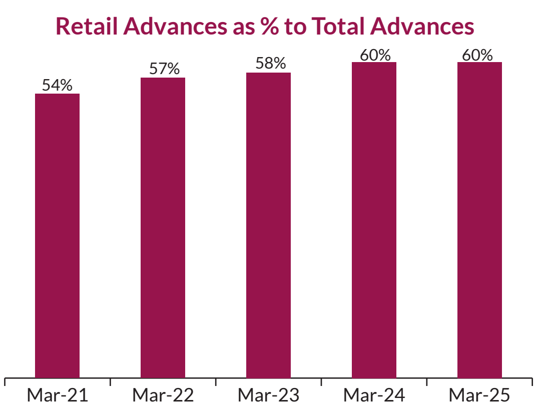
Total assets increased by 9% to ₹1,609,930 crores as on 31 March, 2025 from ₹1,477,209 crores as on 31 March, 2024, driven by 8% growth in advances and 19% growth in investments.

Advances

Total advances of the Bank as on 31 March, 2025 increased by 8% to ₹1,040,811 crores from ₹965,068 crores as on 31 March, 2024. Retail advances comprised 60% of total advances and grew by 7% to ₹622,897 crores, corporate advances comprised 29% of total advances and grew by 8% to ₹299,393 crores and SME advances constituted 11% of total advances and grew by 14% to ₹118,521 crores.

Domestic advances of the Bank as on 31 March, 2025 grew by 8% to ₹1,011,101, crores from ₹936,465 crores as on 31 March, 2024. Further, domestic corporate advances of the Bank as on 31 March, 2025 increased by 8% to ₹271,471 crores from ₹251,331 crores as on 31 March, 2024.





Home loans remain the largest retail segment and accounted for 27% of retail loans, rural lending (Bharat Banking) 16%, loans against property (LAP) 12%, personal loans (PL) and credit cards (CC) were 19%, auto loans 9% and Small Banking Business (SBB) were 11%, while non-schematic loans comprising loan against deposits and other loans accounted for 6%.

Investments

The investment portfolio of the Bank grew by 19% to ₹396,142 crores. Investments in Government and approved securities, increased by 24% to ₹308,076 crores. Other investments, including corporate debt securities, increased by 5% to ₹88,066 crores. Out of these, 66% are in Held to Maturity (HTM) category, 12% of investments are Available for Sale (AFS), 20% are in Fair Value through Profit & Loss (FVTPL) category and 2% are investments in Subsidiaries and Associate.

Other Assets

Other assets of the Bank as on 31 March, 2025 increased to ₹66,953 crores from ₹60,474 crores as on 31 March, 2024, primarily on account of increase in Mark-to-Market (MTM) asset on forex and derivative contracts amounting to ₹20,496 crores as on 31 March, 2025 as compared to ₹12,430 crores as on 31 March, 2024 which was partially offset by decrease in Priority Sector Shortfall deposits from ₹21,557 crores as on 31 March, 2024 to ₹14,450 crores on 31 March, 2025.

Liabilities and shareholder's funds

(₹ in crores)

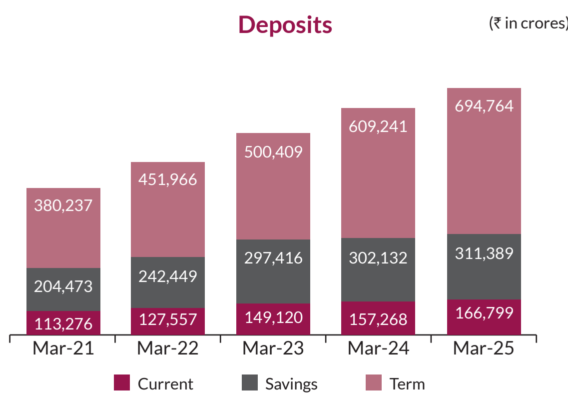
Particulars	2024-25	2023-24	% change
Capital	619	617	0.3%
Reserves and Surplus	177,998	149,618	19%
Total shareholder's funds	**178,617**	**150,235**	**19%**
Employee stock option outstanding (net)	**1,108**	**827**	**34%**
Deposits	**1,172,952**	**1,068,641**	**10%**
- Current account deposits	166,799	157,268	6%
- Savings bank deposits	311,389	302,132	3%
- CASA	**478,188**	**459,400**	**4%**
- Term deposits	**694,764**	**609,241**	**14%**
Borrowings	**184,147**	**196,812**	**(6%)**
- In India	149,839	160,734	(7%)
- Infra bonds	20,551	22,331	(8%)
- Outside India	34,308	36,078	(5%)
Other liabilities and provisions	**73,106**	**60,694**	**20%**
Total liabilities and shareholder's funds	**1,609,930**	**1,477,209**	**9%**

Shareholder's funds

Shareholder's funds of the Bank increased from ₹150,235 crores as on 31 March, 2024 to ₹178,617 crores as on 31 March, 2025. This is mainly on account of profits earned during the year.

Deposits

The total deposits of the Bank increased by 10% to ₹1,172,952 crores against ₹1,068,641 crores last year. Savings Bank deposits reported a growth of 3% to ₹311,389 crores, while Current Account deposits reported increase of 6% to ₹166,799 crores. As on 31 March, 2025, low-cost CASA deposits stood at ₹478,188 crores, and constituted 41% of total deposits. On a daily average basis, Savings Bank deposits, increased by 1% to ₹285,104 crores, while Current Account deposits grew by 9% to ₹128,315 crores. The percentage share of CASA in total deposits, on a daily average basis, was at 39.26% compared to 42.54% last year.



Borrowings

The total borrowings of the Bank declined by 6% from ₹196,812 crores in fiscal 2024 to ₹184,147 crores in fiscal 2025. The Bank has issued debt instrument amounting to ₹3,925 crores in the form of "long term bonds against Infrastructure and affordable housing" (Infrastructure bonds) in India. Further, Subordinated Debt amounting to ₹850 crores and Infrastructure Bonds amounting to ₹5,705 crores got matured during the year.

Other Liabilities and provisions

Other liabilities of the Bank increased by 20% over the year to ₹73,106 crores as on 31 March, 2025 from ₹60,694 crores as on 31 March, 2024, which is mainly on account of increase in Mark-to-Market (MTM) liability on forex and derivative contracts to ₹19,929 crores as compared to ₹12,806 crores last year.

Contingent Liability

(₹ in crores)

Particulars	2024-25	2023-24	% change
Claims against the Bank not acknowledged as debts	**1,477**	**2,453**	**(40%)**
Liability for partly paid investments	**127**	**-**	
Liability on account of outstanding forward exchange contracts	**1,256,589**	**840,387**	**50%**
Liability on account of outstanding derivative contracts	**1,369,593**	**821,190**	**67%**
- Interest Rate Swaps, Currency Swaps, Forward Rate Agreement & Interest Rate Futures	1,236,293	779,085	59%
- Foreign Currency Options	133,300	42,105	217%
Guarantees given on behalf of constituents	**1,41,189**	**128,127**	**10%**
- In India	121,699	106,812	14%
- Outside India	19,490	21,315	(9%)
Acceptances, endorsements and other obligations	**55,341**	**59,087**	**(6%)**
Other items for which the Bank is contingently liable	**51,332**	**57,648**	**(11%)**
Total	**2,875,648**	**1,908,892**	**51%**

Capital Management

The Bank continues its endeavour for greater capital efficiency and shoring up its capital adequacy to enhance shareholder value.

The Bank's overall capital adequacy ratio (CAR) under Basel III stood at 17.07% at the end of the year, well above the benchmark requirement of 11.50% stipulated by Reserve Bank of India (RBI). Of this, the Common Equity Tier I (CET I) CAR was 14.67% (against minimum regulatory requirement of 8.00%) and Tier I CAR was 15.07% (against minimum regulatory requirement of 9.50%). As on 31 March, 2025, the Bank's Tier II CAR under Basel III stood at 2%.

The organic business of the Bank accreted 93 bps (net) of CET I in fiscal 2025.

Movement of CET I during fiscal 2025	%
CET I as on 31 March, 2024	**13.74**
Accretion	2.37
Consumption	(1.44)
CET 1 as on 31 March, 2025	**14.67**

The Bank's Risk Weighted Assets (RWA) to Asset ratio as at the end of fiscal 2025 was 72%. The Bank's capital position continues to be strong and is sufficiently robust for it to pursue growth opportunities with adequate liquidity buffers.

The following table sets forth the capital, risk-weighted assets and capital adequacy ratios computed as on 31 March, 2025 and 31 March, 2024 in accordance with the applicable RBI guidelines under Basel III.

(₹ in crores)

PARTICULARS	2024-25	2023-24
Tier I capital	173,944	147,633
Tier II capital	23,113	25,231
Out of which		
- Tier II capital instruments	14,846	16,992
- Other eligible for Tier II capital	8,267	8,239
Total capital qualifying for computation of capital adequacy ratio	**197,057**	**172,864**
Total risk-weighted assets and contingencies	**1,154,075**	**1,039,313**
Total capital adequacy ratio	17.07%	16.63%
Out of above		
- Common equity tier I capital ratio	14.67%	13.74%
- Tier I capital ratio	15.07%	14.20%
- Tier II capital ratio	2.00%	2.43%

BUSINESS OVERVIEW

In 2019, we launched our 'Growth Profitability and Sustainability' strategy, also known as the 'House of GPS'. Over the years, as part of annual reviews of the House of GPS, we have added areas of distinctiveness, key themes for the Bank to focus on and other changes to reflect the priorities of the Bank and accounting for the changing environment. The House of GPS, as it stands today, continues to reflect our aspirations and remain relevant. Our overall strategy, and specific business and function strategies, are aligned with our core philosophy of GPS –

- **Growth:** Accelerate deposits growth, focus on profitable advances, achievement of leadership positions across our focus areas, drive One Axis-led growth across the Group and scale-up of subsidiaries and Axis Digital Bank
- **Profitability:** Focus on profitability and NIM, growth in fee income, improve operating efficiency, optimise costs, strengthen collections infrastructure and maintain control over credit cost
- **Sustainability:** Strengthen governance across the Group with an integrated assurance approach to enhance risk management, robust audit and compliance culture, retain high-quality talent, strengthen underwriting, technology and analytical capabilities and a robust operations platform

As part of the GPS initiatives, under the 'One Axis' vision, we are focused on creating a 'one-stop' solution for banking needs by integrating the strengths of the subsidiaries with the Bank.

We have several noteworthy achievements in fiscal 2025. Our best-in-class mobile banking application, digital/analytical capabilities, and emerging technology, such as generative AI, gives us the right to win in digital banking. The Bank focuses on reimagining end-to-end journeys, transforming the core and becoming a partner of choice for ecosystems. We successfully completed integrating Citi's consumer business in July 2024. While the macro-economic environment continues to evolve amidst geo-political uncertainties, India remains a bright economic spot, giving us an incredible opportunity to tap into the growing capex/infrastructure/investment boom. We have a self-sustaining capital structure with our CET-1 accretion adequate to fund organic growth. Our transformation projects have enabled us to reach closer to our GPS ambitions – 'Neo for Business' (offers end-to-end digital journeys with DIY onboarding, for banking as well as beyond-banking needs of MSMEs), 'Siddhi' (a super app that empowers our colleagues to engage seamlessly with customers), granularisation and premiumisation of liability franchise, focus on cost optimisation, drive collections transformation and set up next generation collections architecture for the Bank. We have also started yielding visible results due to our investments in long-term 'distinctiveness' drivers – 'Digital 2.0' (becoming India's Best Tech Bank), Bharat Banking (tapping the high growth potential in rural and semi-urban markets), 'Sparsh' (customer obsession program to aid improvement in NPS rankings).

We remain committed to our GPS strategy of working towards Growth, Profitability and Sustainability over the medium-term and aim to become a resilient, all-weather franchise.

Retail Banking

The Bank has over the last decade built a strong Retail Banking franchise that continues to be a key driver of the Bank's overall growth strategy. The Bank's focused customer-centric approach, strong and differentiated product offerings, along with its wide distribution network remain the core pillars through which it continues to serve the financial needs and aspirations of its customers.

The Retail business segment provides a complete bouquet of products across deposits, transaction services, wealth management and lending products for retail customers, small businesses, NRIs (non-resident Indians) and retail institutions, backed by innovative, digital-first solutions.

The Bank offers a wide range of retail liability products, including savings accounts, current accounts, fixed deposits, recurring deposits, and other customized deposit options, catering to the diverse needs of customers. Retail lending products include home loans, loans against property, automobile loans, two-wheeler loans, commercial vehicle loans, personal loans, gold loans, education loans, credit cards, small business banking loans and agriculture loans among others.

The Bank's Retail Banking business unit also offers other products and services such as debit and credit cards, forex cards, bill payment services and wealth management services. The Bank also distributes third party products such as mutual funds, life and non-life insurance policies, Government bonds, etc.

The Bank's strategy in Retail has been to gain a larger share of the wallet of existing customers, acquire quality new customers, and deliver a best-in-class experience, thus building customer loyalty. In line with its customer centric approach, the Bank continued its strong focus on holistic customer lifecycle management, led by its strong data analytics and technology, to engage in meaningful conversations and provide the right product proposition. The Bank has made strong progress in digitization of sales, service, and branch operations to offer seamless and intelligent banking experience to its customers.

The Bank believes that it is well-positioned to capitalize on growth opportunities in the Indian retail financial services market, led by its strong liability franchise, well diversified products portfolio and robust data analytics and technological capabilities.

During the fiscal year 2025, the Retail segment contributed 73% to the Bank's deposits in the form of CASA and Retail Term Deposits; 60% to the Bank's advances and 72% to the Bank's fee income.

Retail Deposits

The Bank has made significant progress in key areas, particularly in acquiring savings accounts (SA). The acquisition channels have become more self-sufficient, resulting in a 13% Y-o-Y growth in Retail SA. By strategically increasing the average ticket size in metro and urban markets, there was a 17% Y-o-Y increase in the average ticket size. Additionally, efforts to attract premium customers led to a 140 basis points rise in the share of premium customers. New-to-bank (NTB) salary uploads improved by 18% Y-o-Y.

Operational improvements also contributed significantly to growth. Over 50 process enhancements reduced the account opening turnaround time from 7 days to 3 days, improving onboarding efficiency. The increased use of the "Siddhi" App, seamless cross-sell journeys, and smart nudges enhanced the overall ease of doing business for both customers and employees. Furthermore, the introduction of an effort-based credit architecture for term deposit led to a 41% increase in inflows for March, 2025.

The focus on premiumization of deposits will continue by increasing the share of premium accounts in overall acquisitions, targeting high-value customers. As part of our long-term growth strategy, we have shifted towards premiumization in mass market variants, focusing on high-value customer segments while reducing reliance on lower-variant offerings in metro and urban branches. This strategy aligns with market dynamics and our commitment to enhancing profitability and brand positioning. We aim to further strengthen our premium product portfolio, leverage technology, and enhance customer experiences. This strategic focus will drive sustainable long-term growth and establish leadership in the premium banking segment. We have also streamlined processes by reducing friction points, enhancing digital journeys, and empowering service channels like phone banking, leading to fewer complaints and improved Net Promoter Scores (NPS). The Bank maintained a steady share of CASA deposits at 41% of total deposits at the end of fiscal 2025.

The Corporate Salary Suvidha proposition has been further explored to make better inroads into corporate clients. Key requirements for corporates wanting to disburse reimbursements to their employees were activated both physically and digitally through Employee Reimbursement Accounts, ensuring easy and quick conversions compared to paper-based accounts. Worksites in corporates were transformed and innovated beyond the traditional helpdesk approach. We added brand partnerships with the largest electric two-wheeler companies, multinational electronics, and consumer durable companies for deeper employee engagement at worksites and induction programs.

We also launched a Special Suvidha Masterclass series with curated topics such as digital fraud prevention, tax filing, succession planning, financial and estate planning, and will writing through virtual sessions for employees in top corporates.

The Bank continues to focus on fraud prevention and regulatory features, strengthening the onboarding mechanism with thorough verification of customer details via NSDL and UIDAI checks, complete authentication of customer contact details, enhanced customer profiling checks, and redesigning the geo-tagging process for address verification.

Digital banking is enhancing the retail liabilities franchise by enabling the Bank to source more accounts through seamless onboarding, personalized offerings, and data-driven engagement. Additionally, digital banking strengthens the overall customer relationship value by integrating savings, investments, and lending products into a unified experience, fostering long-term loyalty and higher wallet share.

In the transformational space centered around customer experience, the Bank launched a Lean Digital Savings Onboarding journey for existing assets and payments customers, where all their demographic details and Know-your-customer (KYC) are pre-filled in the savings application, and only incremental or missing details are fetched from the customer along with the necessary initial funding. In the assisted mobile-based onboarding space, the Bank is an early adopter of UIDAI's facial recognition technology-based KYC, allowing customers to be onboarded based on face match with customer records in the Aadhar repository. The Bank also enabled a savings application tracker that allows customers to check real-time updates and status of the savings application from submission to account activation seamlessly.

The Bank continued to focus on retail term deposits throughout the year by leveraging new individual customers through its strong acquisition channels. This was complemented by the revamp of its journeys on digital channels, such as the ability to book fixed deposits (FD) from outside funds and booking non-callable FDs online. Individual current account (CA) customers can now seamlessly book FDs via WhatsApp. Total term deposits increased by 14% Y-o-Y in fiscal 2025.

During the year, the Bank introduced several new product propositions, including the 'ARISE' savings account for women and the Doctors Banking Program, to offer the best banking services and life experiences under one bouquet. Premiumization of the deposits franchise continues to be an important imperative for the bank.

ARISE Savings Account

During the year, the Bank launched the ARISE savings account, a thoughtfully designed proposition for women seeking financial security, independence, and growth. Women customers have always been at the forefront of disciplined saving, often maintaining higher balances in fixed deposits and mutual funds.

With ARISE, we aim to not only enhance our deposit focus but also provide a product that caters to women's unique financial needs, whether they are balancers securing their family's future, simplicity seekers building emergency funds, or go-getters with long-term saving goals. When we solve for women, we solve for everyone.

Doctors Banking Program

In line with the premiumization strategy of the Bank, we launched a Doctors Banking Program specifically targeting doctors as a micro-segment, which constitutes a high-income cohort. We intend to take a holistic "One Axis" proposition to them with this program, catering to all their needs comprehensively and increasing cross-selling opportunities for the Bank, thereby building stickiness with these customers.

Branch Banking

To serve the customers better and deepen relationships with them, the Bank has organically built a well-diversified branch network over the years. The Bank continues to look at the segments and demographic areas that are relevant to the Retail Banking strategy, before setting up a branch. The new branch additions have been balanced and well diversified across Metro and Urban locations and RuSu (Rural and Semi Urban) regions as the Bank continues to focus on improving the market share across districts led by micro market focused approach.

During fiscal 2025, the Bank crossed a milestone of 5,800 branches as it opened 500 new branches, thereby reinforcing its commitment towards making banking solutions accessible to diversified segments of customers. As on 31 March, 2025, the Bank had a network of 6,265 branch banking outlets with 5,865 branches, 3 Digital Banking Units, 11 extension counters, 152 specialised branches (lending centers) and 234 Business Correspondent and Banking Outlets (BCBO). The Bank also has extensive network of 13,941 ATMs and Recyclers, which not only handle the cash deposits and withdrawals, but also serve as self-service and fulfilment centres. The Bank's geographical reach in India now extends to 692 districts across 28 states and 7 union territories.

The Bank promotes a fair and equitable relationship between the Bank and its customers. The Bank treats all customers fairly and does not discriminate customers on any grounds such as gender, age, religion, caste, literacy, economic status, or physical disability. To cater to the needs of "persons with disabilities", the Bank has enabled its ATMs with braille keypad and talking functionality (voice guidance). In respect of Bank branches which are not easily accessible, ramps are constructed wherever feasible, for facilitating access to persons with disabilities. Adequate seating arrangements and support for banking services are provided. Certain large offices have special equipment, such as stretchers and wheelchairs for ease of movement. We also provide doorstep banking for ease of operations for senior citizens and persons with disabilities. Customers in need of assistance can contact the designated officer at their branch or may bring it to the notice of the Nodal Officer.

Retail Lending

Retail lending continues to be a high growth sector in India, driven by a large affluent customer base, a young population, and growing needs of the Indian consumer.

The Bank's retail loan book exhibited well diversified growth across the portfolio. Throughout the fiscal year, the Bank focused on driving growth in prioritized products and preferred customer segments, which was facilitated by its advanced analytics-driven underwriting and comprehensive risk management framework.

The Bank's retail lending strategy is focused on deepening relationships with the existing-to-bank (ETB) customers via its branch network and digital platforms, while also focusing on select segments to drive new-to-bank volumes.

The Bank has embarked on multiple transformation projects across product segments to introduce end-to-end digital journeys for customer onboarding across channels, enhance customer experience, improve employee productivity, and reduce turnaround times.

Siddhi, the Bank's comprehensive mobile platform, now supports the entire frontline retail lending team, enabling faster loan application processing, while offering a holistic view of the customer to the sales architecture, and a tightened sales rhythm to drive productivity.

The Bank's mortgages segment comprising of Home Loans and Loans against Property (LAP) delivered sustained growth, with improving profit metrics in fiscal 2025. During the year, the Bank made progress in its Digital Home Loan journeys by providing real-time sanctions to customers at builder sites. The Bank has also introduced an e-Disbursement journey which includes capabilities of e-NACH setup, digital payments, e-stamping, & e-signing for document execution. This has enabled simplification of customer onboarding, with a reduced turnaround time.

We have seen moderation in unsecured loan growth at an overall industry level, primarily driven by Credit Cards and Personal Loans. The Bank continues to grow the personal loan segment in a risk-calibrated manner through various initiatives, including enhanced end-to-end digital journeys. ~79% of the Bank's personal loans originate from internal customers, with a significant portion coming through pre-qualified programs, ensuring portfolio risk remains within defined guardrails.

A strategic program to digitize education loans is underway which will enable real-time integration with channel partners.

The Bank continued building strong OEM and corporate relationship in the Wheels business, and focused on high yielding sub-segment of pre-owned vehicle financing. The Bank's digital lending platform (Maximus) was launched in fiscal 2023 and within 2 years ~72% of new car loans are digitally processed through this platform. This fiscal, the Bank also launched end-to-end digital journey for two-wheeler loans, with 100% digital disbursement.

The Bank continues to invest in sustainable and profitable growth by expanding organic distribution, increasing share from channel partners, improving risk management frameworks, and strengthening our processes.

Bharat Banking

India's economic landscape is undergoing a significant transformation, marked by robust GDP growth, rapid digital adoption, and targeted financial initiatives. These developments are particularly impactful in rural and semi-urban regions, where enhanced connectivity, digital services and financial inclusion are unlocking new opportunities. Embracing the theme "Har Raah Dil Se Open," we are dedicated to leverage these advancements to unlock opportunities across rural and semi-urban landscapes. By integrating our existing infrastructure with digital technologies, the aim is to provide seamless financial services, empower communities, grow our presence in white spaces and contribute to the nation's inclusive growth journey.

Our distribution network has expanded to 2,736 branches in RuSu markets, complemented by the 28k+ strong Common Service Centers (CSC) Village Level Entrepreneurs network. We have enabled additional 250+ branches in fiscal 2025. We have also expanded our partnership network to 25+ partners with large names across industries such as Agri-techs, Fintechs, corporates and NBFCs' with deeper rural presence leveraging their network to cater to the last mile customers.

Bharat Banking continues to deliver on the growth trajectory with advances and deposits growing 7% and 9% in fiscal 2025 Y-o-Y, from the RuSu markets.

The digital transformation journey continued in fiscal 2025. Our key focus on digitization is e-KYC, e-NACH, e-Sign and e-Stamp along with pre-screening for early decisioning (across verticals). Farm Mechanization was the 1st business vertical to go-live in SFDC (LOS) with 100% adoption (for New tractors). Our MFI-retail journey is end-to-end (e2e) digital with digital agreement (supported by e-Sign/e-Stamp). As on March 2025, we have also enabled Micro-loan in this new e2e digital platform. In fiscal 2026, we target to onboard 3 key verticals in SFDC digital – Bharat Enterprise B2B retail, Farmer funding (KCC) and Micro-LAP. This aside, we are instilling operation risk control measures on our Gold loan journey through digital means and plan to offer Digital instant CASA journey for all our Bharat Banking verticals, to drive our deposit books.

As One Axis, we continue to drive focused initiatives to expand in Bharat's key ecosystems. One of our initiatives, "Mandi Mitra" aims to capture the entire value chain within the Mandi ecosystem. Pertaining to the top 100 high-turnover Mandis, aiming for a 10% annual increase in the Bank's assets and liabilities share. With expansion into 423 Mandis and permanent branding in key locations, we are strengthening our presence, offering a comprehensive product suite, and leveraging data-driven lending solutions.

Customer referral program with "Connecting the Dots" initiative yielded 97,000+ conversions in fiscal 2025, and has now entered Phase 2, impacting over 14 lakh beneficiaries through deeper engagement in both Bharat and non-Bharat branches. We continue to focus on building a partnership ecosystem. Through collaborations with CSC, ITC Agribusiness, and others, we have delivered over ₹30,000 crores in disbursements and opened 9 lakh+ liability accounts over the past 3 years. In fiscal 2025 alone, the partnership channel contributed ₹10,000 crores in disbursements, 2 lakh+ CASA accounts, and launched innovations like Gold on UPI.

Fiscal 2025 has been a year of prudent growth in the Agri and MFI sector, with a balanced approach to managing external risks while steadfastly supporting rural entrepreneurs and fostering financial inclusion.

Risk & Compliance measures are being strengthened by aligning with regulatory requirements for priority sector lending (PSL), ensuring adherence to evolving guidelines. Additionally, a structured approach to collections is being implemented, leveraging digital payment solutions and on-ground engagement models to improve recovery efficiency. The Bank continues to drive financial inclusion across the country through Government Sponsored Schemes, improving financial literacy through trainings, working with BC partners to distribute banking products, and taking several actions to increase credit & deposit penetration in RuSu markets.

Retail Payments

The payments industry is experiencing rapid transformation, driven by significant changes in customer spending behavior and a dynamic regulatory environment. A notable surge in non-cash transactions reflects a growing preference for cashless payment methods. This shift is further accelerated by the government's strong push for digital payments, which has led to wider customer adoption. As a result, the industry is witnessing substantial progress and unlocking vast opportunities for continued growth.

The payments business remains a cornerstone of the Bank's Retail Banking strategy, serving as the primary touchpoint of the franchise by enhancing customer engagement and driving profitability. The Bank continues to prioritize customer acquisition, particularly through the issuance of fee-based cards that demonstrate higher activation and usage rates. Simultaneously, it focuses on deepening engagement with low-risk customers by implementing targeted portfolio programs. These initiatives are supported by robust risk management practices designed to mitigate early-stage risks from vulnerable customer segments. The Bank had ~15 million cards in force with a market share of ~14% as of 31 March, 2025. The credit cards business also touched the highest ever yearly spends of ₹226,645 crores, up 12% Y-o-Y, yet another milestone for the business.

The Bank has established co-brand partnerships with leading players across diverse sectors including e-commerce, fintech, telecom, fuel, retail, airlines, and consumer durables enabling it to cater to the unique needs of every customer segment with differentiated offerings. These strategic alliances are a testament to the Bank's position as a preferred partner, driven by its strong product suite and supported by a robust and resilient technology infrastructure. The Bank's 'Flipkart Axis Bank Credit Card' co-branded card achieved yet another significant milestone of ~4 million cards, establishing itself as one of the most powerful co-branded card offering since its introduction in July 2019. The Bank's partnership card spends continued to exceed industry benchmarks in terms of activation and card usage, with better risk outcomes.

The Bank now provides cards across all four networks, offering customers enhanced flexibility and choice. By expanding its portfolio of proprietary and co-branded cards, the Bank is fortifying its partnerships across these networks. Additionally, the Bank has elevated its ultra-high-net-worth individual (UHNI) offerings with the introduction of the prestigious "Primus Card."

Over the past few years, the Bank has significantly enhanced its technology platform to support greater processing capacity, integrate additional APIs, and ensure compliance with the Payment Application Data Security Standard (PA DSS). During the year, several key digital initiatives—such as end-to-end digital issuance, Video KYC, and real-time income estimation—have been implemented with real-time decisioning on partner platforms. These advancements have collectively contributed to a more seamless and enriched customer experience. The Cards business continues to operate within clearly defined risk guardrails. Strengthened onboarding controls to address emerging early-stage risks, along with more resilient collection practices, have contributed to maintaining healthy asset quality. This disciplined risk management approach has empowered the Bank to confidently deepen customer engagement and drive sustained business growth.

In the Merchant Acquiring Business (MAB), the Bank has maintained its position as a leading merchant acquirer, achieving a terminal market share of ~20% as of March 2025. The Bank's ongoing investments in technology have significantly enhanced both product offerings and the overall merchant user experience.

The Bank continues to deliver a robust value proposition in the MAB segment, offering a diverse range of products tailored to various markets, business segments, and geographic regions. The year saw the launch of **Neo for Merchants**, a comprehensive mobile application designed to serve all merchant payment needs. Additionally, we introduced the **NFC Soundbox**, capable of accepting both UPI and contactless card transactions, enhancing payment convenience and efficiency.

As part of our merchant stack, the Bank excels in providing deep integrations and developing customized solutions, demonstrating our commitment to addressing the unique requirements of our clients across different sectors.

Under the 'One Axis' approach, the MAB team is successful in being the Bank to the merchant offering liabilities, assets, and third-party products. Collaborations with ecosystem solution providers have enabled segment-specific solutions to meet diverse customer needs. These initiatives have driven strong growth in cross-selling, high-value CA deposits, and asset sourcing.

In the UPI payments domain, the Bank remains committed to differentiating itself as a leading payment franchise in the country and striving to deliver superior customer and merchant experience with a keen focus on customer-centric innovations. The Bank consolidated its strong presence in the UPI space with a market share of 33.3% as Payer PSP by volumes as of March 2025 as against 26% in March 2024, achieving and sustaining the number 1 position amongst Payer PSP banks since August 2024. This was achieved on the back of a two-pronged strategy of partnerships with new fintech players and continued deepening of existing partnerships with tech giants like PhonePe, Google Pay, Amazon and WhatsApp. Additionally, the Bank maintained its status as a preferred acquirer, securing a 19% market share in P2M acquiring throughput as of March 2025. During the year, the Bank went live with several new lending partnerships, providing them payments solutions while receiving corporate flows through these partnerships. There was sustained growth of Credit on UPI for both issuing and acquiring and new launches such as UPI Circle which further demonstrated the Bank's capability to drive the organic volume growth of UPI transactions. The Bank now has more than 183 crore customer VPAs registered as on 31 March, 2025.

The Bank continues to focus on building a robust IT infrastructure and upgrading IT capabilities due to which the Bank has one of the lowest technical decline rates in the industry and is amongst the leading payments solution provider.

Retail Forex and Remittance business

To facilitate cross border transactions, the Bank offers Forex Cards, Inward and Outward remittance services to its retail customers through branch and digital channels.

On Forex Cards, the Bank continues to focus on strengthening its digital journeys with new enhancements such as digital reloads and automated discounts based on customer value score. These initiatives have helped grow the digital footprint to over 90% on all fresh issuances for retail customers. The bulk upload feature introduced for corporates enables seamless and efficient reloading of multiple cards simultaneously thus saving time and offering convenience to corporates. Curated offers on the Multi-currency Forex Card were launched during the year to cater to customers travelling overseas for leisure, to countries in Southeast Asia and the Middle East. Customer Value Propositions (CVP's) on the forex card are being further refined to bring sharper focus to three customer segments basis purpose of travel viz. student, business and leisure. Our long-term growth strategy is aligned to building distribution and scale in these three travel segments for Forex Cards.

To complement the Bank's deposit mobilization drive, customers have been encouraged to bring in their remittances from abroad using the inward wire transfer and digital Remit Money portal, offered by Axis Bank. Customers were segmented basis their residential status and transaction history, among other variables. Curated offers on pricing were offered to drive customer loyalty and repeat transactions.

Customer convenience and ease of doing business has been at the forefront of the Bank's endeavors to simplify product journeys. 'T' day (same day) credit on inward wire transfer remittances has been enabled making Axis Bank, one of the leading players to offer this service in the industry. Funds get credited to the customer's account the same day as against the erstwhile lag of one day. Additionally, the Bank has reviewed and increased the purpose codes for STP (straight through processing) from 5 to 41 and the STP transaction limits have also been increased from ₹15 lakhs to ₹25 lakhs. This enables transactions to get processed faster for the specified list of purpose codes, without the requirement of documentation.

Remit Money, the Bank's digital platform, now offers 3X higher limits and faster transfers on the USD-INR corridor. Customers can benefit from enhanced transaction limits from $10,000 to $30,000 on self-transfers, apart from competitive pricing offered on the portal. All Citi customers were seamlessly migrated to this platform in July 2024. Customers can also use the Bank's vostro partnerships with Correspondent Banks and Exchange Houses to remit funds to India, apart from wire transfer and remit money services.

On Outward Remittances, the Bank launched overseas remittances to GIFT city through digital channels. This allows customers the convenience of transacting digitally without the need to visit the branch. The Bank has also invested in building technical solutions which can be integrated through API's with strategic partners to expand the acquisition network through this tie up. The Bank's growing partnerships with fintechs and online stockbrokers has led to 64% of transactions in fiscal 2025 getting processed digitally as against 45% last year.

During the year, the Bank has complied with all regulatory guidelines as per the directives released by RBI and other authorities relating to cross border remittances. System level changes have been successfully implemented to validate the customer's PAN details with that available on the NSDL portal. Projects related to system level integration of the Bank's forex related systems with that of RBI for the purpose of checking the LRS (Liberalized Remittance Scheme) limit utilization across banks are under development. As per the Union Budget 2025 announced by the Ministry of Finance (MOF), the Bank has implemented revision of TCS (Tax Collected at Source) limits from ₹7 lakhs to ₹10 lakhs which came into effect from 1 April, 2025.

The Bank handled Retail Forex volumes of USD $5.4 billion during fiscal 2025 and has an active customer base of ~4 lakhs on Retail Forex products.

Third Party Distribution

Axis Bank is one of the leading distributors of third-party products which includes Mutual funds, Life insurance, General & Health insurance products, National pension system, Digital Gold.

The Bank offers comprehensive bouquet of investment, protection and retirement solutions that caters to the diverse needs of each customer segment.

In fiscal 2025, third party distribution business contributed significantly to the Bank's retail fee income growth on back of its strong partnerships, contextual product launches, wide distribution strength and digital initiatives.

As of 31 March, 2025, the Bank's mutual fund assets under management (AUM) stood at ₹91,661 crores, reaffirming its position as the third largest banking distributor in the industry. The Bank serviced a mutual fund customer base of ~12 lakhs as on 31 March, 2025, reflecting growing investor trust and engagement.

Leveraging insights from its dedicated in-house research desk, the Bank curates and recommends mutual fund schemes based on a robust combination of qualitative and quantitative parameters. At present the Bank distributes mutual fund products from 25 leading Asset management companies (AMCs) through its extensive branch network and digital platforms, aligning investment offerings with customers' life stages and financial goals.

In addition to mutual funds, the Bank also provides access to select Alternate Investment products from SEBI-registered providers, offering customers a broader range of wealth creation opportunities.

The Bank offers online as well as offline trading services to its customers in collaboration with Axis Securities Ltd. under the brand name Axis Direct. Through its branches, the Bank has sourced ~6.36 million total customers for Axis Direct with 7.7 lakh customers being added in fiscal 2025.

The Bank continued to be one of the largest Bancassurance player in terms of both Life and Non-Life Insurance volume among private Banks with an annual fee growth of 39% in Life Insurance and 11% in Non-Life insurance in fiscal 2025.

The Bank's strategy of adopting a Digital first approach, tailormade solutions in Health Insurance with segmental product launches led to growth of 13% in topline premium placement for its insurance partners.

By securing more than 1.6 lakh+ retail accounts for National Pension System product, the Bank improved its retail market share to 21% from 13% in fiscal 2025 and thereby becoming number 1 in POP space in terms of new business. Continued innovation in this space includes Digital integration journeys in core Bank platforms and enabling SIP option for customers to invest.

The Bank has an innovative user-friendly digital interface - Axis Marketplace - to facilitate distribution of insurance solutions. Axis Marketplace offers third-party products integrated directly with insurance partner systems thereby providing seamless journeys and instant issuance facilities.

The Bank continues to focus on reimagining end to end journeys and build a digital ecosystem for Investment Products on its mobile banking app and internet banking to ensure seamless access anytime, anywhere.

Wealth Management

The Bank's wealth management business has been strategically built out over the years to cater to the evolving needs of its affluent customer base. We recognise that the wealth management needs differ for our customer cohorts viz. affluent salaried customers, entrepreneurs, senior citizens or NRIs. At the core of our proposition, is our unwavering commitment to grow and preserve customers' wealth. Accordingly, we have partnered with many players in the asset management space, to offer select schemes across Portfolio Management Services (PMS), Alternate Investment Funds (AIFs), Debt and fixed income, and mutual funds. In fiscal 2025, we started new partnerships with 3 mutual fund AMCs, and 17 PMS and AIFs, post careful due diligence, to expand options for our customers.

The overall assets under management facilitated by the Bank for its customers grew to more than ₹1 trillion as on 31 March, 2025. The number of new SIPs booked by our customers through digital as well as physical modes grew from ~5 lakhs in fiscal 2024 to more than 6 lakhs in fiscal 2025, with ~80% contributed through digital channels.

The Bank also has a team of wealth experts who have deep knowledge of diverse wealth products (PMS, AIFs, Debt and fixed income, Mutual funds). They are supported by an in-house economic research, asset management partners and the Axis franchise across our subsidiaries to meticulously create investment options based on our clients' financial goals. This strategy ensures that the Bank provides all its customers the very best in products & services based on their needs and profile.

In line with changing customer behaviour and preferences, the Bank has continued to deliver and enhance intuitive digital journeys in its digital platforms. Our clients can now invest across asset classes be it digital gold, NPS, Mutual funds, insurance, or sovereign bonds seamlessly through our mobile banking app – '***open***'. The digital channels continue to be among the best in industry and contributed over ₹8,600 crores of MF gross sales, 102% growth over last year. We also launched co-origination of MF investments through SIP along with saving bank account opening for our customers, which has been well accepted by the salaried customers of the Bank, who find the ability to start an SIP very useful in their wealth management journey.

In fiscal 2025, Bank also launched a digital journey which provides our customers the option to open demat and trading accounts simultaneously along with opening of savings account. This has been well accepted by our customers, by simplifying the onboarding experience for them. In Q4 FY25, we opened more than 1 lakh accounts through this bundled proposition.

During the year, the core wealth management backend system was upgraded to handle much larger scale of transactions and we continue to invest in making the platform best in class.

Affluent Banking

The 'Burgundy' offering for our HNI customers has been built by the Bank with curated features and offering for the needs of such customers, across banking, investment and insurance products. These services are catered to by best-in-class talent consisting of 550+ Relationship Managers, 475+ Premium Service Managers and 100+ Wealth Specialists spread across more than 350 branches in India. This has enabled the Bank to take the services to customers beyond the major cities and, into the tier 2 and tier 3 cities where the wealth management landscape is experiencing a notable transformation. The NRI segment is seen as a key segment by the Bank in furthering its premiumisation agenda, and accordingly offers its NRI customers products and service journeys through remote channels. In addition to banking products, the Bank caters to NRI clients to enhance their wealth creation journey through investment options in India and full suite of product offering through our digital platforms. The NRI segment is serviced through more than 450+ dedicated NRI RMs in branches as well as 300+ virtual RMs.

The Bank launched "The Burgundy Promise" with an aim to provide a truly enhanced, distinctive, and Industry-first servicing experience to our premium segment customers. Through this unique proposition which is based on three key pillars- defining commitment, measuring performance and transparent communication; the Bank has committed to provide quick resolution on selected services within a defined TAT of 6 working hours, along with a real time tracking mechanism via the digital channels.

During the year, the Bank applied and received the license as a distributor of capital market products and services at its IFSC Banking Unit (Gift City). The Bank is working towards building an equally strong wealth proposition through Gift City to service the needs of Non-Resident Indian (NRI) investors looking to invest in India, and Resident Indians exploring geographic and currency diversification in their portfolio.

Private Banking

Burgundy Private, the private banking franchise of the Bank catering to the UHNI segment, continues to grow strongly since its launch 5 years back. In fiscal 2025, the Bank expanded the Burgundy Private program to 15 additional tier-2 cities, as part of the strategy to harness the growing number of UHNIs and their wealth in these markets. With customer assets under management of more ₹2 trillion across 13,000+ families including 35 of the Forbes 100 richest Indians and presence across 42 cities, the business continues to scale heights, capitalising on the well-established operational synergy with key business units within the Bank under the 'One Axis' initiatives. During the year, there was a 4-fold increase in acquisitions through the 'One Axis' initiative.

'Burgundy Private Experiences' launched last year made further progress with more than 15 curated events across various genres such as musical, arts, sports, and investment. These events helped Burgundy Private clients get together to network with like-minded patrons. Burgundy Private Experiences has now built an identity of its own and our clients look forward to such events, which is helping us enhance client engagement through a different lens.

'Investment Perspective', an initiative to empower Burgundy customers with knowledge and information on the Global and Indian equity & fixed income markets from the senior most Fund Manager's in the industry continued to receive excellent feedback from all customers. This was also extended to NRI customers across multiple cities as part of the home-coming campaign.

Burgundy Private Partners are at the centre of ensuring, our clients "Experience the Power of One". The people strength in our private banking arm has grown to more than 250 vintaged Burgundy Private Partners with an average working experience of over 17 years. They are ably supported by a well-trained team of more than 125 Service Partners to ensure superior service delivery. We have also strengthened the team with dedicated Investment Counsellors and Insurance Specialists, who are certified and trained for the purpose.

Burgundy Private franchise has been consistently pursuing excellence and has been dedicated to enhancing service delivery in Private Banking, customer centricity at the centre. The institution's relentless endeavour to provide the best services to the customers and their families has continued to garner international recognition, with the Bank earning top honours such as 'India's Best for Next-Gen' at the Euromoney Global Private Banking Awards 2025 and 'Best Digital Innovator of the Year award at the Global Private Banker WealthTech Awards 2025.

The Bank has successfully established a strong brand identity for Burgundy Private, defined by credibility and lasting recognition through strategic partnerships. Reinforcing this commitment, Burgundy Private extended its collaboration with Hurun India by launching the 4th super edition of 'Burgundy Private Hurun India 500 Most Valuable Companies', in February 2025. This edition highlighted the leadership of India's top companies, including key players from the new economy.

Priority Sector Lending

Priority Sector Lending (PSL) is a regulatory mandate designed to ensure that banks direct a specified portion of their lending to underserved yet creditworthy sectors of the economy. These sectors, which include agriculture, micro, small, and medium enterprises (MSMEs), affordable housing, education, and renewable energy, are critical for inclusive economic growth. By channelling credit to these areas, PSL promotes financial inclusion and addresses gaps in credit access, enabling balanced development across rural and urban India.

In fiscal 2025, the Bank has successfully achieved its overall PSL targets, demonstrating a robust internal framework for meeting regulatory requirements. With a clear vision to become self-sufficient in agriculture credit in the coming years, the Bank is implementing targeted initiatives in rural and semi-urban markets through its Bharat Bank strategy. This strategic focus not only ensures compliance with PSL mandates but also positions the Bank as a key driver of financial inclusion in underserved regions.

The Bank is actively strengthening its product capabilities and distribution network to enhance credit flow to the agriculture ecosystem. Its offerings include crop loans, such as those under the Kisan Credit Card (KCC) scheme, investment credit for farm infrastructure, and loans for farm mechanization. These products are tailored to meet the needs of farmers and support the Bank's compliance with sub-category PSL targets for agriculture and farmer finance. By addressing the specific credit needs of the agricultural sector, the Bank is fostering sustainable rural development.

Under the Bharat Bank strategy, the Bank is expanding its presence in rural and semi-urban markets to drive higher credit growth. This involves augmenting distribution channels and product offerings to cater to the unique demands of these regions. By financing not only farmers but also food and agri-processors, rural MSMEs, and corporate supply chain participants, the Bank is effectively supporting the entire rural ecosystem. This holistic approach strengthens the rural economy and aligns with the Bank's commitment to inclusive growth. In addition to agriculture, the Bank has made significant strides in enterprise lending, particularly to rural MSMEs and participants in the agri-value chain. Both its retail and commercial banking segments maintain a focused approach to MSME lending, which is a critical component of PSL. By delivering higher credit to these enterprises, the Bank is empowering small businesses and contributing to job creation and economic resilience in rural and semi-urban areas.

Finance to NBFCs for onwards lending to various priority sector end borrowers also assisted the bank delivery of credit to needy section of society and its aims to bolster i key partnership across BFSI domain to further increase the coverage in under penetrated region. Partnership arrangements under Co-lending with many large NBFCs/MFIs further supports the growth in organic PSL advance. Additionally, the Bank is actively pursuing other partnership arrangements as well as securitisation to increase credit flow in priority sector to increase the Bank's PSL advances specially in food and agriculture sector.

During the year, the Bank continued its focus on augmenting the small ticket size loans, crop loans to small and marginal farmers, and microfinance business targeted at women borrowers from low-income households. The Bank also enhanced its digital lending channels to facilitate quicker turnaround time for sanction and disbursement of loans to MSME borrowers.

The Bank's PSL achievement during fiscal 2025 is ~48.5% as compared to the stipulated target of 40% of Adjusted Net Bank Credit. The Bank through organic book and purchase of PSL certificates (PSLC) achieved the overall PSL target and sub sector targets of Lending to Agriculture, Lending to Small & Marginal Farmers, Lending to Weaker sections, Lending to Non- Corporate Farmers & Lending to Micro Enterprises. During the fiscal 2025, the Bank purchased PSLCs of an aggregate amount of ₹72,454 crores at a cost of ₹1,484 crores (excluding taxes) and sold PSLCs of an aggregate amount of ₹67,000 crores and earned income of ₹197 crores.

Digital Banking

Digital Banking is a key strategic initiative and an area of distinctiveness for the Bank. The Bank was among the first to launch an independent "fully Digital Bank" within the Bank as part of Axis 2.0 strategy. In the last six years, the Bank has made substantial investments in Digital to build inhouse proprietary, distinctive digital native capabilities and deliver end to end digital journeys and products, towards becoming a Digital Consumer lending powerhouse.

Today, the Bank has dedicated people across departments focused on furthering the digital agenda. The Bank has a inhouse full stack engineering team, and today a large number of the Bank's digital products are built inhouse. Further, the Bank has a large digital product and marketing team and a design team. The Bank has invested in best-in-class platforms across the DevSecOps pipeline, Cloud infrastructure as well as developed its own platforms for design (Sub-zero and Accord).

The Bank rebranded Axis 2.0 as "***Open by Axis Bank***", as it upgraded and redesigned the journeys and its mobile app to deliver seamless and personalized end to end customer experiences. The "***Open by Axis Bank***" mobile banking app is now rated 4.7 on the Google Playstore and 4.8 on the Apple app store. The Bank's mobile banking app is rated as the world's highest rated mobile banking app on the Google Playstore with over 3 million reviews with ~15 million monthly active users.

The Bank today has a large suite of over 30 digital products live as part of "***Open***" – across assets, liabilities, fee income products. The Bank has built fully digital onboarding journeys for Savings account, Salary account, Current account and Term deposits. Similarly on the assets side, the Bank caters to both unsecured and secured asset journeys across Personal loans, Business loans, Auto-loans, Gold loans, Home loan journeys, etc. The Bank also upgraded its end-to-end digital journeys for Credit Card customer onboarding, cross-sell/up-sell as well as servicing.

In fiscal 2025, the Bank added several new products/customer propositions in addition to continued investments in existing products. Some of these included My Money – a personal finance manager, fixed deposit using UPI, One-view – multi-bank account aggregator.

As a result of these, the Bank today is at the forefront of providing cutting edge digital solutions to its customers with significant growth in metrics across digital adoption, usage, transactions, servicing and sales. "***Open***" by Axis Bank currently contributes ~6% to the bank's overall business led by 47% Y-o-Y growth in deposits and 15% Y-o-Y growth in loans during the year.

On Digital lending, the Bank has made substantial progress towards becoming a "Digital Consumer lending powerhouse". During the year, the Bank has made strides in enhancing capabilities critical to this business. The Bank is among the market leaders in Account Aggregator ecosystem – a capability critical for underwriting new-to-bank customers in lending.

The Bank has built best in class personalization capabilities towards its objective of becoming the leading customer centric bank. The 'Open' app offers over 10,000 personalised nudges across multiple features. This has been augmented by the "Just for you" section on the app dashboard. The Bank launched a benefits dashboard to enhance transparency on rewards, benefits and fees on Credit cards.

The Bank has also made strong progress in 'Project Neo', that the Bank had embarked on its transformational journey to be India's #1 digital Wholesale Bank. Under Project Neo, the integrated journeys across wholesale products and services being experienced by the customers are based on how a customer views their business as opposed to a product led approach. The Bank continues to invest in technology stack to ensure that it leverages the latest technologies, addressing for system resiliency, scalability and agile enhancements.

"Neo for Business" – the Bank's MSME focused platform that caters to banking and beyond banking services has seen over 1.8 lakh customer registrations. The Bank's Corporate Developer Portal now includes over 135 Open Banking API's as part of its wide transaction banking portfolio offerings. Neo for Corporates, the path breaking new age digital banking platform which encompasses a fully cloud based solution has also enabled the Bank to hyperscale products while offering a single Integrated Digital Platform across Payments, Trade, Forex, etc. Axis Neo Connect, the Bank's industry first plug and play solution for seamless ERP integration to wide domain of banking API services continues to see strong uptake across customer segments.

Wholesale Banking and products

The Bank stands as a leading and all-encompassing Wholesale Banking franchise in the country, addressing every banking need of the Corporates. We are building on our strong foundation with distinct, innovative strategies that differentiate us in a competitive landscape and set the stage for next-year growth.

Throughout the fiscal year 2025, our focus remained on fostering deeper client relationships and delivering comprehensive banking solutions. By leveraging our 'One Axis' approach across different business segments and subsidiaries, we successfully encompassed the entire corporate value chain.

The Wholesale Coverage Group offers a wide array of products and services such as cash credit facilities, demand and short-term loans, project finance, export credit, trade services, forex and derivative solutions, payment and cash management systems, tax payments, salary accounts, trust services, commercial and credit cards, and much more. Backed by a dedicated Wholesale Banking Products team, we provide customized solutions to meet the diverse financing needs of our clients.

The Bank's Wholesale Coverage serves diverse customer segments ranging from SMEs, Start-ups, Large and mid-corporates, MNCs, Financial institutions and intermediaries, PSUs and Government departments through its sharpened coverage structure, as follows:

- **Mid-Corporates & Medium Enterprises Group (MEG):** Covering all corporate clients with turnover between ₹100 crores and ₹1,500 crores;
- **Large Corporates:** Covering all corporate clients with turnover greater than ₹1,500 crores;
- **Focused Segmental Coverage:** Covering PSUs, Government-owned entities, Multi-national companies, Start-ups, Real Economy corporates and Financial institutions.

Wholesale Banking Coverage Group

The Bank has solidified its position as the preferred transaction bank, excelling in Current Accounts, Cash Management, Trade & Supply Chain Finance, Capital Markets, and Custody services, resulting in increased market share over the years.

The Bank recognizes the dynamic and evolving needs of start-ups and the significance of offering tailored financial solutions. We are proud to maintain strong relationships with 70% of unicorns and over 40% of Series A and above funded start-ups across the country. The Bank has notably collaborated in areas such as cash management and core banking solutions, structured Escrow services, and API customization, leading to a substantial increase in transactions per second (TPS) and round-the-clock, high-volume settlements 365 days a year. These enhancements equip new-age players with a diverse range of capabilities. We continue to drive the future of digital banking through a comprehensive suite of banking NEO APIs, which are being leveraged by fintech's and E-commerce players for bill collections, payments, trade, and more.

As a market leader in domestic payment gateway services, Axis Bank is expanding its capabilities by enabling the cross-border payment and collections space through PACB arrangement.

In our ongoing commitment to fostering the start-up ecosystem, we have introduced the Axis Start-Up Card, specifically designed to support entrepreneurs. These cards facilitate seamless travel, business expenses, and vendor payments, providing enhanced flexibility and financial control within the start-up ecosystem.

The Bank is a trusted partner to start-ups throughout their growth journey, with majority of tech founders choosing Axis Bank for their public listing in fiscal 2025.

The Bank's E-Commerce Centre of Excellence (ECOM COE) is committed to scaling its presence in this sector, with an ambitious goal to double business growth over the next three years.

The Real Economy Group (REG), a specialized segment within the Wholesale Coverage Group, targets infrastructure and real estate clients. Within just two years, REG has doubled its business and contributes nearly 50% to overall syndication volumes, securing Axis's position as the top bookrunner for local currency loans in India for the second consecutive year.

With a strong government focus on sustainable infrastructure, especially clean energy, REG has significantly supported India's clean energy goals, contributing nearly 50% of the bank's financing to green sectors, covering major players like Renew Power, Actis, Macquarie, and Brookfield.

Beyond asset build-up, REG is dedicated to enhancing customer engagement through the One Axis franchise. It has synergized with Axis Capital and Axis Trustee, aligning with the Govt and Capital market regulator's push for Alternative & Hybrid vehicles such as Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs).

MEG is expanding "NEO for Business" suite to deliver seamless onboarding and credit processing with AI-driven analytics and self-service tools, streamlining operations and personalizing solutions for medium enterprises. Supported by additional branches, deeper regional ties and strategic collaborations with relevant ecosystem, our extensive network provides integrated financial solutions & propels growth.

The Bank secured India's first Blue loan, a USD 500 million deal from the International Finance Corporation (IFC). The funds will finance or refinance eligible Green projects and Blue assets, supporting environmental sustainability and restoring oceanic and freshwater resources.

The Bank also secured a landmark UTI Mutual Fund deal through a competitive RFP process, doubling Axis Bank's Assets Under Custody (AUC) from ~₹5 lakh crore to ₹10 lakh crore. This significantly enhances our portfolio and establishes us as a formidable competitor in custodial services, paving the way for further institutional custody business.

The WBCG organized a Defence Conclave titled "Atmanirbhar Defence – Empowering the Defence Ecosystem," in collaboration with IDeX, KPMG, and IVCA. This event united government officials, industry leaders, foreign OEMs, venture capitalists, MSMEs, and startups, emphasizing collaboration and self-reliance. Axis Bank supports India's self-reliance in defence manufacturing and innovation, reflecting our "***Har raah dil se open***" theme.

WBCG integrated with the Government of India's "***Upyog***" Platform for Himachal Pradesh, unifying 60 local bodies for citizen services. Axis Bank developed 40+ customized products for government departments, including Upyog and ATREDS. Our first-mover advantage in QR-based tax collections and drone-based disaster management highlights our commitment to innovation and customer-centricity.

The Information Technology & Global Capability Center - COE, aims to enhance bank-wide penetration in the IT & GCC universe through One Axis synergies and innovative products. With over 1,000 MNCs banking with us and a 32% CAGR, we offer customized offerings and improved features to meet varied needs. We are committed to doubling our liabilities book in 5 years through execution excellence, holistic account planning, and focus on sectors with strong MNC presence, such as IT & GCC, and Shipping & Logistics.

Looking forward, we are poised to harness our digital transformation, strengthen customer engagement, and capitalize on strategic partnerships to sustain growth.

Supplementing the India's vibrant growth story, Government of India has allocated a staggering over ₹11 lakh crore towards capital expenditure in the fiscal 2026 budget. This significant investment underscores India's commitment to doubling down on Infrastructure development, setting the stage for a transformative year ahead. Private sector giants are also stepping up, with ₹3.5 trillion in private capex earmarked for key sectors such as infrastructure, renewables, ports, roads, and commercial real estate. This synergy between public and private investments is poised to drive unprecedented growth and modernization across the country and the Bank is continuously building its capabilities & prepared to capture this demand which aligns with our focus on strong asset growth (Infra, Greenfield projects, EV, REIT & INVITs, Renewables, Road, Manufacturing etc) Fees, deposits, CASA etc.

Adding to this momentum is Government's Production Linked Incentive (PLI) scheme that is designed to boost incremental production and sales by offering financial incentives to companies that manufacture specific products in India. As a bank, we see immense potential in this initiative and intend to support our clients in expanding their manufacturing capabilities & impetus to start ups, thereby driving further growth and enhancing our portfolio.

Our strategic focus includes driving overall efficiency, productivity & profitability and further deepening our market penetration/ share of wallet. As we navigate this dynamic landscape, our commitment to sustainable growth remains unwavering.

Commercial Banking Coverage Group (CBG)

CBG is a critical and vital segment of the Bank, contributing significantly to both business growth and profitability. CBG caters to the evolving needs of MSMEs across the entire customer value chain - spanning Loans, Trade/Forex, Liabilities, and Fee-based products and provides tailored banking solutions for both business owners and their employees, ensuring seamless financial support at every stage of their journey.

The MSME sector has consistently demonstrated its resilience and remains the backbone of the Indian economy. Recognizing this, CBG is committed to serving their diverse financial needs through innovative solutions, a customer-centric approach, and strategic partnerships. CBG strives to be a trusted partner, enabling MSMEs to scale and succeed. As MSMEs progress in their journey, CBG aims to be their trusted financial partner, providing comprehensive banking solutions that fuel their growth and contribute to the nation's economic prosperity.

CBG has a wide geographical presence with 155 dedicated MSME centres, aligned to the extensive branch network of the Bank. The book of CBG is ₹1.19 lakh crores as on 31 March, 2025. It is a PSL engine of the Bank, generating stable and high quality PSL for the Bank.

Distinctiveness through Innovation:

We are enhancing our digital platforms—expanding the capabilities of our "NEO for Business" suite—to deliver seamless, rapid onboarding and credit processing. By integrating AI-driven analytics and intuitive self-service tools, we are not only streamlining operations but also personalizing solutions to meet the nuanced needs of medium enterprises.

Strategic Partnerships & Geographic Penetration:

Our extensive network, now strengthened by new branch expansions and deeper regional ties, coupled with strategic collaborations (notably with the Mid Corporate segment), is creating an ecosystem that delivers integrated financial solutions and opens new avenues for growth.

Wholesale Banking Products

The Bank has strengthened its proposition as a Transaction Bank of choice across Current Account, Cash Management, Trade & Supply Chain Finance, Capital Markets and Custody and gained market share. The Bank's focus has been on providing differentiated, integrated product propositions to our clients across corporate, commercial banking, financial institutions, and government segment.

As part of Wholesale Banking initiative, "NEO by Axis Bank" reflects the Bank's commitment to building a leading digital Transaction Bank. This initiative encompasses a broad spectrum of best-in-class digital offerings, including APIs, Corporate Internet Banking, Host to Host integration, and strategic partnerships. The Bank has been on this journey for over 3 years, and its transaction banking thought leadership and consequent deep solutioning continued to see widespread adoption at an increasing pace, demonstrating a strong product-market fit.

The Bank has built solutions to cater to the full range of business customers based on their digital maturity. The Bank has not only built a wide suite of APIs for corporates to integrate their ERP solution easily to the Bank, it also created the corporate developer portal for digitally savvy customers to integrate in a Do-It-Yourself fashion with the Bank.

Cash Management

The Bank offers comprehensive cash management solutions across all segments. The Bank has implemented new payment hub and increased the NEFT transaction processing speed by 2x during peak hours. The Bank continues its leadership position in processing the highest number of NEFT and IMPS transactions amongst all the banks. With an objective of easing the client's reconciliation activities, the Bank has invested in the account statement infrastructure by enabling customised MT940, account statement and balance through API. This helps the customers to implement a STP capture of data in their ERP, automating their recon.

The Bank is also authorised for collection of Direct Taxes, GST and Custom Duty. For GST collections, Bank has activated the payment gateway for collection through cards and UPI.

The Bank is progressively improving on its leadership position in Bharat Connect (earlier known as BBPS) ecosystem and has been amongst the first movers to launch "Prepaid Electricity Meter" and NPS (Axis is a Sole BOU) category in BBPS. The Bank continues its leadership position in terms of number of biller onboarding and highest number of transactions amongst private banks & has been leading the way for new category of billings like B2B and piloting new initiatives with NPCI, billers & fintech partners.

Commercial Cards

Our Commercial Card business continued to drive innovation, offering tailored payment solutions that enhance cash flow management, streamline expenses, and improve working capital efficiency for businesses. With a strong focus on digitization, we expanded our suite of offerings, including launch of exclusive card for sole proprietors, backed by enhanced 24/7 phone banking support and an end-to-end digital onboarding journey. By integrating cutting edge technology and strategic partnerships, we reinforced our leadership in B2B & statutory payments, positioning commercial card as a critical enabler in business transactions.

Trade and Supply Chain Finance

The Bank offers a comprehensive suite of Trade and Supply Chain Finance products and solutions – for both domestic as well as international trade. These solutions are offered via our various channels such as our branch network and various digital channels with capabilities of integration with client systems. The Bank has a dedicated team of product specialists – both in sales, product and operations who support clients for their various requirements such as exports, imports, bank guarantees, working capital optimisation and liquidity & risk management solutions.

- **International Trade solutioning**

  The Bank continues to provide unique solutions to Indian exporters, exporting especially to geographies with lesser than acceptable country rating, by confirming Letter of Credit (LCs) through enhanced structured partnerships with multilaterals and international banks. The Bank commercialised solutions for Auto and Oil exporter clients through robust partnership solutions. The Bank also enhanced trade capabilities at its Gift City branch by launching new products to facilitate international trade. In order to simplify regulatory procedures, the Bank provided solutions to Export clients to merge their ERP data to reconcile with Export Data Processing and Monitoring System (EDPMS) data.

- **Initiatives on Structured Trade:**

  The Bank has forayed into Structured Trade Finance during the year and a specialised team has been put in place to cater to the requirements of corporates on this front. During the year the bank executed deals pertaining Back-to-Back LCs and a structured Finance deal in the energy sector from its Dubai Branch. Structured trade as a business is a key focus area for the bank and is poised for growth.

  Additionally, the Bank is expanding the integrated supply chain solutions across the client's life cycle through multiple products that cater to specific segments supply chain requirements.

Current Account

The Bank's focus on becoming the transaction bank of choice resulted in a steady growth in the current account balances. Current Account Product has also been focusing on service excellence for client stickiness and retention through better penetration into Self-service channels through branch of the future initiative (BOTF), building customer journeys across Re-KYC & other service requests.

During the year, the Bank also expanded customised banking proposition sectors like FMCG, Real estate, Pharma & Healthcare, Tourism & hospitality, IT & GCC, E-commerce, Education, Farmers producer organisation, while continuing the focus on digital current account proposition for merchants through co-origination of current account along with other digital offerings.

Treasury & Markets

The Bank's Treasury & Markets function comprises of Asset Liability Management (ALM), Forex Trading group (including Currency Derivatives & Bullion), Interest Rate Trading (IRT) (including Rupee Derivatives) & Primary Dealership, Non SLR Trading (including Equity), Debt Capital Markets – DCM (Domestic DCM & International DCM), Treasury Sales, Loan Syndication, and Treasury Technology & Governance team.

The Bank's ALM group manages the regulatory requirements of Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR) and Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NFSR). The group also manages the liquidity, interest rate and currency risks in the Bank's portfolio, under the guidance of the Asset Liability Committee (ALCO) of the Bank.

The Bank's Forex Trading Group is a major participant in the foreign exchange and derivatives market and undertakes proprietary trading and market making in forex and derivatives products.

The Interest Rate Trading (IRT) desk plays an important role of market making and trading in G-Sec, OIS & other interest rate products. The Bank is primary dealer of Government securities. PD desk ensures mandated bidding commitments, success ratio & turnover ratio for T-bill auctions/ G Sec are achieved for the year. The Corporate Bond & Equity Trading desk undertakes primary and secondary market investments in corporate bonds, commercial papers, certificate of deposits, and equity instruments.

The Bank remains a dominant player in the Debt Capital Market (DCM) segment. The Bank regained its numero uno position for calendar year 2024 (as per Bloomberg league table) after ranked 3rd in the calendar year 2023. The Bank maintained its leadership position for 16 consecutive years as the number one arranger until calendar year 2022. The Bank also has a growing International Debt Capital Markets franchise with mandates from leading corporate issuers for their international bond issuances. The desk has demonstrated a track record of arranging several ESG (Environmental, Social & Governance) compliant issuances.

Treasury Sales, a part of the Fixed Income, Currency and Commodities (FICC) industry along with Coverage provides bespoke treasury solutions including customised risk management and hedging solutions to our diverse clients. The team offers a spectrum of forex and derivatives products, and its strengths lie in complex and structured risk management solutions, as well as hedging advisory and execution skills. A comprehensive digital proposition "Neo for Markets" is offered to clients and is ranked amongst the leading Treasury Solutions provider in the country.

The Bank's Loan Syndication desk is responsible for arranging loan facilities for corporate clients on underwriting/arranger/best-efforts basis while also undertaking secondary sale and purchase of loans. The desk, being active in both domestic and international loan markets, plays an integral role in balancing the risks and returns on the Bank's corporate loan book.

The Treasury Technology & Governance (TTG) team oversees the Treasury Technology implementation and ensures appropriate governance framework is put in place before new products are rolled out to customers/undertaken in Interbank market.

During the year, the Bank successfully transitioned to Murex as the core and integrated state-of-art Treasury system for all products other than Bullion as part of its technology upgrade.

Customer Obsession (SPARSH)

Sparsh, our Customer Obsession program, is a Bank-wide priority and a core area of distinctiveness for us, the tenets of which are now ingrained across all our 5,800+ branches, every customer touchpoint, and amongst all our 1.04 lakh+ colleagues. The journey toward customer obsession commenced at Axis Bank with an extensive outside-in effort, encompassing surveys of over 12,000 customers, conducting over 1,000 employee discussions, and evaluating more than 50 global companies for benchmarking purposes.

Sparsh 2.0: Enhancing Customer Satisfaction and Business Outcomes

Sparsh 2.0 aims to link Sparsh initiatives to enhanced customer satisfaction, leading to improved NPS and better business outcomes. The key focus areas of Sparsh 2.0 include:

- **Regional Structure:** The department was restructured to bring a regional focus, with nine regions covering Branch Banking, Wholesale Banking, and Retail Assets, along with subsidiaries, AVC, and Axis Phone. Sparsh Labs were also introduced to conduct innovative, low-cost, high-impact experiments to continuously collect customer feedback.
- **Listening with Intent:** A pan-organization culture of listening to customers was fostered, from the Managing Director to product teams and frontline staff.
- **Focus on Input Metrics:** Efforts were made to reduce Turnaround Time (TAT) and improve First Time Resolution (FTR).
- **Agile Customer Service:** Real-time close looping of Net Promoter Score (NPS) detractors (customers who vote negatively towards bank service) and complaints was implemented to ensure agile customer service.
- **WOW Moments:** Low-cost, high-impact interventions were implemented to delight customers distinctively.
- **Business Outcomes:** Key input metrics were identified to drive positive business results.
- **Customer Loyalty:** Efforts were made to increase the number of products per customer (PPC) by becoming the customers' primary bank.
- **Customer Advocacy:** Expansion in reach and business was driven by customer referrals, fostering a culture of customer advocacy.

The Bank has established four fundamental building blocks of customer obsession to realize its vision and strategy:

- **Craft delight journeys:** Embedding delight/WOW moments in customer journeys to make it distinctive.
- **Embed Sparsh values in every employee:** Deepen the cultural transformation to ensure customer delight is a fully embedded DNA through behaviors and initiatives for all employee including off-role.
- **Measure and act on Customer Feedback:** Net promoter score to be aligned with business outcome, churn rate, being the primary Bank to our customers.
- **Build institutional capabilities:** Build & facilitate institution wide capabilities and frameworks like, Axis Promise, tech capabilities - Adi, Kaleidoscope to ease operations and deliver delightful experiences.

Business Intelligence Unit

The Business Intelligence Unit (BIU) is a high impact team with a mandate to work with different businesses across the Bank to make better decisions and drive value using data and data products.

The team's impact spans across multiple areas including marketing, risk management, business strategy, collections and fraud management across multiple businesses including retail lending, credit cards, retail deposits, wholesale banking products, commercial banking group, operations, financial crime intelligence, compliance etc.

There are over 740 highly capable members in the team in various techno-functional roles with expertise in data engineering, data science, Gen AI and strategic analysis. Over the last 24 months, the Bank has made significant investment in rewiring the latent operating model with a focus on skill mapping including creation of new-age role archetypes (for e.g., ML Engineers), granular individual skill mapping, well defined skill assessment platform and personalised skill development.

The Bank's focus on Generative Artificial Intelligence (Gen AI) & Machine Learning (ML) along with traditional analytics has helped internal stakeholders to make data driven business decisions. The Bank continues to invest heavily in new age data science and engineering platforms – Big Data Lake, Cloud data platform, Micro Services-based architecture, and Analytical Work Bench. Cloud migration has been a big focus over last 24 months with multiple uses migrated to hybrid loud strategy adopted by the Bank.

The Bank has built a modern data stack, with 2,000+ live use cases. It is a petabyte scale lakehouse with terrabytes of data ingested the every day leveraging enterprise class tools to drive scalability and flexibility for the business. On data governance and quality, the Bank has leveraged MDM (master data management) to create a cutting-edge data quality outcomes. MDM is a customer master data for managing customer date elements from multiple core systems in one place. This has placed the Bank with a great starting point to leverage quality data and drive changes required to comply to new DPDPA act.

During the year, the BIU team focused on 3 key distinctive initiatives – Optimisation analytics, ML Engineering and Generative. Optimisation analytics has allowed the Bank to create 10,000+ simulations factoring in realistic constraints to arrive at data backed optimal outcome for the Bank. Optimisation analytics is being used across multiple areas including pricing strategies, marketing cost optimisation, etc. The Bank also uses optimisation analytics to ensure the loan offer made to customer is optimal in terms of pricing and limits offered. The Bank has embarked on journey for creating cutting edge ML engineering capabilities which has enabled the Bank to reduce its model development lifecycle by 25%. On Generative AI, the Bank has launched multiple use cases focused on enabling large scale automation and improving employee productivity.

Information Technology and Cyber Security

The Information Technology (IT) department vision aligns with the Bank strategy to be a leading tech and digital bank, committed to technological excellence and innovation with a secure, resilient, efficient banking system. The Bank aspires to develop and maintain advanced digital and data capabilities, enhance operational efficiency through innovative solutions, empower customers and employees through reimagined journeys, ensure the highest standards of security and reliability across IT operations, and drive cost efficiency and maximize return on investments.

The IT department has been focusing heavily on expanding its technology capabilities with a talented team of 2,000+ members having strong domain expertise. Furthermore, IT is committed to innovation, resiliency, and enhancing customer experience with focusing on more than 35 key initiatives including lending transformation, GenAI, personalization, digital payments, and integration of cloud ecosystem.

The Bank is continuously enhancing its Mobile Banking platform, now featuring more than 250 functionalities. The Bank has achieved remarkable ratings of 4.8 on the iOS App Store based on 349K reviews and 4.7 on the Google Play Store from 3 million+ reviews. The improved capabilities of the Bank's channels have notably increased the volume of service requests managed at branches, resulting in a growth of monthly active users to over 15 million. Currently, the Mobile Banking application boasts 33.7 million registered users. The Bank is committed to sustaining its top-tier status and excellent ratings on both the iOS App Store and Google Play Store throughout the fiscal 2026.

The Bank has enhanced its support capabilities by providing services in more than ten languages. Furthermore, the Bank has 32 digital services on Branch of the Future (BOTF) channel with new features such as change in EMI cycle, change in EMI repayment account, and ability to download loan account statement. The Bank's WhatsApp banking channel exceeded 30 million customers, conducted 100+ campaigns and 40 million+ communications, and added FD booking and Loan services as its latest offerings.

The Bank maintained a strong presence in the UPI sector, with a total VPA base of 1,674 million and facilitating around 37.6 million merchant transactions daily via the UPI platform. The Bank has achieved the top position in the UPI Payer PSP market, commanding a market share of ~33%. Furthermore, the Bank has launched an UPI-enabled ATM cash withdrawal and deposit feature, in addition to existing offerings such as RuPay Credit Card on UPI, digital currency interoperability through UPI, and UPI support for international payments. The Bank also has one of the lowest UPI technical decline levels among the peer banks.

The Bank initiated the integration of GenAI into its operations by launching Axis Deep Intelligence (ADI), an internal chatbot powered by GenAI. ADI is leveraged over 5,800 branches throughout India and supports more than 104,000 employees. The Bank is harnessing emerging technologies such as AI/ML, automation, and data analytics to enhance customer experience, optimize operational efficiency, and improve staff productivity by building AI assists. Furthermore, the Bank has empowered different departments with Co-pilot capabilities including 4,500+ bots across 1,850+ automated processes.

The Bank has built a secure and hybrid API platform using an API Gateway and Enterprise Service Bus (ESB) for external partners and internal users. The Bank has developed a cloud-based integration platform to manage API products for partners, such as account opening and co-lending services. Furthermore, the Bank has established API guardrails to classify APIs into different levels of criticality (High, Medium, Low) with better security controls and API governance. The Bank has launched API-driven products with partners like Flipkart, Google, and Airtel, addressing transactional banking, trade, credit card services, foreign exchange, and payment solutions. The API usage has surged, with a 50% increase in daily requests, over 840 partner APIs, 850+ partner onboardings, and 2,000+ internal APIs. The API developer portal offers access to 460+ APIs for over 5,000 developers, enhancing accessibility.

The Bank has maintained a Cloud-first and Cloud-native approach, creating three enterprise-grade landing zones and deployed over 150 applications on the Cloud. The Bank became the first Indian bank to receive ISO certification for AWS and Azure cloud security. With a focus on hyper-automation, the Bank utilised Infra-as-a-Code and enhanced application observability with Cloud-based SRE practices. The Bank's cloud infrastructure achieved high maturity in governance, resilience, data recovery, security, monitoring, and incident response. Additionally, the Bank secured cloud privacy certification and implemented robust security protocols, including Zero Trust Controls.

The Bank operates centralized IT infrastructure from two primary data centers across different seismic zones (Mumbai and Bengaluru) and a near DR data center (Bengaluru). These centers use wide area network connectivity and multiprotocol label switching for application delivery to domestic and overseas branches. The data centers comply with the best benchmarking standards, feature redundancy systems with multiple active power and cooling paths. The Bank has implemented data privacy measures, including user access management, network security, secure configuration, BCP, DR, and database security, ensuring seamless digital experiences for customers, employees, and partners.

The Bank led CBDC initiatives, becoming the first among peers to launch both Android and iOS apps, with over 0.65 million registered customers and 6 million transactions. As the preferred RBI partner for the Government-led Programmable CBDC initiative, the Bank collaborates with various ministries and organizations. The Bank aims to expand government collaboration for CBDC projects and integrate with TPAP to boost adoption.

The Bank is dedicated to maintaining top-tier data security and privacy standards, continuously investing to enhance its capabilities. It follows a comprehensive cyber security program with policies and standards based on industry best practices and regulatory guidelines. The Bank's cyber security framework, aligned with NIST and ISO27001 standards, focuses on key areas: Identify, Protect, Detect, Respond, and Recover. It complies with multiple ISO standards, including ISO27001 Information Security Management System (ISMS), ISO27017 Cloud Security Standards, ISO27034 Business Application Security Certification, and ISO27018 PII Data Security Standard Certification, as well as the Payment Card Industry Data Security Standards (PCIDSS), showcasing its robust cyber security resilience.

The Bank operates a 24/7 Security Operations Centre and Cyber Security Operations System, with all digital products monitored on the Dark Net/Deep Web. It boasts a BitSight Rating of 810 out of 900, indicating a strong internet-facing security posture, surpassing 90% of banking and finance entities tracked by BitSight. Internally, the Bank employs a zero-trust architecture, enhancing security technology and process controls.

To protect its information assets, the Bank has implemented various cyber security controls, including Zero-Trust Architecture for secure remote access, micro-segmentation to reduce the cyber-attack surface, Advanced End-Point controls and Data Leakage Prevention (DLP), secure-by-design practices like DevSecOps and security testing and rigorous vetting of SaaS and PaaS providers for compliance and security.

Further, the Bank has implemented a robust Enterprise Security Governance Framework, e-mail security controls against phishing, continuous security monitoring and threat intelligence, network security measures like WAF and DDoS Protection and Cloud security measures supporting Cloud-First goals for enhancing its cyber security controls.

The Bank's Information & Cyber Security governance framework operates at both strategic and executive levels to ensure that controls are commensurate with applicable risks and threats. Here's a detailed look at the committee oversight and governance:

Strategic Level Oversight

Board of Directors: The Board is responsible for the oversight of the Bank's cyber security strategy and risk management. They ensure that the cyber security measures align with the Bank's overall business objectives and regulatory requirements.

Risk Management Committee: This committee focuses on identifying, assessing, and mitigating risks, including cyber security risks. They review the effectiveness of the Bank's risk management framework and ensure that appropriate measures are in place to manage cyber threats.

Executive Level Oversight

Information Technology & Digital Strategy Committee: This committee oversees the Bank's IT and digital strategies, ensuring that cyber security is integrated into all digital initiatives. They monitor the implementation of cyber security policies and standards, ensuring compliance with industry best practices and regulatory guidelines.

Information System Security Committee: This committee is responsible for the operational aspects of the Bank's cyber security program. They oversee the implementation of security controls, monitor cyber threats, and ensure that the Bank's information assets are protected. They also coordinate with various regulatory bodies to strengthen the Bank's cyber defence mechanisms.

By having a structured governance framework with clear oversight responsibilities, the Bank ensures that its cyber security measures are robust, effective, and aligned with its overall business objectives. This comprehensive approach helps the Bank maintain a strong security posture and protect its information assets from cyber threats.

Risk

The risk management objective of the Bank is to ensure that the Bank operates in a risk – sensitive manner within the parameters of the Board approved Risk Appetite Statement and the concerns of Risk Department, while balancing the trade-off between risk and return. In order to achieve this objective, the Bank has ensured at the outset the following enablers

- Robust risk governance from the top
- An independent risk management function
- Board approved risk appetite
- Focus on risk culture

Risk Governance

The Board is the apex Governance body on all matters of risk management. The Board of Directors exercises its oversight over risk management both directly and through its Committees, namely the Risk Management Committee, the Audit Committee of the Board, the Special Committee on Monitoring Bank Frauds and the IT & Digital Strategy Committee. While the Board reviews risk management matters on a quarterly basis, including approval of risk policies, risk profile, stress testing, risk policies, key & emerging risks etc., the Risk Management Committee oversees these matters in greater detail and depth and approves the Risk Appetite Statement of the Bank.

Executive Risk committees are constituted to look at specific areas of risk and are mandated by the Risk Management Committee of the Bank. Till fiscal year 2025 these were: Credit Risk Management Committee (CRMC), Asset Liability Management Committee (ALCO), Operational Risk Management Committee (ORMC), Information Systems Security Committee (ISSC), Central Outsourcing Committee (COC), BCP & Crisis Management Committee (BCPMC), Apex Committee, Subsidiary Governance Committee (SGC) and Enterprise & Group Risk Management Committee (EGRMC). The Risk Management Committee of the Bank exercises oversight on these committees through review of their minutes and a review of the risk profile reviewed in these committees.

Independent risk management function

An independent risk management function offers assurance to the Board that risks are being taken and managed in line with the overall risk appetite of the Bank and the risk management policies of the Bank approved by the Risk Management Committee and the Board.

In order to ensure independence, the following enablers are in place:

- Risk function is headed by a Chief Risk Officer who is appointed by the Board of Directors and reports to the Risk Management Committee with additional reporting to the MD & CEO of the Bank.
- The Chief Risk Officer does not have any business targets nor does this officer have any other role like operations, technology etc.
- The Chief Risk Officer has direct access to the Risk Management Committee of the Board and meets the committee one on one on a quarterly basis without any other officers of the Bank being present.
- The Risk function under the Chief Risk Officer is part of various decision making bodies. For example, Risk function is a permanent invitee to all credit sanctioning committees in the wholesale banking space, Risk function convenes and conducts meetings of executive risk committees etc.
- The Risk function is well staffed in terms of people and has independent access to data needed to support its working.

The Risk Department, while discharging its role, first lays down risk policies which are then approved by the Board of Directors, and then monitors the risk profile of the Bank across various components of risk in line with these policies and also informs and escalates matters of concern to the appropriate levels of management.

Risk Appetite

The overall risk appetite and philosophy of the Bank is approved by the Risk Management Committee of the Bank.

The Risk Appetite Statement and the framework thereof provides guidance to the management on the desired level of risk for various types of risks in the long term and helps steer critical portfolio decisions.

The Risk Appetite is set at the Bank level and is cascaded into the business units for driving decisions at an operational level. It is monitored by the Risk Department which reports on the adherence thereto to the senior management and also to the Risk Management Committee.

Risk Culture

A robust operational risk and compliance culture is the cornerstone for risk management in any institution. In the Bank, Risk Department along with Compliance Department has put in place an action plan to strengthen the risk and compliance culture. This includes various initiatives such as -

- Training and awareness programs
- Strengthening staff accountability framework
- Clarity on roles and responsibilities of the front line staff
- Tone from the top through communication from the MD & CEO

Risk Architecture

The risk architecture is composed, for every type of risk, of elements of -

- Governance with executive risk committee oversight
- Risk policies to provide guidance
- Tools for measuring risk level
- Monitoring of risk profile
- Reporting for actioning

A summary of these facets of the key risks is provided here:

Risk type	Definition	Approach to risk management
Credit Risk	Credit risk is the risk of financial loss if a customer, borrower, issuer of securities that the Bank holds, or any other counterparty fails to meet its contractual obligations. Credit risk arises from all transactions that give rise to actual, contingent, or potential claims against any counterparty, customer, borrower or obligor.	The goal of credit risk management is to maintain asset quality and concentrations at individual exposures as well as at the portfolio level. Internal rating forms the core of the risk management process for wholesale lending businesses with internal ratings determining the acceptability of risk, maximum exposure ceiling, sanctioning authority, pricing decisions and review frequency. For the retail portfolio including small businesses and small agriculture borrowers, the Bank uses different product-specific scorecards. Credit models used for risk estimation are assessed for their discriminatory power, calibration accuracy and stability, independently by a validation team. Both credit and market risk expertise are combined to manage risks arising out of traded credit products such as bonds and market related off-balance sheet transactions.
Market risk	Market risk is the risk of losses in 'on and off-balance sheet' positions arising from the movements in market price as well as the volatilities of those changes, which may impact the Bank's earnings and capital. The risk may pertain to interest rate related instruments (interest rate risk), equities (equity price risk) and foreign exchange rate risk (currency risk). Market risk for the Bank emanates from its trading and investment activities, which are undertaken both for the customers and on a proprietary basis.	The Bank adopts a comprehensive approach to market risk management for its banking book as well as its trading book for both its domestic and overseas operations. The market risk management framework of the Bank covers inputs regarding the extent of market risk exposures, the performance of portfolios vis-à-vis the market risk limits and comparable benchmarks which provide guidance to the business in optimizing the risk-adjusted rate of return of the Bank's trading and investment portfolio. Market risk management is guided by clearly laid down policies, guidelines, processes and systems for the identification, measurement, monitoring and reporting of exposures against various risk limits set in accordance with the risk appetite of the Bank. Risk Department independently monitors the Bank's investment and trading portfolio in terms of risk limits stipulated in the Market Risk Management Policy and board approved Market Risk Appetite and reports deviations, if any, to the appropriate authorities as laid down in the policy and in the Risk Appetite Statement. The Bank utilises both statistical as well as non-statistical measures for the market risk management of its trading and investment portfolios. The statistical measures include Value at Risk (VaR), stress tests, back tests and scenario analysis while position limits, marked-to-market (MTM), stop-loss limits, trigger limits, gaps and sensitivities (duration, PVBP, option greeks) are used as non-statistical measures of market risk management.

Risk type	Definition	Approach to risk management
		The Bank follows a historical simulation approach to calculate Value at Risk (VaR) with a 99% confidence level for a one-day holding period in a time horizon of 250 days. VaR models for different portfolios are back tested on an ongoing basis and the results are used to maintain and improve the efficacy of the model. VaR measurements are supplemented with a series of stress tests and sensitivity analyses as per a well laid out stress testing framework.
Liquidity risk	Liquidity is a bank's capacity to fund increase in assets and meet both expected and unexpected cash and collateral obligations at a reasonable cost and without incurring unacceptable losses. Liquidity risk is the inability of a bank to meet such obligations as they become due, without adversely affecting the Bank's financial condition.	The Asset Liability Management (ALM) Policy of the Bank stipulates a broad framework for liquidity risk management to ensure that the Bank is in a position to meet its liquidity obligations as well as to withstand a period of liquidity stress from bank-level factors, market-wide factors or a combination of both. The ALM policy captures the liquidity risk appetite of the Bank and related governance structures as defined in the Risk Appetite Statement. The ALM policy is supplemented by other liquidity policies relating to intraday liquidity, stress testing, contingency funding plan and liquidity policies for each of the overseas branches. The liquidity profile of the Bank is monitored 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 conduct of liquidity stress tests periodically. Periodical liquidity positions and liquidity stress results are reviewed by the Bank's ALCO and the Risk Management Committee of the Board. The Bank has integrated liquidity risk management guidelines issued by RBI pursuant to the Basel III framework on liquidity standards in its asset liability management framework. These include the intraday liquidity management and the Liquidity Coverage Ratio (LCR). The Bank maintains LCR/NSFR in accordance with the RBI guidelines and the defined risk appetite of the Bank.
Operational risk	Operational risks may emanate from inadequate and/or missing controls in internal processes, people and systems or from external events or a combination of all the four. Operational risk manifests in the form of - • Core process risk • Change management risk • Outsourcing risk • Continuity risk • Information & cyber security risk	**Core operational risk** The Bank has in place an Operational Risk Management (ORM) Policy to manage the operational risk in an effective, efficient and proactive manner. The policy aims at assessing and measuring the magnitude of risks, monitoring and mitigating them through a well-defined framework and governance structure. The Bank has set up a comprehensive Operational Risk Measurement System for documenting, assessing, and periodic monitoring of various risks and controls linked to various processes across all business lines. **Change management risk** All new products and processes, as well as changes in existing products and processes are subjected to risk evaluation by the Operational Risk team. The overall responsibility of new products is vested with the Risk Department through the Bank's Product Management Committee and Change Management Committee. **Outsourcing risk** Outsourcing arrangements are examined and approved by the Bank's Outsourcing Committee after due recommendations from the Operational Risk team.

Risk type	Definition	Approach to risk management
		Business continuity risk The Business Continuity Planning Management Committee (BCPMC) exercises oversight on the implementation of the approved Business Continuity Plan (BCP) framework which has been put in place to ensure continuity of service to its large customer base. The effectiveness of the approved Business Continuity Plan (BCP) framework is tested for all identified critical internal activities to ensure readiness to meet various contingency scenarios. The learning from the BCP exercises are used as inputs to further refine the framework. With effective Business Continuity Plan in place, the Bank has effectively managed to run its operations by adapting to various continuity/mitigation plans.
		Information security risk The Bank pursues a holistic Information and cyber security program with a comprehensive Information Security policy, Cyber Security policy and standards based on industry best practices with compliance to regulatory guidelines. These policies are aligned with the regulatory directives on Information and Cyber security and with global best practices like NIST, ISO27001:2013, PCI DSS etc. The governance framework is in place at executive level with Information System Security Committee constituting key business functions meeting at least once in a quarter to assess the threat landscape and validate the controls enforced in the Bank commensurate with the cyber risks. The Bank has invested in strong technical and administrative controls to proactively prevent, detect and contain and respond any suspicious activity. The Bank is compliant to ISO27001 standard and PCI DSS standard. The Bank conducts various assessments to identify and remediate risks before any application and/or IT infrastructure component is deployed. These assessments include Application security, vulnerability assessment, penetration testing, security architecture review data security assessment etc. The Bank also has adopted defense in depth methodology to protect its valuable assets from intrusion by malicious actors. The Bank has 24 x 7 Security Operation Center (SOC) to keep vigil on its digital assets and coordinates with RBI, Indian Computer Emergency Response Team (CERT-IN), National Critical Information Infrastructure Protection Centre (NCIIPC), National Payments Corporation Of India (NPCI) etc. for implementation of their recommendation to strengthen its defense against cyber-attacks. The Information System Security Committee of the Bank provides directions for mitigating operational risk in the information systems. Over the year, the Bank has focused on strengthening the operational and information security risk frameworks by implementing several initiatives.

Strategic initiatives undertaken in fiscal 2025

The Bank has invested in strengthening the risk infrastructure across multiple dimensions.

During fiscal 2025, the Risk Department enhanced its coverage of risks by strengthening the governance around group risk through a comprehensive group risk appetite and deeper coverage of key risks by the EGRMC. The Department also continued to enhance its scope of model risk by enhancing the model governance and validation processes.

In terms of control environment, the Department strengthened controls around operational risk, technology resilience and digital banking, leading to a reduction in the level of critical and persistent operational risks.

Finally, Risk Department led the operational risk and compliance culture initiatives and tracked the milestones therein to closure, which would, over time, lead to a robust risk lens being embedded in business.

Risk Department also continued to work on its four areas of distinctiveness -

- Enhancing the climate and ESG risk conversations in the Bank
- Training and certification for cyber security
- Models in the retail lending space for credit – led underwriting
- Models and toolkits for rural lending

The Risk team remains focused on supporting the Bank in implementing its GPS strategy in a risk – sensitive manner. To that end, the team has identified a few critical initiatives to support the various strategic thrusts such as enhancing toolkits around digital banking, rural lending, cyber security, universal underwriting and enhanced credit monitoring. Further, to strengthen the risk culture, Risk Department will focus on stronger risk appetite governance, proactive risk actioning around key risk concerns and enhanced group risk oversight.

Successful implementation of these initiatives will help the Bank to achieve its GPS objectives in a sustainable manner, embedded in the bedrock of a robust assurance culture.

Subsidiary Governance

As a Financial Conglomerate (FC), Axis Group has established a robust framework & process of governance over its subsidiaries, approved by the parent Bank's Risk Management Committee and Board, and Subsidiary Governance Department (SGD), which plays key role in ensuring:

a. alignment of important policies by the subsidiaries with group wide policies & best practices; and

b. regular engagement with the subsidiaries and the concerned departments in the Bank involved in the process of governance over subsidiaries to review status of governance and further reporting to group level executive committees and the committees of the Board of the Bank.

Over the last year, the Bank has tightened the process of governance over subsidiaries and some of the important measures taken include review of penalties levied by regulators on the subsidiaries to reduce, if not eliminate, them in a sustainable manner, by guiding them to make changes in systems & processes. Further, framework for reporting of significant events has been put in place, which lists down the incidents/events which the subsidiaries are required to report to the Bank along with timeline, details to be shared and the recipient departments & process to be followed thereafter by respective departments responsible for reporting to executive & Board committees.

All the matters of subsidiary governance are overseen by the executive committees, namely Subsidiary Governance Committee (SGC) & Enterprise Risk Management Committee (EGRMC) and Board of the Bank as well as committees of the Board, namely ACB, RMC and CSCB. These forums are provided update on important matters relating governance in the group companies by group assurance heads and SGD on a quarterly basis.

Compliance

Compliance function is one of the key elements in the Banks' corporate governance structure. The Bank follows Board approved policies to ensure compliance with the regulatory requirements, which are updated regularly to factor in the changing and increasing regulatory and supervisory requirements and expectations, as well as other good practices. Identification, assessment, and management of compliance risks and ensuring timely and comprehensive compliance to regulatory requirements on an ongoing basis is an integral part of basic responsibilities of every employee, stakeholder, and function within the Bank. The Board and senior management emphasise zero tolerance for non-compliance to regulatory requirements.

The Bank's Compliance department ensures that overall business of the Bank is conducted in strict adherence to the guidelines/statutory provisions as stipulated by the regulators/authorities and guides the business units and other stakeholders on regulatory requirements with a special emphasis on better understanding of the perspective/spirit of the guidelines and regulations. It closely works with Risk and Internal Audit functions and monitors various activities of the Bank with emphasis on proactive regulatory risk management.

The Bank has been undertaking various projects/measures to strengthen the compliance monitoring, as part of continuous improvement, through review of frameworks, processes, enhancement of technology, use of AI tools, etc. The other important focus areas to ensure robust regulatory compliance continues to be the frameworks for Root Cause Analysis (RCA), accountability & consequence management, self-identification of issues & remediation by first line of defence, compliance testing frameworks and automation of processes wherever feasible to eliminate the operational errors.

The Bank has also strengthened its oversight over its subsidiaries through implementation of group governance framework/policy, review of compliance with the business licenses issued by regulators/authorities to subsidiaries and alignment of policies of subsidiaries with Bank's policies wherever required. All heads of compliance functions in the subsidiaries have a dotted line reporting to the Group Chief Compliance Officer, who oversees the status of regulatory compliance across the group through laid down process of timely and regular reporting by the subsidiaries and an ongoing monitoring process.

Internal Audit

The Internal Audit function of the Bank operates independently under the supervision of the Audit Committee of the Board, which reviews & evaluates the efficacy and performance of the internal audit function. The audit policy, strategy and plan for carrying out audits across functions of the Bank and the Axis Group are approved by the Audit Committee of the Board. Further, audit policy, strategy and plan are reviewed regularly to factor in inputs received from regulatory guidance, changes in regulations, business landscape & emerging areas of business and risks, learnings from various operational failures, risk incidents, frauds, etc., in a dynamic manner.

The Internal Audit function provides an independent assurance to the Board of Directors and Senior Management on the quality and efficacy of the internal controls, risk management systems, governance systems and processes in place on an on-going basis. This is provided to primarily ensure that business and non-business functions are following both internal and regulatory guidelines and processes.

In line with the RBI's guidelines on Risk Based Internal Audit (RBIA), the Bank has adopted a risk based internal audit policy. The Risk Based Internal Audit policy has been designed factoring regulatory guidelines and international best practices. The policy has a well-defined architecture for conducting Risk Based Internal Audit which articulates the audit strategy in terms of a concerted focus on strategic and emerging business risks. These inputs form a key step in the identification of the audit universe for the audit planning exercise. The audit frequencies are in congruence with the risk profile of each unit which is audited. Further, concurrent audit, off-site audit, and thematic & snap audit reviews have been integrated into the internal audit process to make the function more robust. The Audit function recommends for making improvements in operational processes, design elements and policies, as part of audit report recommendations.

Emerging technologies like artificial intelligence and robotic process automation are deployed to harness enhanced efficiency and effectiveness in performance of audits. Automated checks and tests have been developed across various functions covering retail, wholesale, treasury, operations, and also to augment thematic audits, information security audit, revenue audit and concurrent audit, to independently evaluate the adequacy and effectiveness of internal controls on an ongoing basis and to proactively recommend enhancements to the process owners. The Internal Audit function has mix of resources with expertise in technology and functional skill for effectively conducting various types of audits. The

Internal Audit function continuously strives to enhance its effectiveness & efficiency through internal reviews and external evaluations and augmenting skill sets of the audit resources for making Internal Audit Function agile and responsive towards the emerging and strategic risks.

Internal Audit framework for subsidiaries has been further strengthened under the Group governance framework by having group audit policy, which is supplemented by structured engagement, audit oversight, monitoring of key KRIs and conducting thematic audits.

Corporate Social Responsibility (CSR) & Sustainability

CSR

The Bank's 'OPEN' philosophy continues to shape its strategy and actions towards creating long term impact in the community. Through its CSR interventions, which are guided by the CSR Policy and overseen by the Board and its CSR Committee, the Bank has been contributing towards the socio-economic welfare of underprivileged and under-represented communities across the country primarily under the broad themes of sustainable livelihoods, education, financial literacy and inclusion, conservation and protection of the environment, health & nutrition, sports, as well as humanitarian and relief based interventions. The Bank's CSR efforts consciously strive to touch the most marginalized communities such as those in the aspirational districts, remote regions and north-east regions. The Bank continues to ensure that its CSR Policy, governance and oversight, and project implementation are in accordance with the Section 135 of the Companies Act 2013 and all rules made thereunder.

The Bank's CSR interventions continue to be delivered directly, through credible implementation partners, and the CSR arm of the Bank viz. Axis Bank Foundation.

Axis Bank Foundation was established in 2006 as a Trust to give strategic direction to the Bank's CSR aspirations. Since 2012, the foundation's activities are focused on the theme of Sustainable Livelihoods, delivered across the two pillars of Rural Livelihoods and Skill Development. Since 2018, the Foundation has implemented its ambitious 'Mission 2 Million' commitment of supporting 2 million households in India. In fiscal 2025, ABF achieved this milestone impacting 2.05 million participants across 300 districts in 32 states and union territories as on 31 March, 2025. In this fiscal alone, it reached 0.39 million participants.

This year, the Bank expanded its efforts in Education theme – scaling Axis DilSe® interventions to new remote geographies, strengthening education system through key partnerships, and supporting advance research and innovation.

The Bank expanded its Axis DilSe® interventions to Arunachal Pradesh, launching a school transformation program in Shi Yomi district and establishing a Teacher Training & Skill Academy at Mechuka. This initiative in partnership with Sunbird Trust, is expected to benefit more than 2,500 children and 900 teachers over the program period, strengthening the education ecosystem in the region. Additionally, the Bank scaled up its Block Transformation Program in partnership with Tata Steel Foundation to six more blocks – three in Odisha and three in Jharkhand – building on the success of Odapada block transformation program. This expansion ensures equitable and quality education for more communities.

As part of strengthening the education system, the Bank partnered with Sri Aurobindo Society to build the teacher capacity of over 300 Kendriya Vidyalaya Sangathan Schools and over 80 state government schools across 6 states, in competency-based learnings, assessments, and pedagogies, in alignment with NEP 2020. Additionally, the Bank collaborated with Mantra Social Services to improve educational outcomes by catalyzing collective action in five districts across Chhattisgarh, Odisha and Jharkhand, driving systemic improvements in the education sector.

To support research and innovation, the Bank scaled up its partnership with Plaksha University to construct and operationalize Future Tech building which will house experiential learning spaces, innovation facilities, and collaborative hubs. Additionally, the Bank will institute a Faculty Chair at the university and support Ph.D. and Post doctoral fellowships to strengthen academic excellence and research impact.

As part of the Bank's efforts in the Healthcare sector, it announced strategic partnerships with three leading cancer care and research institutions—National Cancer Grid (NCG) under Tata Memorial Centre, The Indian Cancer Society (ICS), and St Jude India Childcare Centers. The partnership will enhance digital oncology infrastructure, improve access to cancer care, and support research and early diagnosis initiatives.

This year, the Bank also introduced sports as a new thematic focus area. The Bank partnered with Olympic Gold Quest (OGQ) to support 224 athletes and para-athletes across 10 Olympic and 8 paralympic disciplines. Additionally, in collaboration with Inspire Institute of Sport (IIS), the Bank launched a Judo Development Program in Manipur to nurture grassroots talent in the Judo discipline. Under this initiative, 104 young judokas received foundational training in Manipur, while 53 female judokas will be awarded full scholarships to study and train at the state-of-the-art IIS campus in Vijayanagar, Karnataka.

Under the Environment theme, the Bank made considerable progress towards meeting its commitment planting 2 million trees across India by 2027 and continued to support plantation programs over and above its commitment. As of 31 March, 2025, ~3.27 million saplings had been planted across 7 geographies by the Bank's implementing partners thereby achieving its target. The interventions also supporting vulnerable communities living in the peripheries of protected forests and reducing human-animal conflict.

During the year, the Bank extended humanitarian support and relief in flood affected areas in Assam, Karnataka, Maharashtra and Manipur working with its partners or local organizations. Additional details on the Bank's CSR governance, interventions and impact for the reporting year can be accessed in the Annual Report on CSR Activities which forms part of this Annual Report. Additional information is also available on the Bank's corporate website at https://www.axisbank.com/csr and on the Foundation's website at http://www.axisbankfoundation.org/

ESG

Environment, Social, and Governance (ESG) is integral to the Bank's long-term organizational strategy and actions. The Bank continues to align its overall decision-making and subsequent operations to its Purpose Statement - 'Banking that leads to a more inclusive and equitable economy, thriving community and a healthier planet'.

To drive action on focused themes under the larger ESG agenda, specific groups have been set up at the management level. These include the ESG Working Group to drive sustainable financing initiatives and the Diversity, Equity & Inclusion (DEI) Council to drive the diversity focus. In fiscal 2022, Axis Bank had become the first Indian bank to establish a standalone Board level ESG Committee, enabling the Bank to align its diverse priorities and activities under a unified and cohesive ESG agenda. Under the ESG Committee's oversight, the Bank had also announced a series of ESG-aligned commitments with its business and non-business activities, which are being driven by the pertinent verticals across the organization. The Bank's commitments are aligned to pertinent Sustainable Development Goals and to India's climate commitments under the Paris Agreement. In fiscal 2025, the ESG Committee of the Board met 4 times, wherein it reviewed the Bank's progress towards achieving its ESG-aligned commitments and also provided its guidance on new initiatives and activities. The Bank's overall ESG-aligned activities, highlights and developments during the fiscal, including its progress on its commitments, are published in this Integrated Annual Report which is aligned to the <IIRC> framework and the GRI reporting framework.

Towards its commitment of achieving incremental wholesale lending of ₹30,000 crores in sectors with positive sustainable impact by 2026, as included in the Bank's Sustainable Financing Framework, the Bank achieved ₹30,409 crores of incremental lending as of 31 March, 2024 thereby meeting its target much in advance. Therefore, in this fiscal, the Bank re-evaluated the wholesale lending target and set it to ₹60,000 crores to sectors with positive social and environmental outcomes by 2030. The Bank has achieved ₹48,412 crores of incremental lending as of 31 March, 2025. In fiscal 2022, the Bank had also taken an internal commitment to scaling down its exposure to coal mining and trading, and thermal power sectors, which is being tracked on a quarterly basis and reported to the ESG Committee of the Board. As of 31 March, 2025, the Bank's exposure to these two sectors was well within the annual limits set as part of the glide path. The Bank's total Wholesale lending portfolio in the 'green' sectors stood at ₹22,160 crores as of 31 March, 2025.

Towards its commitment to making 5% of its Retail Two-Wheeler loan portfolio as electric by March 2024, the Bank achieved an EV share of 3.62% till fiscal 2024 (cumulatively since 1 October, 2021), partly due to policy changes such as changes to FAME II program and consumer anxiety around charging infrastructure and lack of used market. Notably, in this period, the Bank entered into exclusive dealer finance programs, launched a differential policy to support the EV segment, and scaled its retail tie ups, in addition to offering a sector-leading up to 0.5% interest discount on EV loans, thus achieving an EV share of 5.53% for this fiscal. During the year, the Bank also re-evaluated its EV lending portfolio and set up new targets to increase the share of electric vehicle revenue in two-wheeler loan portfolio and four-wheeler passenger loan portfolio to 6% and 4% respectively by 2027. As of 31 March, 2025, the Bank has achieved an incremental lending of 7.14% in Two-Wheeler electric vehicle and 2.92% in Four-Wheeler passenger segment electric vehicle. The Bank is also actively scaling its ESG aligned retail products including solar rooftop loans for SMEs and green home loans.

Under the ESG Committee's oversight, the Bank has been actively working towards strengthening its climate risk management capabilities at the enterprise level. In 2022, the Bank had reached its first milestone of embedding ESG- and climate-related risks and opportunities into its annual Internal Capital Adequacy Assessment Process (ICAAP). In 2023, the Bank had also significantly strengthened its ESG Policy for Lending that integrates environmental and social risk assessment into its credit appraisal for Wholesale Banking. The updated Policy now mandatorily requires scrutiny of proposals in sectors identified as hazardous, such as coal mining, thermal power and hazardous chemicals. Notably, key proposals discussed at the Board's Committee of Directors now include an assessment under the ESG Policy for Lending.

In 2023, the Bank had launched a pilot ESG Rating Model for select clients in the Wholesale Banking business vertical. The Model, developed in-house, includes more than 80 parameters across the three pillars of E, S and G and went live in March 2024 for select sectors. Notably, the Bank has also published its first ESG Risk dashboard, that has also been presented to the Board's Risk Management Committee. As part of the said dashboard, the Bank has also developed a hazard heat map for identified sectors, including its Retail Mortgages, Rural, and MSME lending verticals. Additionally, the dashboard also includes an assessment of the transition risk in sectors identified as having "high" transition risk, including iron and steel, cement, and fertilizers and agrochemicals. During the year, the Bank's Risk and Wholesale Underwriting verticals participated in a two-day Climate Risk training by Indian and international experts as part of a UK Government program.

The Bank continues its focus on Diversity, Equity, and Inclusion (DEI). Towards its commitment to achieve 30% representation of women in its workforce by fiscal 2027, the Bank has been actively scaling up hiring diversity across all business and support verticals while launching innovative initiatives that truly embody the Bank's organizational ethos. In line with the same, in fiscal 2021, the Bank introduced "Pause for Bias" as an integral component of the induction module for new joiners. This module encourages employees to recognize and address their inherent biases. This further lays the foundation for the Bank's "Gateway to Inclusion" program with its focus on ensuring everyday inclusion. By reaching out to over 16,000 people managers, the Bank ensures that every team is enriched by diverse perspectives and that diverse representation is integral to every decision-making process. The Bank established the "Women in Sales" employee resource group with a focused mission to build an ecosystem that promotes capacity building, mentoring, and holistic support. This group is driven by a core committee of 30 senior leaders and a working committee of 100 employees from across various business units and with representation of men and women from Axis group—all dedicated to elevating women's success in sales. Breaking heuristic patterns in hiring, the #HouseWorkIsWork campaign continues to champion homegrown skills as the cornerstone of its hiring strategy. Drawing interest from over 4,000 candidates, this initiative affirms that a career break should not mean a permanent pause rather a fresh start enriched with new, valuable life-taught skills. The Bank continues its effort in creating an inclusive ecosystem for employees and customers from the LGBTQIA+ community through the #ComeAsYouAre Charter, This Charter highlights progressive policies— health coverage of partners regardless of marital status or gender, to offering inclusive leave benefits for birthing parents and their partners, along with a dress code that honours each individual's self-affirmed gender identity. The Bank formalized the Pride365 employee resource group that has grown from strength to strength from 7 employees during its inception year to over 1,000 employees with representation from diverse identities in the queer spectrum. Beyond internal programs, the Bank is also furthering its external impact on DEI. The Bank actively engages with communities and with people in the corporate ecosystem to promote best practices in diversity and inclusion, thereby catalysing positive change across society at large. The Bank's grass rooted effort Axis Women in Motion reached over 25,000 people from across towns, hinterlands and talukas—this program is focussed on encouraging women to build themselves as independent economic entities. Focusing on the student ecosystem, with a vision of cultivating the next generation of inclusive leaders, the Axis DE&I Curriculum on Building and Leading Inclusive Organizations was administered in 20 academic institutes, awarding certificates to over 800 students. These comprehensive sessions equip emerging leaders with the insights necessary to create and sustain inclusive environments, setting the stage for a transformative future in workplaces everywhere.

This fiscal year the Bank's initiative "Axis ViBE", (varsity of inclusive business enterprises) continued its focus on championing robust DEI practices across the broader business community and nurturing a collaborative ecosystem that values equity and inclusion. Through a series of dynamic events, this initiative reached 165 organisations.

With these initiatives, the Bank remains steadfast in its belief that every voice matters and that authentic inclusion drives innovation, excellence, and lasting success.

During the year, the Bank significantly scaled up its participation in and contribution to thought leadership and advocacy around the topics of ESG, climate change, financial inclusion, diversity, and sustainable finance, among others. The Bank's senior leaders are members of key committees on these topics at FICCI, CII, IBA, MCA, among others, as well as at the market regulators including SEBI.

The Bank continues to deliver steady performance at key ESG assessment and recognition platforms. The Bank was on the FTSE4Good Index for the eighth consecutive year in 2024. The Bank maintains an 'A' Rating by MSCI ESG Ratings and is scored C in the CDP. The Bank has improved its S&P Global ESG score to 57 and has an improved ESG Risk Rating of 19.4 as of last full update - March 2025 by Sustainalytics. Axis Bank is among Top 10 constituents of S&P BSE CARBONEX Index, MSCI India ESG Leaders Index and the Nifty100 ESG Sector Leaders Index.

Human Resources

Employees: The Core of Axis Bank's Growth Journey

At Axis Bank, our people are our greatest asset, driving the Bank's long-term objectives and commitment to excellence. We continue to build an engaging and enriching environment for our employees through innovative initiatives and policies designed to foster growth, inclusion, and a high-performance culture.

Investing in Capability Building

Axis Bank remains committed to enhancing employee skills and competencies through targeted learning initiatives. In fiscal 2025, we delivered over 6 million hours of training to 100,000+ employees, leveraging over 10 distinct capability factories focused on banking knowledge and leadership development. To build a strong leadership pipeline and foster future-ready talent, we continued to invest in our flagship talent management programs - AHEAD and ASTROS. The fourth edition of AHEAD Internal commenced in March 2024 for fiscal 2025, bringing on board 40 high-potential employees who underwent an extensive induction and mentoring journey. ASTROS has been successfully launched in March 2025, expanding our commitment to developing leadership capabilities across the Bank.

Strengthening Our Cultural Foundation

The Bank's culture is deeply rooted in five core values: ownership, teamwork, transparency, ethics, and customer centricity. These values serve as the guiding principles for our actions, shaping a workplace where fairness, diversity, and performance excellence thrive. With a strong network of over 2,300 Axis Value Realisers (AVRs), our culture champions drive these values across the organization. In 2024, Axis Bank was recognized once again as a Great Place to Work® certified organization, marking our fourth consecutive year of this achievement.

Elevating Internal Talent through 'Thrive'

Our internal talent mobility program, 'Thrive,' continues to empower employees by offering structured career progression opportunities. The internal job platform, Catalyst, ensures transparency and accessibility, with all internal job postings made available for at least seven days before public listing. In fiscal 2025, over 5,700 employees advanced their careers within Axis Bank through Catalyst. Furthermore, our policy linking internal job movements with promotions enabled accelerated career growth, with fast-track promotions occurring up to one year ahead of tenure-based eligibility.

Expanding Campus Hiring & Early Career Programs

The Bank's structured hiring programs continue to attract top talent from premier institutions. Our flagship campus hiring initiatives include AHEAD, which recruits from Tier 1 B-schools like IIMs; Aspire, which targets talent from new IIMs and IITs; ABLe, which engages postgraduates from Tier 2 B-schools; We Lead, a specialized diversity hiring program for women leaders from premier institutes; ASA (Axis Sales Academy), a hire-train-deploy model for freshers to get a headstart into banking sales and ARISE, an open program to hire young talent from diverse disciplines, enhancing skills diversity.

Performance-Driven Culture & Recognition

Our meritocracy-driven culture was further strengthened in FY25 through enhanced Key Result Area (KRA) assessments and mid-year performance reviews. A mandatory attrition-based KRA for AVP+ leaders helped improve retention.

Through our robust recognition programs, we celebrated excellence across the Bank with several key initiatives. The Champions Awards honored 86 employees at our flagship R&R event. Through Ahead Of the Curve (AOC), we felicitated 595 managers. Our quarterly initiative, Anchors recognized everyday excellence of 3,183 employees. The OGs Program celebrated long service milestones of 7,000+ employees. Additionally, 20 retirees were honored through the Retiring with Pride program for their invaluable contributions.

Advancing Diversity, Equity & Inclusion (DE&I)

The Bank is steadfast in its DE&I commitment, aiming for 30% women in its workforce by 2027. Pride365, our LGBTQIA+ employee group, grew from 7 to 1,000+ members. Axis Women in Motion empowered 25,000+ women across towns and talukas to become economically independent. Our DE&I curriculum on inclusive leadership trained 800+ students across 20 academic institutes. Axis ViBE (Varsity of Inclusive Business Enterprises) engaged 165 organizations to promote equitable business practices. These efforts, both internal and external, reflect our belief that every voice matters—and that true inclusion drives innovation, excellence, and long-term impact across workplaces and society.

Prioritising Employee Well being

The Bank prioritizes employee well being through its comprehensive wellness programs. Besides one-on-one multi-modal therapy sessions, the "Wellness Sherpas" initiative provides peer-led support where employees are equipped with the tools to be emotional first aid providers. Of these, some are trained specifically on LGBTQIA+ sensitivity and are called the Pride365 Wellness Sherpas, ensuring inclusive care.

Embracing the Future of Work

Our GIG-A initiative continues to redefine workforce flexibility, with over 2,500 employees operating in remote roles. Additionally, the Bank scaled up GIG-A Freelancer, engaging 70+ professionals for niche projects with a 1:1 gender ratio. The Hybrid Work Model is now firmly established, with non-branch employees working from the office twice a week.

Conclusion

Axis Bank remains committed to fostering an inclusive, high-performance, and employee-centric workplace. Our strategic HR initiatives are designed to empower our workforce, strengthen leadership pipelines, and enhance employee well being, ensuring that Axis Bank continues to be an employer of choice in the evolving financial landscape.

Subsidiary Performance

The Bank's subsidiaries remain central to the principle of "One Axis' and have an important role to play in the Bank's strategy formulated around the three vectors - Growth, Profitability and Sustainability. In a short span of time, the Bank has established subsidiaries covering a significant gamut of the financial services space, with some of them being leaders in their segments. Axis Capital continues to maintain its leadership position in the ECM segment. Axis Mutual Fund maintained its position as the fastest growing AMC amongst the Top 10 players and is now the eighth largest player with ~5% share in the industry AUM, Axis Finance has grown its AUF at 31% CAGR from fiscal 2022 to fiscal 2025 while delivering healthy returns.

The Bank continues to focus on further scaling up the subsidiaries so that they attain meaningful size and market share in their respective businesses. The domestic subsidiaries, collectively, reported a net profit of ₹1,768 crores in fiscal 2025. This translates into a return on investment of 46%.

Axis Capital Limited

Axis Capital, the Bank's investment banking and institutional equities franchise has been the leader in equity and equity linked deals over the last decade and had another great year with highest number of transactions (44 ECM deals across IPO, QIPs, OFS and Rights Issue). Axis Capital's earning increased by 7% and contributed 9% to the total earnings of the subsidiaries.

Axis Asset Management Limited

Axis AMC, that had 12.9 million client folios as at end of 31 March, 2025 and contributed 28% to the total earnings of the subsidiaries. The Company manages 82 mutual fund schemes with a closing AUM of ₹305,717 crores as compared to closing AUM of ₹265,875 crores as on 31 March, 2024 and was ranked 8th amongst the mutual fund Industry in India. The AUM under Axis pension fund management stood at ₹8,854 crores as on 31 March, 2025.

Axis Securities Limited

The retail brokerage firm reported 15% growth in cumulative client base to 6.36 million. Axis Securities' earnings grew 39% as compared to previous period, and contributed 24% to total subsidiaries' earnings. The subsidiary achieved a trading volume of ₹20,614,351 crores thereby registering a growth of 23% in fiscal 2025.

Axis Finance Limited

Axis Finance Limited, the Bank's NBFC has been diversifying its loan book mix and has made significant investments to grow its retail team with the objective of becoming a consumer focused lending company. Axis Finance's earning increased by 11% Y-o-Y and contributed 38% to total subsidiaries' earnings. Axis Finance remains well capitalized with Capital Adequacy Ratio of 20.90%. Its asset quality metrics remain stable with net NPA of 0.37% as of 31 March, 2025.

Freecharge Payments Technologies Private Limited

Freecharge Payments Technologies Pvt Ltd continues to lead the charge in delivering innovative and scalable digital financial solutions for both retail consumers and merchants. As a strategic partner to Axis Bank, Freecharge operates as both a technology service provider and business correspondent, while steadily expanding its portfolio of merchant-centric financial products. Freecharge also has a Payment Aggregator arm, having the best in class capabilities and features, and enabling online merchants, Banks and Financial institutions to accept digital payments from their customers.

Driven by a mission to promote financial inclusion and elevate transaction efficiency, Freecharge upholds the highest standards of security and regulatory compliance. The Company has significantly strengthened its on-ground presence, now operating across 100 locations, and has introduced unsecured business loans for small and micro-businesses, along with Microfinance (MFI) loans tailored to the digitally underserved segments.

Recognized as one of the most trusted names in digital financial services, Freecharge has firmly established itself as one of the fastest scan-and-pay platforms for UPI transactions, delivering seamless and reliable payment experiences. Its UPI Gross Merchant Value (GMV) witnessed a remarkable 132% year-on-year growth, surging from ₹3,211 crores in fiscal 2024 to ₹7,461 crores in fiscal 2025.

A.TReDs Limited

A.TReDs Limited, the Bank's subsidiary that was set up in partnership with M-Junction, was one of the three entities allowed by RBI to set up the Trade Receivables Discounting System (TReDS), an electronic platform for facilitating cash flows for MSMEs. The Bank's digital invoice discounting platform 'Invoicemart' has set a new benchmark by facilitating financing of MSME invoices of more than ₹180,000 crores since inception. It currently has over 47,300 participants on the platform and has e-discounted nearly 40 lakh invoices since start of its operation from July 2017.

SAFE HARBOR

Except for the historical information contained herein, statements in this Annual Report which contain words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "strategy", "philosophy", "project", "should", "will pursue" and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion, the adequacy of our allowance for credit losses, our provisioning policies, technological changes, investment income, cash flow projections, our exposure to market risks as well as other risks. Axis Bank Limited undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of **Axis Bank Limited**

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI Listing Regulations

1. We, M M Nissim & Co LLP, Chartered Accountants, hereinafter referred to as "Joint Statutory Auditors" have been requested by Axis Bank Limited (the "**Bank**"), having its registered office at the 'Trishul', 3rd Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad 380006 to issue a certificate on compliance with the conditions of corporate governance, as required under part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**SEBI Listing Regulations**").

2. We have examined the compliance of conditions of Corporate Governance by the Bank, for the year ended on 31 March, 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the SEBI Listing Regulations as amended from time to time (the "**Corporate Governance Regulations**").

MANAGEMENT'S RESPONSIBILITY

3. The compliance of Corporate Governance Regulations is the responsibility of the Bank's Management, including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the Corporate Governance Regulations.

AUDITORS' RESPONSIBILITY

4. Our examination is limited to examine the procedures and implementation thereof adopted by the Bank for ensuring compliance of the Corporate Governance Regulations. It is neither an audit nor an expression of opinion on the Financial Statements of the Bank.

5. Pursuant to the requirements of the Corporate Governance Regulations, it is our responsibility to provide a reasonable assurance whether the Bank has complied with the Corporate Governance Regulations for the year ended 31 March, 2025.

6. We conducted our examination of the above corporate governance compliance by the Bank in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "**ICAI**"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. For the purpose of this certificate, we have examined the books of accounts and other relevant records and documents maintained by the Bank.

OPINION

9. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Bank has complied with the Corporate Governance Regulations during the year ended 31 March, 2025.

10. We state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the Management has conducted the affairs of the Bank.

RESTRICTIONS ON USE

11. The Certificate is addressed and provided to the Members of the Bank solely for the purpose to enable the Bank to comply with the requirement of the Corporate Governance Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for any event or circumstances occurring after the date of this Certificate.

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

Sanjay Khemani
Partner
Membership No. 044577
ICAI UDIN: 25044577BMOBEE6759

Mumbai, April 25, 2025

Report on Corporate Governance

(Part of the Board's Report for the fiscal 2025)

I. Philosophy on Code of Governance

Axis Bank Limited (the "**Bank**") recognises its role as a responsible corporate citizen and endeavors to adopt and maintain the highest standards of corporate governance.

The Bank's philosophy on corporate governance is to promote the culture of customer centricity, ownership, integrity, sustainability, transparency and ethics, which enables the Bank to conduct itself in the right way while dealing with all its stakeholders.

The Bank has a robust governance structure in place, led by an independent and diverse Board of Directors (the "**Board**"). The Board believes in prompt and clear communication to its stakeholders, which reflects in the internal functioning at the Bank.

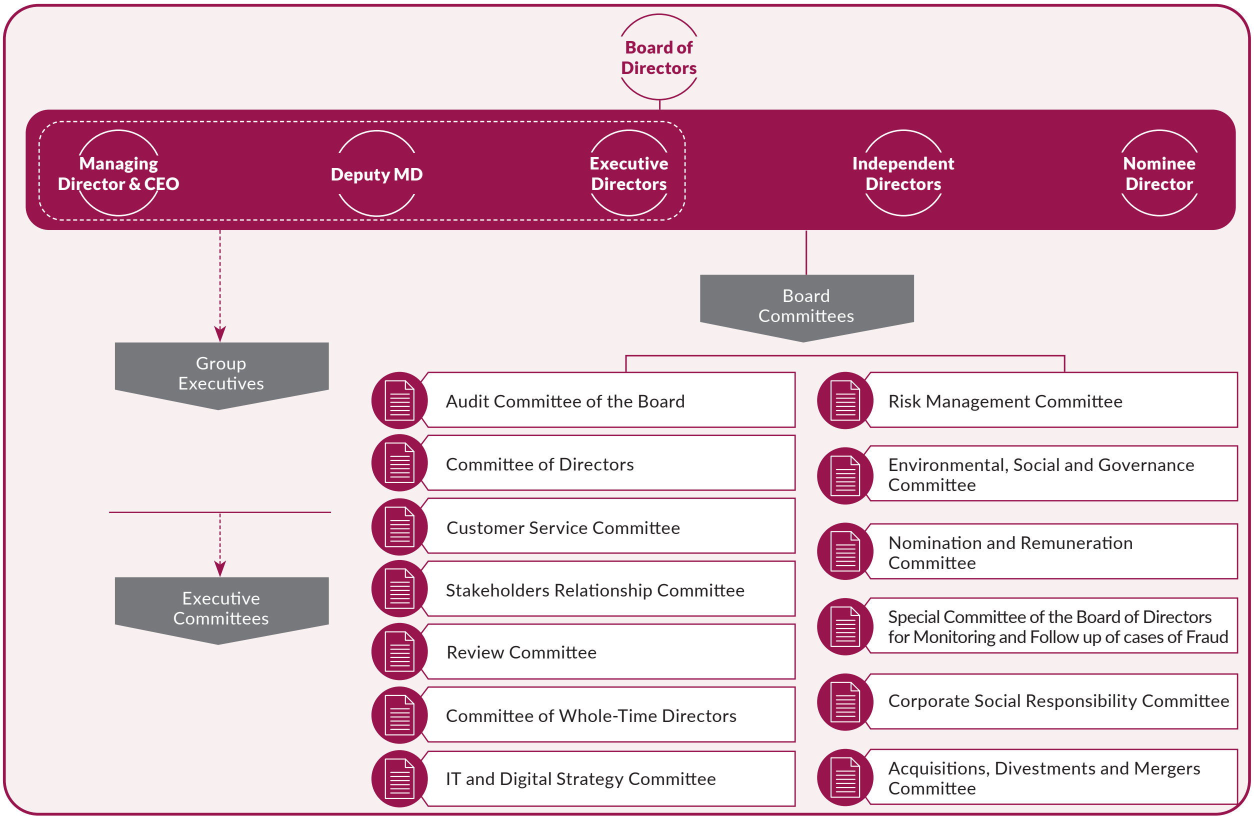
The Bank believes in going beyond the law, to uphold the best-in-class corporate governance practices. In order to protect the interest of all its stakeholders, the Bank has a strong compliance and risk management framework and it continuously reviews its practices and processes, considering the dynamic environment it operates in.

II. Governance Structure of the Bank

The Board oversees the standards of corporate governance at the Bank. The directors are appointed by the members of the Bank. The Managing Director & CEO reports to the Board of the Bank. The Deputy Managing Director (the "**Deputy MD**") and Executive Directors report to the Managing Director & CEO of the Bank.

The Board has constituted various board level Committees for a more focused review of specific matters. The Bank has also constituted various executive Committees to, *inter alia,* deal with routine, operational and administrative matters, as well as to review various matters prior to their submission to the Board / Committees.

Diagrammatic representation of the governance structure of the Bank:



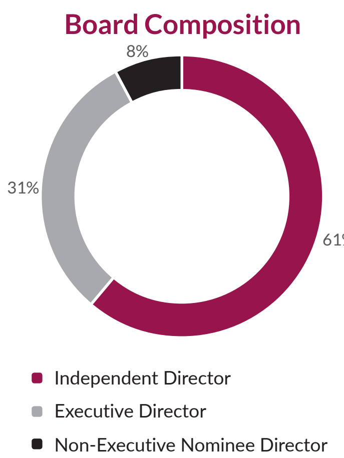
III. Board of Directors

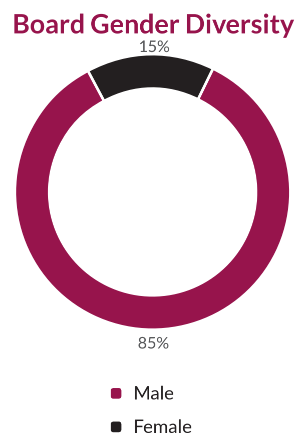
Size and composition of the Board

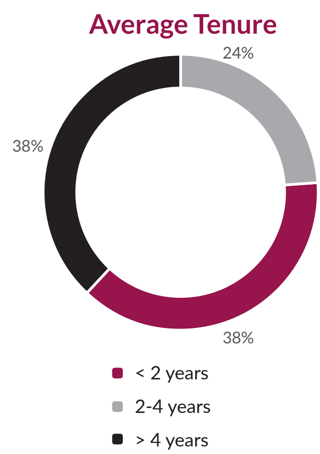
The composition of the Board is governed by the relevant provisions of the Companies Act, 2013 (the "**Act**") and relevant rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**SEBI Listing Regulations**"), the Banking Regulation Act, 1949, the guidelines issued by the Reserve Bank of India (the "**RBI**"), as amended, from time to time and the Articles of Association of the Bank (the "**extant laws**").

The Board has an optimum combination of Executive and Non-Executive Directors with Independent Directors constituting more than one-half i.e. 61.54% of its total strength. As on 31 March, 2025, the Board had thirteen directors, comprising of Managing Director & CEO, Deputy MD, two Executive Directors, eight Independent Directors and one Nominee Director of Life Insurance Corporation of India ("**LIC**"), promoter of the Bank. The Board is led by an Independent Director and Part-Time Chairman. The Board has two women Directors of whom one is Independent.

None of the Directors are related to each other. All the Independent Directors of the Bank have confirmed that they meet the criteria prescribed for independence under the provisions of Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, all the Independent Directors fulfill the conditions specified under the said norms and are independent of the management.







Board Effectiveness

The Bank lays emphasis on evaluating the role of the Board in the aspects relating to strategic planning, identification and management of risks, human resource, audit and compliance, governance, relationship with executive management, flow of information, board functioning, induction and professional development, customer grievance and protection, and financial inclusion.

Databank of Independent Directors

All the Independent Directors of the Bank are in compliance with provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to enrolling their name in the online databank of Independent Directors and qualifying the online proficiency self-assessment test for Independent Directors, as applicable.

Information about the directors including age, tenure of appointment, details of directorship, number of membership / chairpersonship in the Board are as follows:

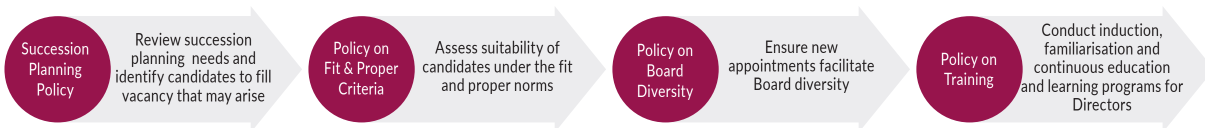
Sr. No.	Name, category, DIN and age of the director	Date of first appointment	End date of current term	Directorship in other listed company(ies) and category of directorship[1]	Number of directorship in other unlisted companies		Number of memberships / (chairpersonships) in Board Committees[3]	Equity shareholding in the Bank
					Indian public limited Companies	Other Companies[2]		
1.	N. S. Vishwanathan Independent Director Part-Time Chairman DIN: 09568559 Age: 66	30 May, 2023 27 October, 2023	29 May, 2027 26 October, 2026	Nil	Nil	2	1	Nil
2.	Amitabh Chaudhry Managing Director & CEO DIN: 00531120 Age: 60	1 January, 2019	31 December, 2027	Nil	3	Nil	Nil	Nil
3.	Girish Paranjpe Independent Director DIN: 02172725 Age: 67	2 November, 2018	1 November, 2026	Crisil Limited, Independent. Mphasis Limited, Independent.	1	4	4(2)	Nil
4.	Meena Ganesh Independent Director DIN: 00528252 Age: 61	1 August, 2020	31 July, 2028	Pfizer Limited, Independent. Hitachi Energy India Limited, Independent. Pidilite Industries Limited, Independent.	Nil	8	4(2)	Nil
5.	G. Padmanabhan Independent Director DIN: 07130908 Age: 69	28 October, 2020	27 October, 2028	Haldyn Glass Limited, Independent. Ion Exchange (India) Limited, Independent.	1	Nil	1(0)	Nil
6.	Prof. S. Mahendra Dev[4] Independent Director DIN: 06519869 Age: 67	14 June, 2021	13 June, 2025	Nil	Nil	Nil	Nil	Nil
7.	P. N. Prasad Independent Director DIN: 07430506 Age: 64	20 October, 2022	19 October, 2026	Styrenix Performance Materials Limited, Independent. Jyoti CNC Automation Limited, Independent.	1	1	4(1)	130
8.	CH SS Mallikarjunarao Independent Director DIN: 07667641 Age: 63	1 February, 2023	31 January, 2027	Nil	1	2	1(1)	20
9.	Mini Ipe Non-Executive Nominee Director - LIC (shareholder) DIN: 07791184 Age: 61	29 July, 2023	28 July, 2031	PTC India Limited, Independent. Avantel Limited, Independent.	Nil	1	1(0)	Nil
10.	Pranam Wahi Independent Director DIN: 00031914 Age: 66	15 February, 2024	14 February, 2028	DCM Shriram Limited, Independent.	Nil	Nil	1(0)	Nil
11.	Rajiv Anand Deputy MD DIN: 02541753 Age: 59	4 August, 2016	3 August, 2025	Nil	1	2	Nil	585,062
12.	Subrat Mohanty Executive Director DIN: 08679444 Age: 48	17 August, 2023	16 August, 2026	Nil	3	1	Nil	770
13.	Munish Sharda Executive Director DIN: 06796060 Age: 54	27 February, 2024	26 February, 2027	Nil	2	Nil	Nil	Nil

1 None of the independent directors of the Bank serve as an independent director in more than seven listed companies or as a whole-Time director in any listed company.
2 Includes foreign companies, private companies and Section 8 companies.
3 Includes only memberships of the Audit Committee and Stakeholders Relationship Committee in Indian public limited companies other than Axis Bank. Figures in brackets represent number of chairpersonship of the said Committees, as per the disclosure received from the concerned director.
4 The Board has approved the re-appointment of Prof. S. Mahendra Dev for his second term of four years with effect from 14 June, 2025, subject to the approval of the members of the Bank.

All Directors of the Bank have submitted forms / declarations / undertakings / consent as required under the extant laws. Pursuant to review of the said forms / declarations / undertakings / consent as submitted by the Directors of the Bank, the Nomination and Remuneration Committee (the "**NRC**") and the Board of the Bank confirmed that all the Directors are in compliance with the applicable norms and are fit and proper to continue as Directors of the Bank.

Process of Selection and Appointment of Directors

The selection and appointment of Directors of the Bank is done in accordance with the extant laws. The Bank has formulated and adopted various policies, the details of which are provided below:



Succession Planning Policy for the Board and Key Officials of the Bank

The Bank has formulated and adopted a Succession Planning Policy (the "**policy**") for the Board and key officials of the Bank, which has been reviewed by the NRC and the Board of the Bank.

The objective of the said policy is to, *inter alia,* assess, identify and nominate suitable candidates to fill vacancies that may arise for positions of the Non-Executive Chairperson, Independent Directors, Managing Director & CEO, Whole-Time Directors (including Deputy MD), Group Executives, Key Managerial Personnel and other key officials of the Bank / subsidiary companies, from time to time. The aforesaid policy also seeks to plan for succession of the said roles and to fill any vacancies that may arise out of impending move or retirement or resignation or sudden exit or for any reason whatsoever in such roles. The policy also aims to identify the competency requirements for the aforesaid positions, identify potential candidates and develop required competencies through planned training, development and learning initiatives. The Bank does not have a succession planning process for Non-Executive (Nominee) Directors, since they are nominated by Public Financial Institutions / Institutional Investors and are appointed pursuant to the right to nominate a Director on the Board of the Bank, in terms of the Articles of Association of the Bank or in terms of Shareholders Agreement entered into by them with the Bank.

The said policy also provides for the course of action to be initiated in case of delay or non-receipt of regulatory / statutory approvals, relating to appointment / re-appointment of Managing Director & CEO or Whole-Time Directors (including Deputy MD) or in case of a sudden vacancy in the position of Managing Director & CEO or Whole-Time Directors (including Deputy MD), caused due to death or permanent incapacitation or for any other reason whatsoever.

The NRC considers the profile, skill set, experience, expertise, functional capabilities, disqualifications and other relevant information and adherence to the regulators fit and proper norms, before making appropriate recommendations to the Board relating to the appointment / re-appointment of a Director. This is designed to provide the Board with Directors who have diverse knowledge, practical experience and requisite set of skills to serve the business interests of the Bank and enhance the overall effectiveness of the Board.

Wherever necessary, the NRC engages the services of an external consultant / expert, to identify and assess the suitability of candidates for the post of Director of the Bank.

During fiscal 2025, the Board reviewed and approved amendments to the said policy, in line with the extant laws.

Policy on fit and proper criteria for Directors of the Bank

The Bank has formulated and adopted a policy on fit and proper criteria for Board of Directors of the Bank (the "**policy**").

In terms of the said policy, the NRC assesses and confirms to the Board the 'fit and proper' status of the Director as per the extant laws, before considering his / her candidature for appointment / re-appointment as a Director of the Bank and annually i.e., as at March 31 every year. The primary objective of the policy is to provide a framework to enable the Bank to ensure that persons who are being considered for appointment / re-appointment as Directors of the Bank are compliant with the fit and proper norms, as it is the key criteria on the basis of which, the candidature of person shall be assessed and confirmed by the NRC, before it recommends the candidature of such person for being appointed / re-appointed as a Director of the Bank, for the approval of the Board.

The Directors of the Bank, individually sign a deed of covenant which binds them to discharge their responsibilities to the best of their abilities, in order to be eligible for being appointed / re-appointed as a Director.

The Bank obtains a declaration and undertaking on an annual basis on the 'fit and proper' criteria in accordance with applicable RBI Regulations and the Insurance Regulatory and Development Authority of India (Registration of Corporate Agent) Regulations, 2015, from all the Directors.

During fiscal 2025, the Board also reviewed and approved amendments to the said policy, in line with the extant laws.

Board Diversity Policy

The Bank recognizes and embraces the importance of a diverse Board and is endowed with appropriate balance of skills, expertise, experience, and perspectives thereby ensuring effective board governance. The Board has reviewed and adopted the policy on Board Diversity (the "**policy**"), which sets out its approach to ensure diversity, and to enhance its effectiveness while discharging its fiduciary obligations towards the stakeholders of the Bank. The policy is available on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance. During fiscal 2025, the Board also reviewed the said policy, in line with the extant laws.

In terms of Schedule V of the SEBI Listing Regulations and in the context of the Bank's business(es) and sector(s), the Board has identified the following mandated core skills / expertise / competencies for it to function effectively:

- Accountancy
- Agriculture and Rural Economy
- Banking
- Co-operation
- Information Technology
- Human Resources
- Business Management
- Economics
- Finance
- Small-Scale Industry
- Law
- Payment & Settlement Systems
- Risk Management

The Board has also specified direct and indirect criteria to determine the skill sets of the Directors. The details of Director wise core skills / expertise / competencies are as follows:

Sr. No.	Name of the Director	Total experience (in years)	Skills / Expertise / Competence
1.	N. S. Vishwanathan	44	Banking | Economics | Human Resources Management | Risk Management | Information Technology | Payments & Settlement System | Co-operation | Non-Banking and Co-operative Banking Regulation and Supervision | Internal Governance, Internal Control and Internal Audit | Supervision of Securities Market
2.	Amitabh Chaudhry	38	Finance | Banking | Business Management | Information Technology | Human Resources | Risk Management | Accountancy | Insurance | Customer Service
3.	Girish Paranjpe	40	Accountancy | Finance | Business Management | Information Technology | Human Resources
4.	Meena Ganesh	40	Technology Consulting | Business Management | Human Resources | Finance | Entrepreneurship (BPO, Education and Health Care Services)
5.	G. Padmanabhan	46	Bank Regulations | Information Technology | Payment System | Risk Management | Economics | Finance | Supervision of Foreign Exchange / Securities Markets in India | Customer Service
6.	Prof. S. Mahendra Dev	41	Agriculture and Rural Economy | Economics and Co-operation | Finance
7.	P. N. Prasad	42	Core Commercial Banking | Risk Management | Human Resource Development | Agriculture and Rural Economy | Small Scale Industries | Corporate Banking - Project Finance & Structuring | Stressed Asset Management and Resolution | Strategy & Business Planning | Client Relationship | Trade Finance Operations | Alternative Investments | International Banking | Audit and Compliance | Treasury Management

Sr. No.	Name of the Director	Total experience (in years)	Skills / Expertise / Competence
8.	CH SS Mallikarjunarao	40	Accountancy | Banking | Small Scale Industry | Agriculture and Rural Economy | Risk Management | Finance | Business Management | Information Technology | Human Resources | Insurance
9.	Mini Ipe	39	Accountancy | Finance | Law | Information Technology | Human Resources | Risk Management | Business Management | Insurance | Customer Service | Marketing | Stressed Asset Management
10.	Pranam Wahi	43	Accountancy | Banking | Finance | Risk Management | Business Management | Audit | Human Resources | Treasury
11.	Rajiv Anand	36	Finance | Business Management | Accountancy | Banking | Capital Markets
12.	Subrat Mohanty	25	Information Technology & Digital | Business Management | Finance | Banking | Payment & Settlement | Insurance | Strategic Planning | Customer Service
13.	Munish Sharda	33	Agriculture and Rural Economy | Banking | Finance | Law | Information Technology | Human Resource | Risk Management | Business Management | Insurance
	Total Experience	507	

* Brief Profile of the Directors of the Bank is available on the website of the Bank at https://www.axisbank.com/media-centre/board-of-directors.

Familiarisation and Training for the Board

The Bank has formulated and adopted a policy on training for the Board of Directors of the Bank (the "**policy**") which aims at providing timely and wholesome orientation and training to its Directors to ensure that they are well versed with the business, regulatory and operational aspects of banking. This enhances the knowledge and effectiveness of the Directors, both individually and collectively, as members of the Board / Committees.

The said policy provides guidelines with respect to:

(a) Induction programme for new Directors;

(b) Familiarisation programme and Continuous Education and Learning Programme ("**CELP**") for Directors.

During fiscal 2025, the Board also reviewed the said policy, in line with the extant laws.

Induction programme for new Directors

The Bank conducts induction programme for new Directors through one-to-one meetings with the Managing Director & CEO, Deputy MD, Executive Directors and other members of the senior management on matters relating to businesses, credit underwriting, finance, business strategy, risk management, compliance, internal audit, human resources, information technology / cyber security, environment, social & governance ("**ESG**") and corporate social responsibility ("**CSR**"), law, treasury, subsidiary governance and board process. They are also provided with the induction manual including the governance policies, codes and charters.

On appointment, the Independent Directors are issued a letter of appointment setting out the terms and conditions relating to the appointment and their duties and responsibilities under applicable laws. The format of said letter is also uploaded on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance.

Familiarisation programme and Continuous Education and Learning Programme (CELP) for Directors

The Bank conducts familiarization programme and CELP for all its Directors including Independent Directors covering the matters as specified under Regulation 25(7) of the SEBI Listing Regulations.

These familiarisation programmes and CELP are conducted through a combination of experts from within the Bank and / or external agencies with in-depth expertise in various areas, taking into consideration the business requirement of the Bank, the existing skill sets of the Directors and recommendations made by them. Such sessions enable the Directors to obtain an insight on contemporary matters and changes therein.

13 such programmes were organised for around 14 hours during fiscal 2025 details of which are as under:

1. Emerging Technologies and use case of AL/ML in future of Banking
2. Cybersecurity and Infosec
3. Global Geopolitical scenario
4. Board Governance – view from the regulator
5. Challenges and opportunities in the era of Digital Banking & FinTech
6. Board Governance
7. Global economic outlook and geopolitical events: impact on India and Banking
8. Annual update on AML for Board of Directors
9. Risk Management (Fraud Risk, Climate Risk, etc.)
10. Global macro environment & its impact on India
11. Indian banking industry – An investor's perspective
12. Credit cycle in India
13. Gen AI and its use cases in banking.

The details of the programmes conducted and attendance of Directors have been uploaded on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance.

Duties and Responsibilities of the Board

The role of the Board is to provide effective guidance and oversight to the management of the Bank so that it delivers enduring sustainable value and is fully compliant with the extant laws and functions in an ethical and efficient manner.

The responsibilities of the Board, *inter alia,* include overseeing the functioning of the Bank, reviewing compliance of all laws applicable to the Bank and efficacy of internal control systems / processes and framing, implementing and monitoring the risk management plan of the Bank.

The Board is also responsible for approving the strategic decisions, plans and priorities for the Bank, monitoring corporate performance against business plans, reviewing and approving the Bank's financial and operating performance on a periodic basis, overseeing the Bank's corporate governance framework and supervising the succession planning process for its Directors and senior management.

The Board spends considerable time perusing the information provided to them which facilitates informed decision making and effective participation at its meetings, leading to higher board effectiveness. Apart from quarterly review of the performance of the Bank, the Board meets once a year specifically to review the long-term strategy of the Bank. The Board oversees the actions and results of the management to ensure that the long-term objectives of enhancing shareholder's value are met. The Board also has the discretion to engage the services of external experts / advisors, as deemed appropriate.

The duties and responsibilities of the Board have been set out in the charter formulated and adopted by the Bank, in terms of the extant laws. During fiscal 2025, the Board also reviewed and approved amendments to its charter, in line with the extant laws.

Role of Independent Directors

N. S. Vishwanathan, Girish Paranjpe, Meena Ganesh, G. Padmanabhan, Prof. S. Mahendra Dev, P. N. Prasad, CH SS Mallikarjunarao and Pranam Wahi are the Independent Directors of the Bank. The role of an Independent Director is to help in bringing an independent judgment on the Board's deliberations, especially on the issues pertaining to strategy, performance, risk management, human resources, governance, key appointments, and standards of conduct.

Independent Directors bring an unbiased view in evaluating performance of the Board and management and review management's performance in meeting their goals and objectives. Independent Directors safeguard the interests of all the stakeholders, particularly the minority shareholders.

Role of Independent Chairman

N. S. Vishwanathan, Independent Director and Part-Time Chairman of the Bank plays a critical role in managing and facilitating effective functioning of the Board. He presides over meetings of the shareholders of the Bank, Board and select Board Committees.

Role of Managing Director & CEO

Amitabh Chaudhry is the Managing Director & CEO of the Bank. He reports to the Board of the Bank and is vested with powers of managing the affairs of the Bank, within the overall superintendence, control, guidance, and direction of the Board.

As the Managing Director & CEO of the Bank, he has the requisite delegated authority to perform all such acts, deeds, matters and things, which he may consider necessary or appropriate to perform, in the business interest of the Bank.

Role of Deputy Managing Director

Rajiv Anand is the Deputy MD of the Bank and reports to the Managing Director & CEO of the Bank. He is responsible for wholesale banking, treasury and digital banking, marketing, corporate communications and public relations.

Role of Executive Directors

Subrat Mohanty and Munish Sharda are the Executive Directors of the Bank and report to the Managing Director & CEO of the Bank. Subrat Mohanty is responsible for banking operations & transformation and leads the larger verticals of retail & wholesale banking operations, information technology, business intelligence, digital banking and certain other corporate functions at the Bank, including strategy, process excellence, customer experience, etc. Munish Sharda is responsible for driving business growth across all product offerings of the Bank, including retail, MFI, MSME, wholesale, retail liabilities & deposits for retail customers and small businesses, leading the retail portfolio management group vertical and driving financial inclusion initiatives of the Bank.

Amitabh Chaudhry, Rajiv Anand, Subrat Mohanty and Munish Sharda are the key managerial personnel of the Bank, in terms of the provisions of Section 203(1) read with Section 2(51) of the Act and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

IV. Meetings of the Board / Committees

Schedule of the meetings

The schedule of the meetings of the Board / Committees and the Annual General Meeting of the Bank to be held during the next fiscal, is finalised and circulated in advance to the Board.

Framework for conduct of meetings of the Board / Committees

The Bank has formulated and adopted a framework for conduct of meetings of the Board / Committees of the Bank.

The said framework provides guidance on matters relating to administration of meetings by ensuring standardization in the formats used for preparation of agenda index, agenda notes, minutes and circular resolutions and adopting best practices from a compliance and governance perspective.

Agenda for the meetings

The RBI *vide* its Circular No. DBR No.BC.93129.67.001/2014-15 dated 14 May, 2015 has prescribed 'seven critical themes' to be reviewed by the Board namely business strategy, risk, financial reports and their integrity, compliance, customer protection, financial inclusion and human resources. The agenda for Board meetings includes matters forming part of the said critical themes, as stipulated by the RBI along with matters required under the provisions of the extant laws.

The agenda for the meetings of the Board / Committees is prepared and finalised in consultation with the chairperson of the Board / respective Committees. The agenda notes and presentations for the meetings of the Board / Committees are sent to the members of the Board / Committees in advance to enable them to read and comprehend the matters to be dealt with and seek further information / clarification, as may be required.

The said agenda notes / presentations are circulated through a secured web-based portal to facilitate its easy access on iPad / laptop / desktop. The agenda notes / presentations are presented in a manner, to facilitate informed decision making.

Members of the Board / Committees are free to recommend inclusion of any matter as part of the agenda for the said meetings.

Availability of information to the Board

Meetings follow structured agenda notes and background papers, circulated through a web-based portal, aligning with the Bank's green initiative. In addition to all items required pursuant to extant applicable regulations, updates cover diverse areas such as business & operations, risk management, CSR activities, and ESG initiatives, alongside other details like minutes of meetings, senior management appointments, subsidiary governance, strategic matters and regulatory compliance.

Post-meeting follow-up mechanism

Important decisions taken and suggestions provided by the Board and its Committees are communicated to the relevant departments for their information and necessary action. The actionables arising out of the meetings of the Board / Committees are thereafter dealt with in accordance with the Bank's framework for monitoring and implementation of directions of the Board / Committees.

Framework for monitoring and implementation of the directions of the Board

The Bank has formulated and adopted a framework for monitoring and implementation of directions of the Board / Committees. During fiscal 2025, the Board reviewed the aforesaid framework. The framework is in line with the Banks' commitment to adopt and adhere to enhanced governance standards and to define a set of principles for identification of actionable and the process for its monitoring, review and reporting to the Board / Committees.

In terms of this framework, actionables emanating from the deliberations at the meetings and actionables emanating from the agenda notes are periodically monitored and reviewed until their closure. Subrat Mohanty, Executive Director periodically reviews the actionables which are open beyond their original timelines. The consolidated status of all actionables relating to the Board / Committees, is also reviewed by the Board, on a quarterly basis.

Annual Board Strategy Meet

The Bank believes that the annual strategy planning process provides a structured environment, formal as well as informal, to focus on longer term direction, purpose and strategy of the Bank. At the three-day strategy meet, the Board is able to reflect on and challenge managements' assumptions and the thinking around the changing risk environment, strategic planning, financial planning, review ongoing initiatives, assess risks to strategy execution, and discuss the need for new strategic programs to achieve long-term objectives. This meet provides a platform for Directors to contribute towards strategic initiatives and gain insights into the execution and other challenges faced within specific business segments. Senior management delivers detailed presentations on key business segments and subsidiaries, fostering discussions on strategic issues and competitive differentiation.

Minutes of the meetings

The draft minutes are sent within 15 days from the date of the conclusion of the meetings to the members of the Board / Committees, for their comments. The minutes after incorporating the comments, if any, received from the members of the Board / Committees are placed at the next meeting for noting and signing by the Chairperson of the respective / previous meeting. The Bank has adopted a Guidance, Challenge and Instruction ("**GCI**") framework, in terms of which it circulates to the Directors a statement containing Guidance, Challenge and Instruction arising from the deliberations at the meetings of the Board / Committees, along with the minutes.

In case of business exigencies or urgency of matters, resolutions are also passed by the Board / Committees through circulation with the approval of the respective chairperson. The resolution passed by circulation is noted at the next meeting of the Board / Committees.

Conduct of meetings

The meetings of the Board / Committees during fiscal 2025, were conducted in accordance with the provisions of Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time.

During fiscal 2025, nine meetings of the Board were held on 24 April, 2024, 19 June, 2024, 24 July, 2024, 4 October, 2024, 17 October, 2024, 22 October, 2024, 16 January, 2025, 31 January, 2025 and 22 March, 2025.

The quarterly Board meetings for considering financial results were held over a two-day period, conducted in-person. During fiscal 2025, the Annual Board Strategy meeting was held from 22 March 2025 to 24 March, 2025.

The gap between two Board meetings did not exceed the prescribed limit of 120 days. The requisite quorum was present throughout and at all the meetings of the Board held during fiscal 2025.

All the statutory recommendations made by the Committees during the fiscal 2025 have been duly considered and approved by the Board.

The details of the Board meetings attended during fiscal 2025 and attendance at the 30th Annual General Meeting of the Bank ("**AGM**"), are given below:

Sr. No.	Name of the Directors	Board meetings attended during fiscal 2025	% of attendance	Attendance at last AGM (26 July, 2024)
1.	N. S. Vishwanathan	9/9	100	Yes
2.	Amitabh Chaudhry	9/9	100	Yes
3.	Girish Paranjpe	9/9	100	Yes
4.	Meena Ganesh	9/9	100	Yes
5.	G. Padmanabhan	9/9	100	Yes
6.	Prof. S. Mahendra Dev	9/9	100	Yes
7.	P. N. Prasad	9/9	100	Yes
8.	CH SS Mallikarjunarao	9/9	100	Yes
9.	Mini Ipe	9/9	100	Yes
10.	Pranam Wahi	9/9	100	Yes
11.	Rajiv Anand	8/9*	89	Yes
12.	Subrat Mohanty	9/9	100	Yes
13.	Munish Sharda	9/9	100	Yes

* Leave of absence was granted to Rajiv Anand from attending the meeting due to family commitment.

Resignation of Independent Director

None of the Independent Directors of the Bank resigned during the fiscal 2025.

Board Committees

The Board also functions through various Committees, constituted to deal with specific matters as mandated under the extant laws. The charter of the Board Committees is subject to an annual review by the Board, pursuant to changes in the extant laws or to meet the business requirements of the Bank.

As on 31 March, 2025, the Board has 13 Committees, details and composition of which are as follows:

Sr. No.	Name of the Committees
1.	Committee of Directors ("**COD**")
2.	Audit Committee of the Board ("**ACB**")
3.	Risk Management Committee ("**RMC**")
4.	Stakeholders Relationship Committee ("**SRC**")
5.	Nomination and Remuneration Committee ("**NRC**")
6.	Special Committee of the Board of Directors for Monitoring and Follow up of cases of frauds ("**SCBMF**")
7.	Customer Service Committee ("**CSC**")
8.	IT and Digital Strategy Committee ("**ITDSC**")
9.	Corporate Social Responsibility Committee ("**CSR**")
10.	Review Committee ("**RC**")
11.	Acquisitions, Divestments and Mergers Committee ("**ADAM**")
12.	Committee of Whole-Time Directors ("**COWTD**")
13.	Environmental, Social and Governance Committee ("**ESG**")

* Out of 13 Committees, 10 are chaired by Independent Directors. The remaining three i.e., SCBMF, RC and COWTD are chaired by NED / ED as per the extant norms.

Composition of Committees:

	Independent Directors								Non-Executive Director	Whole-Time Directors			
	N. S. Vishwanathan	Girish Paranjpe	Meena Ganesh	G. Padmanabhan	Prof. S. Mahendra Dev	P. N. Prasad	CH SS Mallikarjunarao	Pranam Wahi	Mini Ipe	Amitabh Chaudhry	Rajiv Anand	Subrat Mohanty	Munish Sharda
COD					Member	Chairperson	Member				Member		
ACB		Chairperson	Member		Member			Member	Member				
RMC		Member		Chairperson				Member		Member			Member
SRC						Member	Chairperson				Member		Member
NRC	Member	Member	Chairperson						Member				
CSR	Chairperson		Member		Member						Member		Member
SCBMF	Member				Member	Member			Chairperson	Member			
CSC				Member		Chairperson			Member	Member		Member	
ITDSC		Member		Member			Chairperson			Member		Member	
ADAM	Chairperson		Member					Member		Member		Member	
COWTD										Chairperson	Member	Member	Member
ESG				Member	Chairperson					Member			
RC						Member	Member			Chairperson			

Chairperson Member

With reference to the RBI guidelines on 'corporate governance in Banks – appointment of directors and constitution of Committees of the Board, dated 26 April, 2021 and other applicable RBI guidelines, Girish Paranjpe, Independent Director is a common member between the RMC and the NRC. The above common membership is in compliance with the RBI guidelines.

Brief description of charter of the Committees, their composition and attendance of the members at the meetings held during fiscal 2025, are detailed as under:

1. Committee of Directors

Composition and Attendance

The Committee of Directors ("**COD**") comprises of four Directors out of which three are Independent Directors.

Name of the members	Position	Attendance
P. N. Prasad	Chairman	13/13
Rajiv Anand	Member	12/13*
CH SS Mallikarjunarao	Member	13/13
Prof. S. Mahendra Dev	Member	13/13

* Leave of absence was granted to Rajiv Anand from attending the meeting since he was on annual mandatory leave.

Quorum

Three members or 1/3rd of the total strength of the COD, whichever is higher, with presence of atleast two Independent Directors.

Brief description of the Charter

(a) Review loans sanctioned by Senior Management Committee, provide approvals for loans as per the limits stipulated in the corporate credit policy of the Bank, as amended from time to time, and to discuss strategic issues in relation to credit policy and review the quality of the credit portfolio of the Bank.

(b) Monitor the exposures (both credit and investments) of the Bank and to consider and approve one time compromise settlement proposals, in respect of loan accounts which have been written off.

(c) Approve treasury related investments and disinvestments as mentioned in the domestic investment policy, overseas investment policy and market risk management policy of the Bank, as amended from time to time.

(d) Review, note and approve proposals relating to the Bank's business / operations covering all its departments and business segments.

Meetings

During fiscal 2025, thirteen meetings of the COD were held on 30 April, 2024, 16 May, 2024, 27 May 2024, 20 June, 2024, 23 July, 2024, 27 August, 2024, 20 September, 2024, 23 October, 2024, 22 November, 2024, 17 December, 2024, 23 January, 2025, 18 February, 2025 and 18 March, 2025.

2. Audit Committee of the Board

Composition and Attendance

The Audit Committee of the Board of Directors of the Bank ("**ACB**") comprises of five members, out of which four are Independent Directors and one is a Non-Executive Nominee Director. The members of the ACB are financially literate.

Name of the members	Position	Attendance
Girish Paranjpe	Chairman	15/16*
Prof. S. Mahendra Dev	Member	16/16
Meena Ganesh	Member	15/16#
Mini Ipe	Member	16/16
Pranam Wahi	Member	16/16

* Leave of absence was granted to Girish Paranjpe from attending the meeting due to a medical ailment.
# Leave of absence was granted to Meena Ganesh from attending the meeting due to other commitments.

The Company Secretary of the Bank acts as the secretary of this Committee.

Quorum

Three members and at least 2/3rd of the members attending the meeting of the ACB shall be Independent Directors.

Brief description of the Charter

(a) Provide direction and to oversee the operation of the audit function.

(b) Review the internal audit system with special emphasis on its quality and effectiveness.

(c) Review the risk assessment report, risk mitigation plan, scrutiny reports issued by the RBI and any other domestic / overseas regulators and forensic audit reports by external agencies, if any, and the status of compliance with the same.

(d) Review the concurrent audit system of the Bank (including the appointment of concurrent auditors).

(e) Recommend to the Board, the appointment of Secretarial Auditors of the Bank.

(f) Recommend to the Board, the appointment, re-appointment, remuneration and terms of appointment of the Statutory Auditors of the Bank.

(g) Approve payments to Statutory Auditors for any other services rendered by them.

(h) Oversee the Bank's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

(i) Review, with the management, the quarterly financial statements of the Bank (standalone and on a consolidated basis, in terms of the relevant provisions of the SEBI Listing Regulations) before it is recommended for the approval of the Board.

(j) Oversee the implementation of compliance policy and group compliance policy and review the compliance function on a half-yearly and annual basis ensuring that all compliance issues are resolved effectively.

(k) Review functioning of the whistle blower and vigilance mechanism.

(l) All related party transactions and subsequent material modifications shall require prior approval of the ACB in accordance with the SEBI Listing Regulations, as amended from time to time.

(m) Review the performance of information security audit and the critical issues highlighted during the information security audit and provide appropriate guidance to the Bank's management.

(n) Review the status of compliance with the provisions of the share dealing code, on an annual basis and to verify that the systems for internal control are adequate and are operating effectively.

(o) Review and approve the appointment and removal of the Group Chief Compliance Officer ("**GCCO**"), Group Chief Audit Executive ("**GCAE**"), Chief of Internal Vigilance ("**CIV**") and / or any change in the incumbency of GCCO, GCAE, CIV of the Bank, along with the reasons for such change.

The GCCO and GCAE of the Bank directly report to the ACB. They also meet the ACB on one-to-one basis, without the presence of the senior management, on a quarterly basis. The Committee also meets the credit rating agencies at least once in a year, to discuss issues including related party transactions, internal financial control and any items, which have a bearing on rating of the instruments issued by the Bank.

The ACB discusses the key highlights of the quarterly and annual financial results of the Bank, internal financial controls, branch audits and control findings, with the Joint Statutory Auditors, before recommending the same to the Board, for their approval. Joint Statutory Auditors have attended the meetings of the ACB held during fiscal 2025, for review of the quarterly / half yearly / annual financial results of the Bank.

The ACB also meets with the Joint Statutory Auditors, without the presence of any executives of the Bank.

Meetings

During fiscal 2025, sixteen meetings of the ACB were held on 19 April, 2024, 24 April, 2024, 22 May, 2024, 25 June, 2024, 24 July, 2024, 26 July, 2024, 28 August, 2024, 24 September, 2024, 11 October, 2024, 17 October, 2024, 19 November, 2024, 19 December, 2024, 16 January, 2025, 31 January, 2025, 13 February, 2025 and 17 March, 2025.

3. Risk Management Committee

Composition and Attendance

The Risk Management Committee of Board of Directors of the Bank ("**RMC**") comprises of five members out of which three are Independent Directors.

Name of the members	Position	Attendance
G. Padmanabhan	Chairman	5/5
Amitabh Chaudhry	Member	5/5
Girish Paranjpe	Member	5/5
Pranam Wahi	Member	5/5
Munish Sharda	Member	5/5

Quorum

Three members. At least half of the members attending the meeting of the RMC shall be Independent Directors, of which at least one member shall have professional expertise / qualification in risk management.

Brief description of the Charter

(a) Framing and governing of the risk strategy and approving and reviewing the risk appetite of the Bank.

(b) Ensure that sound policies, procedures and practices are in place to manage its risks.

(c) Establishing a framework to set and monitor limits across risk categories such as credit risk, market risk, operational risk etc. in order to ensure that the risk profile is adequately diversified.

(d) Review the risk management plan with respect to cyber security and monitor the implementation of the measures recommended by the IT and Digital Strategy Committee of the Bank, to mitigate any risk arising therefrom.

(e) Review the appointment, removal and terms of remuneration of the Chief Risk Officer ("**CRO**") of the Bank.

The CRO reports to the Managing Director & CEO of the Bank. The CRO is independent of the business lines and is actively involved in key decision-making processes that impact the risk profile of the Bank. The CRO also meets the RMC without the presence of executives of the Bank. The Bank has a policy defining the roles and responsibilities of the CRO, in line with the guidelines issued by the RBI.

Meetings

During fiscal 2025, five meetings of the RMC were held on 19 April, 2024, 18 June, 2024, 19 July, 2024, 11 October, 2024 and 15 January, 2025.

4. Stakeholders Relationship Committee

Composition and Attendance

The Stakeholders Relationship Committee of the Board of Directors of the Bank ("**SRC**") comprises of four members out of which two are Independent Directors.

Name of the members	Position	Attendance
CH SS Mallikarjunarao	Chairman	2/2
Rajiv Anand	Member	2/2
P. N. Prasad	Member	2/2
Munish Sharda	Member	2/2

Sandeep Poddar, Company Secretary of the Bank is appointed as the Compliance Officer in terms of Regulation 6 of the SEBI Listing Regulations. He also acts as the secretary of this Committee.

Quorum

Three members or 1/3rd of the total strength of the SRC, whichever is higher.

Brief description of the Charter

(a) Consider and resolve the grievances of the security holders of the Bank.

(b) Review of complaints received from the investors in respect of transfer / transmission of shares and debentures of the Bank, non-receipt of annual report of the Bank, non-receipt of declared dividends and interest on debentures, delay in receipt of new / duplicate certificates, general meetings, etc. and the status of its redressal.

(c) Review the measures taken for effective exercise of voting rights by shareholders.

(d) Review adherence to the service standards adopted by the Bank in respect of various services being rendered by the Registrar & Share Transfer Agent.

(e) Review of the various measures and initiatives taken by the Bank for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Bank.

Meetings

During fiscal 2025, two meetings of SRC were held on 27 May, 2024 and 11 November, 2024.

5. Nomination and Remuneration Committee

Composition and Attendance

The Nomination and Remuneration Committee of the Board of Directors of the Bank ("**NRC**") comprises of four members, out of which three are Independent Directors.

Name of the members	Position	Attendance
Meena Ganesh	Chairperson	12/12
Girish Paranjpe	Member	12/12
N. S. Vishwanathan	Member	12/12
Mini Ipe	Member	12/12

Quorum

Three members. At least half of the members attending the meeting of the NRC shall be Independent Directors, of which one shall be a member of the RMC.

Brief description of the Charter

(a) Evaluate efficacy of the Talent Management and Succession Planning process adopted by the Bank and suggest suitable course of action, if any, relating to vacancies that would be required to be filled at Board, senior management and key managerial personnel, functional head level, critical role holders on account of retirement / resignation / expiry of term of the chairperson, the directors, senior management, key managerial personnel, functional heads and the critical role holders.

(b) Set the goals, objectives and performance benchmarks for the Bank, Whole-Time Directors & senior management.

(c) Review and recommend for the approval of the Board, the overall remuneration framework and associated policies of the Bank.

(d) Review the structure, size, composition and diversity of the Board and make necessary recommendations to the Board with regard to any changes in its composition as deemed necessary in accordance with the extant norms and formulate and review the policy on board diversity.

(e) Carry out evaluation of performance of individual and Independent Directors, the Board as a whole and the Committees thereof and based on the outcome of such performance evaluation, decide whether to re-appoint the Director and assignment of additional roles, responsibilities and his/her remuneration.

(f) Consider and approve the grant of stock options to eligible employees of the Bank including the Managing Director & CEO, other Whole-Time Directors and senior management and eligible employees of the subsidiary companies of the Bank, in terms of the Employees Stock Option Scheme formulated and adopted by the Bank under the relevant provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.

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

Meetings

During fiscal 2025, twelve meetings of NRC were held on 19 April, 2024, 25 April, 2024, 13 June, 2024, 11 July, 2024, 18 October, 2024, 8 November 2024, 19 December, 2024, 9 January, 2025, 31 January, 2025, 13 February, 2025, 17 March, 2025 and 22 March, 2025.

6. Special Committee of the Board of Directors for Monitoring and Follow up of cases of Frauds

Composition and attendance

The Special Committee of the Board of Directors for Monitoring and Follow up of cases of Frauds ("**SCBMF**") comprises of five members out of which three are Independent Directors.

Name of the members	Position	Attendance
Mini Ipe	Chairperson	4/4
Amitabh Chaudhry	Member	4/4
Prof. S. Mahendra Dev	Member	4/4
P. N. Prasad	Member	4/4
N. S. Vishwanathan	Member	3/4*

*Leave of absence was granted to N. S. Vishwanathanfrom attending the meeting due to family commitments.

Quorum

Three members with at least one being a Non-Executive Director.

Brief description of the Charter

(a) Oversee the effectiveness of the fraud risk management in the Bank, including fraud monitoring and fraud investigations and make suggestions for improvement.

(b) Review and monitor cases of frauds, including root cause analysis, efficacy of the remedial action taken to prevent recurrence and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.

(c) Review the cases remaining in red-flagged status beyond 180 days together with adequate reasoning / justification thereof.

(d) Identify the reasons for delay, in detection and classification and / or reporting, if any, of frauds to top management of the Bank and the RBI.

Meetings

During fiscal 2025, four meetings of SCBMF were held on 13 June, 2024, 11 September, 2024, 11 December, 2024 and 5 March, 2025.

7. Customer Service Committee

Composition and attendance

The Customer Service Committee of the Board of Directors of the Bank ("**CSC**") comprises of five members out of which two are Independent Directors.

Name of the members	Position	Attendance
P. N. Prasad	Chairman	4/4
G. Padmanabhan	Member	4/4
Amitabh Chaudhry	Member	3/4*
Mini Ipe	Member	4/4
Subrat Mohanty	Member	4/4

*Leave of absence was granted to Amitabh Chaudhry from attending the meeting due to other commitments.

Quorum

Three members or 1/3rd of total strength of the CSC, whichever is higher, out of which at least one member shall be an Independent Director of the Bank.

Brief description of the Charter

(a) Oversee the functioning of various customer sub-Committees at the Bank.

(b) Review thematic feedback from Branch Level Customer Service meetings.

(c) Review customer feedback received during Standing Committee on Customer Service and customer metrics that were reviewed.

(d) Review complaints and quality of service provided by the Bank & it's subsidiaries to ensure a robust grievance redressal mechanism.

(e) Review of customer service policies annually and / or adopt new policies based on the RBI directives.

(f) Review progress on other regulatory matters.

(g) Review any specific directive received from the RBI and status of implementation.

(h) Review the initiatives taken by the Bank to enhance customer experience.

Meetings

During fiscal 2025, four meetings of the CSC were held on 6 June, 2024, 5 September, 2024, 16 December, 2024 and 12 March, 2025.

8. IT and Digital Strategy Committee

Composition and attendance

The IT and Digital Strategy Committee of the Board of Directors of the Bank ("**ITDSC**") comprises of five members out of which three are Independent Directors.

Name of the members	Position	Attendance
CH SS Mallikarjunarao	Chairman	5/5
G. Padmanabhan	Member	5/5
Girish Paranjpe	Member	5/5
Amitabh Chaudhry	Member	5/5
Subrat Mohanty	Member	5/5

Quorum

Three members or 1/3rd of total strength of ITDSC, whichever is higher.

Brief description of the Charter

(a) Approving IT strategy and policies and ensuring that IT strategy is aligned with business strategy.

(b) Review of IT and cyber security incidents / frauds.

(c) Assessing if IT architecture has been designed to derive maximum business value from IT.

(d) Ensure that the Bank has put in place processes for assessing and managing IT and cybersecurity risks.

(e) Exercise oversight to ensure effective functioning of the IT Operations of the Bank.

(f) Review on an annual basis, the Business Continuity Plan ("**BCP**") / Disaster Recovery ("**DR**") Plan of the Bank and exercise oversight over the efficacy of the BCP / DR process adopted by the Bank and recommend measures for its improvement.

(g) Review the progress made by the Bank on the digital banking front.

Meetings

During fiscal 2025, five meetings of ITDSC were held on 6 June, 2024, 4 July, 2024, 5 September, 2024, 6 December, 2024 and 12 March, 2025.

9. Corporate Social Responsibility

Composition and attendance

The Corporate Social Responsibility Committee of the Board of Directors of the Bank ("**CSR Committee**") comprises of five members out of which three are Independent Directors.

Name of the members	Designation	Attendance
N. S. Vishwanathan	Chairman	3/4*
Rajiv Anand	Member	4/4
Meena Ganesh	Member	4/4
Prof. S. Mahendra Dev	Member	4/4
Munish Sharda	Member	3/4#

*Leave of absence was granted to N. S. Vishwanathan from attending the meeting due to family commitments.
#Leave of absence was granted to Munish Sharda from attending the meeting due to other commitments.

Quorum

Three members or 1/3rd of the total strength of the CSR Committee, whichever is higher.

Brief description of the Charter

(a) Formulate and recommend to the Board, the CSR strategy, themes, focus areas and review mechanism including the CSR policy of the Bank.

(b) Review and approve, the CSR projects / programmes to be undertaken by the Bank either directly or through Axis Bank Foundation ("**ABF**") or through implementation partners as deemed suitable, during the fiscal year and specify modalities for its execution and implementation schedules for the same, in terms of the CSR policy of the Bank.

(c) Review and approve the funds to be allocated for the CSR projects / programmes to be undertaken by the Bank during the fiscal year, in terms of the CSR policy of the Bank, subject to compliance with Section 135(5) of the Act.

(d) Review implementation of the CSR policy and annual action plan, such that the CSR project(s) / programme(s) that are being proposed to be undertaken are aligned to the Bank's social, environmental and economic activities to the extent possible.

Meetings

During fiscal 2025, four meetings of CSR Committee were held on 18 June, 2024, 11 September, 2024, 10 December, 2024 and 7 March, 2025.

10. Review Committee

Composition and attendance

The Review Committee of the Board of Directors of the Bank ("**RC**") comprises of three members out of which two are Independent Directors.

Name of the members	Position	Attendance
Amitabh Chaudhry	Chairman	4/4
P. N. Prasad	Member	4/4
CH SS Mallikarjunarao	Member	4/4

Quorum

Three members or 2/3rd of total strength of the RC, whichever is higher.

Brief description of the charter

(a) Consider the proposal of the Identification Committee along with the written representation received for classification of a borrower / guarantor / promoter / director / persons who are in charge and responsible for the management of the affairs of the entity, as a willful defaulter.

(b) To put in place a system for proper and timely classification of borrowers as willful defaulters and review the efficacy of the said system, at-least on an annual basis.

(c) The accounts of borrowers who have been classified as willful defaulters shall be reviewed by the RC at-least on a half-yearly basis and a report thereon shall be placed before the Board, for its review and noting.

Meetings

During fiscal 2025, four meetings of RC were held on 27 May, 2024, 20 September, 2024, 24 December, 2024 and 18 March, 2025.

11. Acquisitions, Divestments and Mergers Committee

Composition and attendance

The Acquisitions, Divestments and Mergers Committee of the Board of Directors of the Bank ("**ADAM**") comprises of five members out of which three are Independent Directors.

Name of the members	Position	Attendance
N. S. Vishwanathan	Chairman	2/2
Amitabh Chaudhry	Member	1/2*
Meena Ganesh	Member	2/2
Subrat Mohanty	Member	2/2
Pranam Wahi	Member	2/2

*Leave of absence was granted to Amitabh Chaudhry from attending the meeting due to other commitments.

Quorum

Three members or 1/3rd of the total strength of the ADAM, whichever is higher.

Brief description of the Charter

(a) The objective of the Committee is to consider any proposals relating to mergers, acquisitions and strategic investments and divestments and recommend / approve them in terms of the charter.

(b) Business takeover / acquisition (as distinct from the normal purchase of loans / investment portfolios, purchase of assets, etc.)

(c) Strategic investments: acquisition of greater than 25% stake in a company or acquisition of stake in a company where the proportion is 25% or lower but where the Bank intends to have management participation. Equity / Equity linked investment in a Company / LLP / entity / body corporates (other than in Subsidiary / group entity(ies)) if the overall amount is in excess of ₹500 crores in one or more tranche. Equity / Equity linked investment in Subsidiary Company / group entity(ies) (existing or proposed) if the proposed investment amount is in excess of ₹500 crores per transaction.

(d) Strategic divestments: Sale of an existing business of the Bank (as distinct from the sale of assets in the normal course of business, sale to ARCs and fixed assets). Sale of greater than 25% stake in a Company /Limited Liability Partnership ("**LLP**") / entity / body corporates / Subsidiary Company of the Bank or Equity / Equity linked Divestment in a Company / LLP / entity / body corporates / Subsidiary Company if the amount of disinvestment is in excess of ₹500 crores per transaction or Sale of less than 25% stake in a Company / LLP / entity / body corporates / Subsidiary Company of the Bank but where the Bank intends to give-up management participation which was earlier approved by the Committee.

Meetings

During fiscal 2025, two meetings of ADAM were held on 19 June, 2024 and 18 December 2024.

12. Committee of Whole-Time Directors

Composition and attendance

The Committee of Whole-Time Directors of the Board of Directors of the Bank ("**COWTD**") comprises of four members.

Name of the members	Position	Attendance
Amitabh Chaudhry	Chairman	12/12
Rajiv Anand	Member	10/12*
Subrat Mohanty	Member	12/12
Munish Sharda	Member	12/12

* Leave of absence was granted to Rajiv Anand from attending the meetings due to family commitments.

Quorum

If the COWTD consists of three or less members, 100% of the strength of the COWTD. If the COWTD consists of more than three members, three members or 1/3rd of the total strength of the COWTD, whichever is higher.

Brief description of the Charter

(a) Issuance of general / special power of attorney to various officials of the Bank and the subsidiary companies of the Bank to do such acts, deeds, matters and things as may be considered necessary or appropriate for and on behalf of the Bank.

(b) Approve the allotment of equity shares pursuant to exercise of stock option / unit by eligible employees / Directors of the Bank and that of its subsidiary companies, in terms of the relevant employee stock option scheme(s) of the Bank.

(c) Approve the allotment of debt securities issued by the Bank, including, but not limited to long term bonds, green bonds, non-convertible debentures ("**NCDs**"), perpetual debt instruments, Tier II capital bonds or such other debt securities as may be permitted under the RBI guidelines.

(d) Discuss matters, *inter alia,* relating to the operations, strategies, business opportunities relating to the Bank and / or that of its subsidiaries.

(e) Approve strategic and other investments and divestments up to ₹500 crores in a Company / LLP / entity / body corporates in one more or tranche.

(f) Review and approve any proposals on investment and divestments in the share capital of the existing / proposed subsidiary / group entity(ies) upto ₹500 crores per transaction.

(g) Any other matter as may be authorised by the Board / Committees or required to be done pursuant to any laws, rules, regulations or any internal policies of the Bank.

Meetings

During fiscal 2025, twelve meetings of COWTD were held on 22 April, 2024, 21 May, 2024, 24 June, 2024, 15 July, 2024, 19 August, 2024, 23 September, 2024, 16 October, 2024, 27 November, 2024, 16 December, 2024, 13 January, 2025, 20 February, 2025 and 24 March, 2025.

13. Environmental, Social and Governance (ESG) Committee

Composition and attendance

The Environmental, Social and Governance Committee of the Board of Directors Bank ("**ESG**") comprises of three members out of which two are Independent Directors.

Name of the members	Position	Attendance
Prof. S. Mahendra Dev	Chairman	4/4
Amitabh Chaudhry	Member	4/4
G. Padmanabhan	Member	4/4

Quorum

Three members or 1/3rd of the total strength of the ESG Committee, whichever is higher.

Brief description of the Charter

(a) Guide and assist in setting the Bank's general strategy with respect to ESG matters.

(b) Consider and bring to the attention of the Board and / or management, current, and emerging ESG topics that may be material to the Bank or its stakeholders.

(c) To take note and advise the Board or management, as appropriate, on any significant stakeholder concerns relating to ESG matters.

(d) Review the Bank's ESG-aligned strategy, policies, practices, and disclosures for consistency with respect to applicable regulations.

(e) Advise and assist the management in the adoption of ESG performance metrics, targets, and other such commitments, and monitor the Bank's progress.

Meetings

During fiscal 2025, four meetings of the ESG Committee were held on 10 June, 2024, 19 September, 2024, 5 December, 2024 and 11 March, 2025.

Management Committee

The Management Committee ("**MANCOM**") has been constituted as part of the governance and administrative structure of the Bank. The MANCOM comprises of the Managing Director & CEO, Deputy MD, Executive Directors and group executives, head – human resources, other senior leaders, as appointed from time to time.

The MANCOM meets regularly to review matters, *inter alia*, relating to business strategy & business performance, financial reports & integrity, risk, compliance, customer experience & marketing, financial inclusion, human capital and any other matters considered important by the Committee including those specified under various policies of the Bank.

Separate meeting of Independent Directors

During fiscal 2025, the Independent Directors of the Bank met on 24 April, 2024, 24 July, 2024, 17 October 2024 and 16 January, 2025, without the presence of Whole-Time Directors and other members of management. During these meetings, the Independent Directors discussed various performance, operational and governance aspects of the Bank and Board performance evaluation.

Thereafter, the Independent Directors at its meeting held on 25 April, 2025, discussed the report of the Board performance evaluation exercise for fiscal 2025 and evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairperson of the Bank and assessed the quality, quantity and timeliness of flow of information between the management and the Board, in accordance with Para VII to Schedule IV of the Act.

V. Board Performance Evaluation

The Bank believes that the annual performance evaluation of the Board plays a vital role in enhancing the Board's effectiveness. The performance evaluation of Board, its Committees, Chairperson and individual Directors was done in compliance with the provisions of the Act and the SEBI Listing Regulations.

The NRC finalized the parameters, methodology and mechanism for conducting the Board performance evaluation for fiscal 2025. The questionnaire related to Board evaluation was reviewed and finalised and then structured online questionnaires were deployed for the said evaluation. To enhance objectivity and ensure confidentiality an independent external agency was engaged to conduct the performance evaluation through an online tool thereby ensuring a seamless execution and facilitating a candid participation of every Director.

The independent external agency also had one-on one discussion with all the Directors with respect to their response to the questionnaire.

Board Evaluation

The Board was evaluated on parameters such as governance, strategic planning, audit and compliance, identification and management of risks, human resource, Board's relationship with executive management, customer grievance / protection, financial inclusion, Board functioning, induction and professional development and flow of information.

Committee Evaluation

All the 13 Board Committees were individually evaluated on a common questionnaire as well as tailored depending upon the mandate of each Committee. The Committees were evaluated based on criteria such as composition and quality (qualifications, skills, experience and knowledge of members), discharge of responsibilities as mentioned in the terms of reference of the Committee, planning of meetings to ensure adequate time is provided for significant and emerging items, independent functioning of Committee, comprehensiveness of agenda papers and minutes, quality of deliberation and discussion at meetings, contribution of members, action taken reports, communication between Committee members and management, directions and instructions provided by the Committee resulting in major improvements in the Bank's functioning, etc.

Chairperson Evaluation

Chairperson performance evaluation was based on parameters covering open-mindedness, decisiveness, professionalism, courtesy extended to other members and ability to steer the meetings and discussions, impartiality, encouraging dissent, facilitating consensus building, knowledge of the industry complexity and surfacing issues of strategic importance.

Individual Directors

Individual Director's effectiveness was based on parameters such as knowledge and expertise, active participation and contribution during meetings, regularity and punctuality in attending meetings, preparation for meetings and keeping oneself abreast of matters, collaborative relationship with other Directors, leadership, openness to others' input and acceptance of constructive feedback, uninhibited participation in meetings and willingness to bring forth their insights and integrity.

Outcome of Evaluation

The outcome of the said performance evaluation was reviewed by the NRC at its meeting held on 23 April, 2025 and by the Independent Directors at its meeting held on 25 April, 2025. The Board also reviewed the performance evaluation report, outcome and action areas at its meeting held on 25 April, 2025.

The disclosure in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/79 dated 10 May, 2018, on 'Board evaluation', is detailed as under:

1. Observations of Board evaluation carried out for the year: Eight observations emanated from the Board performance evaluation for fiscal 2025, which are detailed as under:

   (a) Making the agenda notes for Board and Committees concise without compromising on the material information for better prioritization and focussed discussions.

   (b) Issues such as strategic oversight on business performance, market trends and underperforming areas, be given priority.

   (c) Focus and identify issues in enhancing financial inclusion and not just priority sector lending.

(d) Drive programs to enhance risk and compliance culture across all levels and explore advanced tech tools and AI for early detection in fraud-prone areas.

(e) CSR Committee to consider periodic site visits to assess on-ground effectiveness of CSR efforts.

(f) Focus on grievance handling to reduce escalations to internal ombudsmen.

(g) Integrate ESG and climate agenda into long-term strategy.

(h) Common agenda items being placed to multiple Board Committees that oversee assurance functions be discussed in a joint meeting which is attended by the members of all those Committees.

2. Previous year's observations and actions taken: Six observations had emanated from the Board performance evaluation for fiscal 2024. These related to:

(a) Update the Board on current areas of focus and measures taken to improve customer service and contain customer grievances.

(b) Co-opting an expert who can be a special invitee to the meetings of the ESG Committee.

(c) Plan for additional bespoke programme for Directors, based on their feedback.

(d) Update the Board on measures taken to move the needle on the financial inclusion in a more substantive manner.

(e) Improve quality of agenda papers to make them more concise without missing the important details.

(f) Institute feedback mechanism to apprise the Board on the progress made on the areas for improvement identified by the Board.

The Bank has complied with the said observations, which have been reviewed by the NRC and the Board.

3. Proposed actions based on current year observations: The Bank has accepted all the observations made by the Board emanating from the Board performance evaluation for fiscal 2025. The status of compliance with the said observations will be reviewed by the NRC and the Board during the course of fiscal 2026.

VI. Remuneration Policy

The Bank's remuneration practices are underpinned by principles of meritocracy and fairness. The Bank strives to maintain strong focus in the areas of compensation governance and ensures the compensation systems are in line with emerging compensation regulations as applicable. The remuneration system strives to maintain the ability to attract, retain, reward and motivate 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 that both internal and external equity are in line with the emerging market trends.

The Bank has formulated and adopted a remuneration policy for Non-Executive Chairperson and Non-Executive Directors of the Bank which provides guidelines for payment of remuneration to the Non-Executive Chairperson and Non-Executive Directors of the Bank.

The Bank has also formulated a remuneration policy for Managing Director & CEO, Whole-Time Directors, material risk takers, control function staff and other employees of the Bank, in terms of the provisions of the Act, SEBI Listing Regulations and 'Guidelines on compensation of whole-time directors / chief executive officers / material risk takers and control function staff' issued by the RBI on 4 November, 2019. This remuneration policy, *inter alia*, contains guidelines relating to compensation structure consisting of fixed pay, variable pay, employee stock options, compensation revision cycle and framework regarding malus / clawback. During fiscal 2025, the Board also reviewed and approved amendments to both the policies, in line with the extant laws.

The above policies are available on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance.

The remuneration paid to all the employees / Managing Director & CEO / Deputy MD / Whole-Time Directors of the Bank, for fiscal 2025, is in accordance with the aforesaid remuneration policy.

VII. Remuneration of Directors

A. Executive / Whole-Time Directors

The details of remuneration paid to Managing Director & CEO, Deputy MD and Executive Directors during fiscal 2025, is as under:

(in ₹)

Particulars	Amitabh Chaudhry	Rajiv Anand	Subrat Mohanty	Munish Sharda
Salary (Basic)	4,77,01,380	2,97,58,152	2,34,33,360	2,34,33,360
Leave fare concession facility	9,99,996	5,49,996	6,81,996	5,49,996
House rent allowance	1,32,50,388	98,20,188	77,33,004	77,33,004
Variable pay (2023-24)	1,04,73,530	1,19,50,935	97,79,815	93,45,421
Variable pay (2022-23)	33,00,000	37,12,500	27,43,291	31,49,981
Variable pay (2021-22)	31,68,000	35,31,000	19,24,525	12,36,204
Variable pay (2020-21)	30,26,000	20,04,652	8,47,670	-
Superannuation allowance / fund	47,70,138	29,75,816	23,43,337	22,07,646
Utility allowance	3,75,000	1,32,000	1,32,000	1,32,000
Perquisites* (excluding ESOP)	40,71,553	34,17,412	24,67,190	40,02,575
Unutilised car benefit	-	2,75,919	11,66,389	1,68,332
Provident fund (Bank's Contribution)	12% of Basic	12% of Basic	12% of Basic	12% of Basic
Gratuity	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service

*Perquisites (evaluated as per Income Tax Rules, 1962, wherever applicable, or otherwise at actual cost to the Bank) such as Bank's furnished accommodation, electricity, water and furnishings, club fees, personal accident insurance, loans, use of car and telephone at residence, medical reimbursement, travelling and halting allowances, newspapers and periodicals and others were provided in accordance with the Rules of the Bank.

1. Amitabh Chaudhry and Rajiv Anand were granted 2,59,429 and 1,83,381 stock options respectively for fiscal 2024. Subrat Mohanty and Munish Sharda were granted 97,996 and 13,157 stock options respectively for fiscal 2024 for their tenure as Executive Directors. The approval for the grants were received from the RBI in fiscal 2025.

   The stock options were granted at ₹1,063.25 per share which was the closing market price prevailing on the day prior to the date of grant on the National Stock Exchange of India Limited (the "**NSE**").

   The vesting schedule for the said stock options is spread over 4 (four) years @ 25% every year (commencing on expiry of one year from the date of grant).

2. The Bank as a policy, does not pay any severance fees to its Whole-Time Directors. The tenure of the office of Whole-Time Directors is for a period of three years from the date of their respective appointment / re-appointment, as approved by the RBI and the same can be terminated by either party by giving three months' notice in writing. The termination of services shall be in compliance with the provisions of Section 35B of the Banking Regulation Act, 1949.

3. The Whole-Time Directors of the Bank are not entitled to receive any sitting fees from the Bank or from its subsidiary companies, for attending meetings of the Board and its Committees. Further, they do not receive any remuneration from any of the subsidiary companies of the Bank.

4. The proposals for revision in remuneration of Amitabh Chaudhry, Rajiv Anand, Subrat Mohanty and Munish Sharda were approved by the shareholders of the Bank at the 30th AGM. All the proposals were passed as ordinary resolutions which received 99.20% of votes in favour of the proposal.

B. Independent / Nominee Directors

The remuneration framework for the Independent and Nominee Directors of the Bank has been meticulously structured to ensure compliance with regulatory standards and to recognize the vital contribution of these Directors towards the governance and strategic direction of the Bank.

Sitting Fees Structure: All the Independent and Nominee Directors of the Bank were paid sitting fees of ₹100,000 for every meeting of the Board, NRC, ACB, COD, RMC and ITDSC attended by them. In respect of meetings of other Committees of the Board, they were paid sitting fees of ₹75,000 for every meeting attended by them. Further, all the Independent Directors of the Bank were paid sitting fees of ₹100,000 for attending every meeting of the Independent Directors. The Board at its meeting held on 22 March, 2025 has increased the sitting fees in respect of attending the CSC meeting from ₹75,000 to ₹1,00,000 per meeting with effect from 1 April, 2025.

Fixed Remuneration: In accordance with the RBI circular dated 9 February, 2024 on 'review of fixed remuneration granted to Non-Executive Directors (NEDs)', as amended from time to time, the Bank paid fixed remuneration to its Non-Executive Directors (except the Independent Part-Time Chairman) not exceeding ₹30 lakhs per annum per Director.

Reimbursements and other Entitlements: All Directors are eligible for reimbursement of expenses incurred while performing their duties. The Bank does not grant stock options to its Independent or Nominee Directors.

Non-Executive Part-Time Chairman: In addition to sitting fees and remuneration, N. S. Vishwanathan, Non-Executive Part-Time Chairman, is entitled to use of Bank's car for official and private purposes, travel, stay and other expenses for official purposes.

Payment of Remuneration to Non-Executive (Nominee of LIC, Promoter) Director: The sitting fees to Mini Ipe was paid to her, whereas fixed remuneration was paid to LIC, as per advice from LIC.

There were no other pecuniary relationships or transactions of Non-Executive Directors *vis-a-vis* the Bank (except banking transactions in the ordinary course of business and on arm's length basis) during fiscal 2025.

The details of the remuneration paid to Independent Directors and Nominee Director during fiscal 2025, are as under:

(in ₹)

Sr. No.	Name of the Directors	Designation	Sitting Fees	Fixed Remuneration
1.	N. S. Vishwanathan	Independent Director and Part-Time Chairman	31,00,000	35,00,000
2.	Girish Paranjpe	Independent Director	50,00,000	27,00,000
3.	Meena Ganesh	Independent Director	44,50,000	27,00,000
4.	G. Padmanabhan	Independent Director	29,00,000	27,00,000
5.	Prof. S. Mahendra Dev	Independent Director	51,00,000	27,00,000
6	P. N. Prasad	Independent Director	36,50,000	27,00,000
7.	CH SS Mallikarjunarao	Independent Director	35,50,000	27,00,000
8.	Mini Ipe	Non-Executive Nominee Director	43,00,000	27,00,000
9.	Pranam Wahi	Independent Director	35,50,000	25,00,000
	Total		**3,56,00,000**	**2,49,00,000**

VIII. Fees paid to Statutory Auditors

The details of fees for all services availed by the Bank and its subsidiary companies, on a consolidated basis, from the Joint Statutory Auditors, M/s. M P Chitale & Co. and M/s. C N K & Associates LLP (whose term ended at the conclusion of the 30th AGM held on 26 July, 2024) and Joint Statutory Auditors, M/s. M M Nissim & Co. LLP and M/s. KKC & Associates LLP (appointed at the 30th AGM held on 26 July 2024) and all entities in the network firm / network entity of which the aforesaid Joint Statutory Auditors are part thereof, during fiscal 2025, is as under:

(in ₹)

Sr. No.	Particulars	Amount[1]
1.	Audit Fees	3,76,25,000
2.	Fees for certification and other attest services[2]	1,35,70,050
3.	Non Audit Fees	-
	Total	**5,11,95,050**

1 The fees excludes taxes, clerkage fees and out of pocket expenses.

2 The services of the Statutory Auditors have been obtained during the normal course of business for compliance with statutes and the guidelines of various regulators like SEBI, RBI etc. which specifically require the statutory auditor to undertake these activities and are not in the nature of management assurance.

3 M/s. C N K & Associates LLP, one of the Joint Statutory Auditors (whose term ended at the conclusion of the 30th AGM held on 26 July 2024), was appointed as the Statutory Auditor of Axis Trustee Services Limited, which is a subsidiary of the Bank, for a period of 5 years commencing from fiscal 2025. The aforementioned fee includes fees paid by Axis Trustee Services Limited to M/s. C N K & Associates LLP for audit services provided in Q1FY25. Other than the aforementioned, no services have been availed by the subsidiaries of the Bank from any of the Joint Statutory Auditors.

4 The said fees have been reviewed and approved by the Audit Committee of the Bank / Board of the subsidiary as applicable.

IX. Details of utilisation of funds raised through Preferential Allotment or Qualified Institutional Placement

During the year, the Bank has not raised any funds through preferential allotment or qualified institutional placement of equity shares pursuant to Regulation 32 (7A) of the SEBI Listing Regulations.

X. Disclosure in terms of the sexual harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Bank has formulated and adopted a policy on prevention of sexual harassment at workplace ("**the policy**") and takes all necessary measures to ensure a harassment-free workplace. The Bank believes that all employees, including other individuals who are dealing with the Bank have the right to be treated with dignity. The abridged version of Prevention of Sexual Harassment at Workplace policy is available on the Bank's website at https://www.axisbank.com/shareholders-corner/corporate-governance.

A Central Internal Committee ("**CIC**") has been instituted for redressal of complaints and to prevent sexual harassment. Additionally, four Regional Internal Committees ("**RIC**") have been constituted to facilitate investigations at four regions (north, south, east and west) of the Bank.

The CIC is empowered to take appropriate disciplinary action against the employee(s) who is found to have violated the norms prescribed under the said policy.

The following is the summary of sexual harassment complaints received and disposed of by the Bank, during fiscal 2025:

Particulars	No. of Complaints
Number of complaints pending at the start of the fiscal year	8
Number of complaints of sexual harassment filed during the fiscal year	54
Number of complaints disposed off during the fiscal year	50
Number of complaints pending as on the end of the fiscal year	12

Number of workshops / awareness programmes conducted against sexual harassment: 33.

Nature of action taken by the Employer or District Officer: As per the Bank's Code of Conduct & Ethics.

XI. Employee Accidental Deaths

During fiscal 2025, there were no instances of employee accidents or accidental death at workplace.

XII. Whistleblower Policy & Vigil Mechanism

The Whistleblower channel provides a secure way for employees to escalate concerns regarding any non-compliance / violations in the Bank's Code of Conduct and Ethics which includes non-adherence to laid down guidelines of the Bank, conflict of interest, fraud, misuse of delegated powers, misappropriation, any form of corruption, data leakage, etc.

This Whistleblower Policy gives Whistleblower(s) a platform to report their concerns / grievances without fear of retribution or vengeful action from the persons against whom the Protected Disclosure was submitted, in addition to providing for requisite actions to be taken on a Protected Disclosure being received by the Bank.

Complete protection is given to the Whistleblower against retaliation or retribution consequent upon his/her having reported a Protected Disclosure. In the event the Whistleblower experiences any such incidents, the Whistleblower should immediately report the same as specified in whistleblower policy. The Bank will take steps to minimize difficulties that a Whistleblower may face in the submission of a Protected Disclosure. If the offences are committed by senior management, the policy enables the Banks staff to request concerns to the ACB.

The Bank's policy meets the requirements with all the applicable rules and regulations, including (a) Act (b) SEBI Listing Regulations (c) the RBI scheme on 'Protected Disclosures Scheme for Private Sector and Foreign Banks, and (d) RBI Master Directions on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions.

To ensure smooth flow and management of complaints under the policy, a web-based application -'https://whistleblower.axisbank.co.in' is available for filing protected disclosures, including anonymous whistleblower complaints containing specific and verifiable information, without fear of revelation of identity. The policy contains provisions for protecting whistleblowers from any unfair action prejudicial to their interest.

The Bank has not denied access to any of its employees to the Chairman of the ACB and that the policy contains adequate provisions for protecting whistleblowers from unfair termination and other unfair prejudicial and employment practices.

A quarterly report on the findings under the said Policy is submitted to the ACB for information.

Total whistleblower complaints received by the Bank in fiscal 2025: 673.

No. of whistleblower complaints pending resolution as on 31 March, 2025: 360.

The details of the abridged version of whistleblower policy are available on the Bank's website at https://www.axisbank.com/webforms/code-of-commitment and https://www.axisbank.com/shareholders-corner/corporate-governance.

XIII. Subsidiary Companies

As on 31 March, 2025, the Bank does not have any unlisted Indian subsidiary company, which could be deemed to be a material subsidiary, in terms of Regulation 16(1)(c) read with Regulation 24(1) of the SEBI Listing Regulations. All matters relating to subsidiary governance is overseen by the Board and Board Committees and operationalized under the aegis of Subsidiary Governance Committee ("**SGC**") of the Bank. The SGC meets as and when required and at least once every quarter.

The minutes of the meetings of the Board of all unlisted subsidiary companies of the Bank are tabled at the meetings of the Board of the Bank. The minutes of the meetings of the ACB of unlisted subsidiary companies of the Bank are tabled at the meetings of the ACB of the Bank. A snapshot of the customer complaints which are received by subsidiary companies of the Bank along with the remedial measures are placed before CSC of the Board of the Bank.

ACB reviews the investments made by subsidiaries. Further, it also evaluates the statement of all significant transactions and arrangements entered by subsidiary companies and the compliances of each materially significant subsidiary on a periodic basis.

The RBI has identified Axis Group as a Financial Conglomerate ("**FC**") under the Inter Regulatory Forum ("**IRF**") mechanism which necessitates continuous oversight on subsidiary companies. The oversight on Bank's subsidiaries is an essential element for the implementation of well aligned corporate governance principles across group entities. It assists in integration of "**One Axis**" theme of the Bank, by sharing uniform practices across the Group and building up synergy in common practices thereby creating value and investor confidence.

The Bank has put in place a comprehensive subsidiary engagement framework encompassing functional alignment in multiple areas *viz.* Risk, Compliance, Audit, Finance, Corporate Secretarial, Human Resources, Information Technology and Legal as well as more integrative domains *viz.* Cyber Security, Brand Usage and Marketing, Corporate Communication and Ethics with the end objective of delivering 'One Axis' across the Group.

XIV. Policy for Determining Material Subsidiaries

As required under Regulation 16(1)(c) of the SEBI Listing Regulations, the Bank has formulated and adopted a policy for determining material subsidiaries (the "**policy**"). During the year, the policy for determining material subsidiaries has been reviewed by the RMC and the Board. The same policy has been hosted on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance.

XV. Directors and Officers Insurance

The Bank has a Directors and Officers Insurance policy in place which protects the Directors and Officers of the Bank from any claims for any actual or alleged breach of their fiduciary duties.

XVI. Insider Trading

The Bank has a share dealing code and the code of practices and procedures for fair disclosure of unpublished price sensitive information ("**UPSI**") of the Bank, in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "**Insider Trading Regulations**"), as amended from time to time.

The share dealing code of the Bank comprises of Chapter A which is applicable to 'designated persons' and their immediate relatives for trading in securities of the Bank and Chapter B which is applicable to 'persons designated for restricted list' and their immediate relatives for trading in securities of Listed Client Companies ("**LCC**").

The Bank in the ordinary course of its business, is likely to be entrusted with UPSI by LCC, hence it is expected to discharge its fiduciary obligations by maintaining confidentiality of such UPSI, in the interest of such LCC, and in compliance with the Insider Trading Regulations. The Compliance Officer has taken necessary steps to restrict the persons designated under restricted list from trading in securities of such LCCs.

The Bank has adequate and effective systems, internal controls and processes, to ensure compliance with the provisions of the share dealing code, the code of practices and procedures for fair disclosure of UPSI and the Insider Trading Regulations. The Bank conducts awareness programmes and circulates Do's and Dont's, for the designated persons, from time to time. During fiscal 2025, the Board also reviewed and approved amendments to the said codes, in line with the extant laws.

The Compliance Officer of the Bank provides violation reports to the ACB on a quarterly basis. On an annual basis, ACB reviews the compliance with the provisions of Insider Trading Regulations and verifies that the systems for internal control are adequate and are operating effectively.

The Bank has also formulated and adopted the policy for determination of materiality of events / information of the Bank, in terms of Regulation 30 of the SEBI Listing Regulations. During fiscal 2025, the Board reviewed and approved the amendments to the policy, in line with the extant laws. The policy for determination of materiality of events / information and the code of practices and procedures for fair disclosure of UPSI of the Bank have been uploaded on the website at https://www.axisbank.com/shareholders-corner/corporate-governance in compliance with the said Regulations.

XVII. Compliance Certificate

Pursuant to Regulation 17(3) of the SEBI Listing Regulations, a quarterly confirmation on laws applicable to the Bank is obtained from the relevant heads of departments by the compliance department. A report duly signed by the Chief Compliance Officer of the Bank confirming compliances with applicable laws, is placed before the ACB and the Board on a quarterly basis.

XVIII. CEO & CFO Certification

A certificate issued by Amitabh Chaudhry, Managing Director & CEO, and Puneet Sharma, Group Executive & Chief Financial Officer of the Bank, for the fiscal 2025, was placed before the Board at its meeting held on 25 April, 2025, in terms of Regulation 17(8) of the SEBI Listing Regulations. The said certificate is attached as **Annexure 1** to this report.

XIX. Directors E-KYC

The Ministry of Corporate Affairs (the "**MCA**") has *vide* amendment to the Companies (Appointment and Qualification of Directors) Rules, 2014, mandated registration of KYC of all the Directors through e-form DIR-3 KYC. All Directors of the Bank have complied with the aforesaid requirement.

XX. Other Disclosures

Related Party Transactions

All related party transactions ("**RPTs**") and subsequent modifications, if any, thereto are placed before the ACB for review and approval. Prior omnibus approval is obtained for RPTs for transactions which are of repetitive nature and entered in the ordinary course of business and are at arm's length. RPTs executed pursuant to requisite approvals, are reviewed on a quarterly basis.

During fiscal 2025, the Bank has not entered into any materially significant transactions with its related parties which could lead to potential conflict of interest between the Bank and these parties, other than transactions entered into with them in the ordinary course of its business.

The policy on related party transactions is available on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance.

Particulars of Senior Management

As of 31 March, 2025, the Bank had following senior management personnel as defined under Regulation 16(1)(d) of the SEBI Listing Regulations:

Sr No.	Name	Designation
1	Prashant Joshi	Group Executive & Chief Credit Officer
2	Neeraj Gambhir	Group Executive - Treasury & Markets and Wholesale Banking Products
3	Puneet Mahendra Sharma	Group Executive & Chief Financial Officer
4	Arjun Chowdhry	Group Executive – Affluent Banking, Retail Lending, NRI, Cards & Payments
5	Vijay Krishna Mulbagal	Group Executive – Strategic Programs & Sustainability
6	Amit Talgeri	Chief Risk Officer
7	Bimal Bhattacharyya	Interim Chief Audit Executive
8	Anuranjan Kumar	Chief Compliance Officer
9	Rajkamal Vempati	President - Human Resources
10	Sandeep Poddar	Company Secretary and Compliance Officer

Changes in Senior Management

During fiscal 2025, following were the changes in the senior management personnel of the Bank:

Sr. No.	Name of Employee	Designation	Date of change	Type of change
1	Bimal Bhattacharyya	Chief Compliance Officer	13 June, 2024	Cessation
2	Anuranjan Kumar	Chief Compliance Officer	14 June, 2024	Appointment
3	Sumit Bali	Group Executive	16 August, 2024	Cessation
4	Ganesh Sankaran	Group Executive	30 November, 2024	Cessation
5	S. Bhaskar	Chief Audit Executive	3 February, 2025	Appointment
6	Vineet Agrawal	Chief Audit Executive	3 February, 2025	Cessation
7	S. Bhaskar	Chief Audit Executive	13 February, 2025	Cessation
8	Bimal Bhattacharyya	Interim Chief Audit Executive	14 February, 2025	Appointment

Transactions of Senior Management

The members of the senior management of the Bank have affirmed that they have not entered into any material, financial or commercial transaction wherein they have personal interest and which may potentially conflict with the interest of the Bank at large.

Instances of Non-Compliance

There were no instances of non-compliance by the Bank or penalties and strictures imposed by the stock exchange(s) or SEBI or other statutory authorities on any matter related to capital markets during the last three years, except the following:

(i) SEBI had carried out inspection of the Designated Depository Participant ("**DDP**") activities of the Bank for fiscal 2021. During the inspection, SEBI observed that the designated Compliance Officer was undertaking operational activity by acting as a checker, there was no employee other than the Compliance Officer for carrying out DDP operations from April 2021 to June 2021. SEBI also observed that there were discrepancy in the report of DDP and NSDL, operational manual was not updated, KYC review was not done for two clients and fees were collected from FPI prior to receipt of application. In view of the above, SEBI issued an administrative warning on 9 March, 2023, which was received by the Bank on 21 April, 2023. The Bank has taken corrective actions and submitted its response to SEBI on 27 April, 2023.

(ii) SEBI carried out inspection of the Custodian activities of the Bank for fiscal 2022 and issued administrative warning on 28 August, 2023 based on the observations made during the inspection. The Bank has taken necessary actions and submitted its response to SEBI on 12 September, 2023.

(iii) SEBI has issued letter dated 4 February, 2025 to Bank as a DDP on advisory on timely submission of reports through SEBI Intermediary Portal. There were 2 (two) instances of delay in filing of report on SEBI SI portal as mentioned in SEBI advisory letter. In both the instances initial report filing was done by CCMO / DDP Team within the SEBI specified deadline on SEBI SI Portal. In one instance, after consultation with SEBI on approach / criteria the report was revised and in coordination with SEBI and after re-opening of SI Portal by SEBI, the report was refiled on SEBI portal (post due date). In another instance, based on internal audit department observation, the report was revised and refiled on SEBI SI portal (post due date) after requesting and re-opening of SI Portal by SEBI. While re-opening the SI Portal by SEBI in December 2024, no objections were raised by SEBI, however, subsequently SEBI has sent letter dated 4 February 2025 advising Bank not to repeat instance of filing of periodic reports with a delay for the month January 2025 and onwards. An additional check by way of the concurrent audit (external auditor) has been put in place who will independently validate the report prior to filing of report on SEBI SI Portal.

(iv) SEBI had carried our inspection of the Depository Participant ("**DP**") activities of the Bank in July 2024 and issued Deficiency Letter on 31 December, 2024 (the letter was recalled by SEBI and revised letter was received on 20 February, 2025 with same date of 31 December, 2024) based on the observations made during the inspection. The Bank has taken necessary actions and submitted its response to SEBI on 18 March 2025.

Certificate on non-disqualification of Directors

M/s. Bhandari & Associates, Company Secretaries, Secretarial Auditors has certified that none of the Directors of the Bank have been debarred or disqualified from being appointed or continuing as a director of the Bank by SEBI / MCA or any other statutory / regulatory authority. The said certificate is annexed to the Board's Report.

Compliance with governance norms

The Bank is in compliance with Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E and Schedule V of the SEBI Listing Regulations. Further, the Bank has also complied with all the mandatory requirements, as prescribed under the SEBI Listing Regulations relating to corporate governance.

Except for sending half-yearly financial results to the shareholders, the Bank has adopted all the other non-mandatory requirements mentioned in Part E of Schedule II of SEBI Listing Regulations, detailed as under:

(i) Maintenance of Chairperson's office at the Bank's expense and reimbursement of expenses incurred by the Non-Executive Chairperson in performance of his duties.

(ii) Separate post of Chairperson and Managing Director & CEO.

(iii) Regime of financial statements with unmodified audit opinion.

(iv) Chief Audit Executive directly reporting to the ACB.

(v) Holding at least two meetings of Independent Directors in a financial year, without the presence of Non-Independent Directors and members of the management.

The Bank has obtained a certificate from its Joint Statutory Auditors, M M Nissim & Co. LLP (Registration No. 107122W/W100672), Chartered Accountants, Mumbai, confirming that the Bank has complied with the provisions of Corporate Governance for fiscal 2025, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the SEBI Listing Regulations. The said certificate is annexed at the start of this report.

The Bank has not been informed of any agreement under Regulation 30A(1) read with clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations during fiscal 2025. Accordingly there is no requirement for disclosing the same.

Codes of Conduct

The Board has formulated and adopted the code of conduct and conflict of interest norms for the Board of Directors, and the code of conduct and ethics of the Bank, in terms of Regulation 17(5) of the SEBI Listing Regulations relating to corporate governance together referred to as the codes.

The code of conduct and ethics of the Bank reflects the Bank's commitment to integrity and the highest standards of ethical practices. It defines the standards of conduct that is expected of all employees in order that the right decisions are taken in performing their roles and responsibilities across various functions in the Bank.

The code of conduct and ethics of the Bank is intended to be the charter for day-to-day work, to enable employees to make the right decisions and, therefore, serves to (1) underline the fundamental commitment to compliance with regulatory guidelines and laws of the land, and (2) set forth basic parameters of ethical and acceptable social behavior.

The Bank's core values have been articulated as: customer centricity, ethics, transparency, teamwork and ownership and these define the manner in which we deal with our stakeholders.

Every employee annually affirms to abide by the code of conduct and ethics of the Bank. Further, the aforesaid codes require employees, including the senior management of the Bank, to maintain highest levels of professional and personal integrity to avoid situations in which an individual's personal interest may conflict with either the interest of the Bank or that of its stakeholders. Prior approvals are required to be sought before accepting any position of responsibility, with or without remuneration, in any other organisation.

The said codes have been hosted on the website of the Bank at https://www.axisbank.com/shareholders-corner/corporate-governance in compliance with the SEBI Listing Regulations.

The certificate issued by the Managing Director & CEO of the Bank confirming that all the Directors and members of the senior management of the Bank have affirmed compliance with the said codes as applicable to them, is attached as **Annexure 2** to this report.

Compliance

The Bank has a 'Governance Compliance Manager' ("**GCM**") system in place to track and monitor the implementation of Regulations applicable to the Bank.

The changes in regulatory guidelines or new regulatory guidelines are tracked and updated in GCM system. These are then disseminated along with action points to the respective units / departments for implementation.

The compliance department conducts independent assessment of status of compliance as well as compliance risk for all the units across the Bank & reports to the ACB as well as to the Board, at regular intervals.

Sustainability

The Bank recognizes the critical importance of material aspects of ESG in creating value for all stakeholders. The Bank was the first Indian bank to establish an ESG Committee of the Board in 2021, that enabled the Bank to bring a myriad of ESG-aligned activities under a unified and comprehensive approach. Bank's purpose – banking for an equitable and inclusive economy, thriving communities, and a healthier planet – underscores its role as a responsible financial institution. Guided by the ESG Committee, the Bank continues to focus on strengthening its business activities aligned to the global climate action agenda and the Sustainable Development Goals. The Bank has in place pertinent policies such as the ESG policy for Lending and the Sustainable Financing Framework, among others, that provide a strong governance oversight to its activities. The Bank continues to disclose its ESG-aligned performance in line with international frameworks such as Global Reporting Initiative ("**GRI**") Standards, Integrated Reporting ("**IR**") Framework and Taskforce on Climate-related Financial disclosures ("**TCFD**") recommendations. During fiscal 2025, the Bank was the first Indian private sector Bank to partner with IFC to provide a $500 million loan to help develop a blue finance market and scale up financing of green projects in India.

Vendor Processes and Supplier Code of Conduct

The Bank follows a vendor onboarding policy outlining the vendor identification and selection processes. A vendor onboarding platform is integrated on the website of the Bank that provides them with a fair opportunity to apply to the Bank with their respective proposals. Post receipt of such proposals, the vendors are evaluated for selection based on the principles and processes formulated.

The Bank has also formulated a 'Supplier Code of Conduct' (the "**Code**") which aims to articulate the minimum standards of conduct and ethical principles that the Bank expects all its suppliers to imbibe and comply with.

The Code provides for reporting of concerns by suppliers. The Bank has also developed an online mechanism for reporting of concerns by its suppliers. With this practice, the Bank lays the foundation for building and retaining business relationships based on ethical values to realize sustainable economic, social and environmental benefits.

Annexure 1

CEO / CFO CERTIFICATION AS PER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

The Board of Directors
Axis Bank Limited

In terms of Regulation 17(8) of the Listing Regulations, we certify that:

a) We have reviewed the audited financial statements and the cash flow statement for the fiscal year ended 31 March, 2025 and that to the best of our knowledge and belief:

    (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

    (ii) These statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions which have been entered into by the Bank during the year which are fraudulent, illegal or violative of the Bank's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Bank pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee:

    (i) significant changes in internal control over financial reporting during the year;

    (ii) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the audited financial statements; and

    (iii) instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Bank's internal control system over financial reporting.

Amitabh Chaudhry
Managing Director & CEO

Puneet Sharma
Group Executive & CFO

Place: Mumbai
Date: 24 April, 2025

Annexure 2

COMPLIANCE WITH THE CODE OF CONDUCT AND CONFLICT OF INTEREST NORMS IN RESPECT OF BOARD OF DIRECTORS AND THE CODE OF CONDUCT AND ETHICS OF THE BANK, FOR THE FISCAL 2025

I confirm that for the year under review, all the directors and members of the senior management of the Bank, have affirmed compliance with the said codes, as applicable to them.

Amitabh Chaudhry
Managing Director & CEO

Place: Mumbai
Date: 25 April, 2025

General Shareholder Information

[Pursuant to Regulation 34(3) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**SEBI Listing Regulations**")]

Contact Information

Registered Office	Corporate Office	Registrar & Share Transfer Agent ("RTA")
Axis Bank Limited [CIN: L65110GJ1993PLC020769] 'Trishul', 3rd Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006, Gujarat Tel. no.: +91 79 6630 6161 Email: shareholders@axisbank.com Website: www.axisbank.com	**Axis Bank Limited** 'Axis House', C-2, Pandurang Budhkar Marg, Worli, Mumbai – 400 025, Maharashtra Tel. no.: +91 22 2425 2525 Fax no.: +91 22 2425 1800 Email: shareholders@axisbank.com Website: www.axisbank.com	**KFin Technologies Limited ("KFIN")** Unit: Axis Bank Limited Selenium Building, Tower – B, Plot nos. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel. no.: +91 40 7961 5565 Toll free no.: 1800 3094 001 Email: einward.ris@kfintech.com Website: www.kfintech.com
Debenture Trustees		**Depository for Global Depository Receipts**
IDBI Trusteeship Services Limited Universal Insurance Building, Ground Floor, Sir P. M Road, Fort, Mumbai – 400 001, Maharashtra Tel. no.: +91 22 4080 7000; + 91 8097474599 Fax no.: +91 22 6631 1776 Email: itsl@idbitrustee.com Website: www.idbitrustee.com	**SBICAP Trustee Company Limited** Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400 020, Maharashtra Tel. no.: +91 22 4302 5555 Fax no.: +91 22 4302 5500 Website: www.sbicaptrustee.com	**The Bank of New York Mellon** 240 Greenwich Street New York - 10286, United States Tel. no.: +1 212 495 1784 Website: www.adrbnymellon.com

31st Annual General Meeting ("31ST AGM")

Day / Date / Time	Friday, 25 July, 2025, 10:00 am
Mode	Video Conferencing
E-voting Dates	Monday, 21 July, 2025 (9:00 am) to Thursday, 24 July, 2025 (5:00 pm)
Financial Year	1 April to 31 March

Dividend

Dividend Amount	₹1 per share
Record Date	Friday, 4 July, 2025
Dividend Payment Date	The dividend, if approved, will be paid within 30 days from the date of the 31st AGM

Meeting Calendar

Purpose	Tentative Date
Unaudited financial results (standalone and consolidated) of the Bank, for the quarter ending 30 June, 2025	Third week of July, 2025
Unaudited financial results (standalone and consolidated) of the Bank, for the quarter / half year ending 30 September, 2025	Third week of October, 2025
Unaudited financial results (standalone and consolidated) of the Bank, for the quarter / nine months ending 31 December, 2025	Third week of January, 2026
Audited financial results (standalone and consolidated) of the Bank, for the financial year ending 31 March, 2026	Last week of April, 2026

Listing on Stock Exchanges

Equity Shares

Details of Stock Exchange	ISIN	Stock Exchange Codes	Reuters Codes	Bloomberg Codes
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra Website: www.bseindia.com	INE238A01034	532215	BSE - AXBK.BO	BSE – AXSB IN
National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra Website: www.nseindia.com	INE238A01034	AXISBANK	NSE - AXBK.NS	NSE - AXSB IS

The equity shares of the Bank have not been suspended from trading on the said stock exchanges or by any regulatory or statutory authority.

Global Depository Receipts ("GDR") / American Depository Receipts ("ADR")

Details of Stock Exchange	Stock Exchange Code	ISIN
London Stock Exchange 10 Paternoster Square, London, EC4M 7LS, United Kingdom Website: www.londonstockexchange.com	AXB	US05462W1099

1. One GDR is represented by five underlying equity shares.
2. Allotments were made in April 2005, May 2005, July 2005 and September 2009. No GDR / ADR issuances in fiscal 2025.
3. Outstanding as on 31 March, 2025: 10,30,78,770

Debt Securities

Description	Details of Stock Exchange	Stock Exchange Code		ISIN
		BSE Code	NSE Code	
Non-Convertible Debt Instruments in the form of Tier II and Infrastructure Bonds	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra Website: www.bseindia.com **National Stock Exchange of India Limited** Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra Website: www.nseindia.com	959227	AXBK27	INE238A08468
		954048	AXBK26	INE238A08393
		956607	AXBK27	INE238A08435
		952829	AXBK25A	INE238A08377
		952965	AXBK25	INE238A08385
		955282	AXBK26	INE238A08419
		974420	AXBK32	INE238A08484
		973667	AXBK31	INE238A08476
		958469	AXBKB28	INE238A08450
		975476	AXBK34	INE238A08492
		975988	AXBK34	INE238A08500

Description	Details of Stock Exchange	Stock Exchange Code
MTN Bonds	**London Stock Exchange** 10 Paternoster Square, London, EC4M 7LS, United Kingdom Website: www.londonstockexchange.com	AXB
	Singapore Exchange Limited Singapore Exchange Securities Trading Limited (SGXNet Services Operations) 2 Shenton Way, #02-02, SGX Centre 1, Singapore - 068804 Website: www.sgx.com	-
	India International Exchange (IFSC) Limited 1st Floor, Unit no. 101, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat - 382355 Website: www.indiainx.com	-
	NSE IFSC Limited Unit no. 1201, Brigade International Financial Centre, 12th Floor, Block -14, Road 1 C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat - 382355 Website: https://www.nseindia.com/nse-international-exchange/about	-

Convertible Warrants

As on 31 March, 2025, the Bank has no outstanding warrants pending for conversion.

Listing Fee

The Bank has paid annual listing fees for fiscal 2025 to the stock exchanges.

Depositories

The National Securities Depository Limited (the "**NSDL**") and the Central Depository Services (India) Limited (the "**CDSL**") are the depositories for the equity shares of the Bank. The Bank has paid annual custodian fees for fiscal 2025 to the depositories.

Payment of Dividend

In terms of Regulation 12 and Schedule I of the SEBI Listing Regulations, every listed entity is required to mandatorily make all payments to members, including dividend, by using any Reserve Bank of India ("**RBI**") approved electronic mode of payment *viz*., direct credit, real time gross settlement ("**RTGS**"), national electronic fund transfer ("**NEFT**"), electronic clearing service ("**ECS**"), national automated clearing house ("**NACH**"), etc. The Bank would be entitled to use the bank account details of the members available with the depository participants to facilitate payment through electronic mode.

All members of the Bank holding equity shares in electronic form are requested to provide details relating to their bank account number, including nine-digit MICR code and 11-digit IFSC code, email address and mobile numbers to their depository participants.

All members of the Bank holding equity shares in physical form are requested to provide details relating to their bank account number, including nine digit MICR code and 11-digit IFSC code, email address and mobile numbers to KFIN at Selenium Building, Tower - B, Plot nos. 31 & 32, Financial District, Serilingampally, Hyderabad - 500 032, Telangana, by quoting their folio number in form ISR-1 and attaching a photocopy of the cheque leaf of the said bank account and a self-attested copy of their PAN card.

In case the dividend paid through electronic mode is rejected by the corresponding bank for any reason whatsoever, the Bank will issue a demand draft and print the bank account details available with KFIN on the said dividend demand draft to avoid fraudulent encashment.

The Securities and Exchange Board of India ("**SEBI**") *vide* its master circular dated 7 May, 2024 has mandated that holders of physical securities, whose folio(s) are not updated with any of the KYC details *vide*., PAN, Choice of Nomination, Contact details (Postal Address with PIN and Mobile Number), Bank A/c details and Specimen signature, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1 April, 2024. In this regard, please refer to SEBI FAQs by accessing the link: https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf (FAQ nos. 38 & 39). Accordingly, dividend payable to members holding shares in physical mode, whose KYC details are not updated shall be withheld by the Bank. Members are therefore advised to update their KYC details on priority, if not done already.

Unclaimed Dividend

Pursuant to the provisions of Section 125 read with 124(5) of the Companies Act, 2013 (the "**Act**") and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the "**IEPF Rules**"), the Bank is required to transfer the amount of dividend lying unclaimed for a period of seven consecutive financial years from the date of its transfer to the unpaid dividend account to the Investor Education and Protection Fund (the "**IEPF**"). Accordingly, unclaimed dividend amounting to ₹1,18,04,460 in respect of fiscal 2017 was transferred by the Bank to the IEPF on 25 September, 2024.

The details of the unclaimed dividend as on 31 March, 2025 and the last date for claiming the same prior to its transfer to the IEPF are as under:

Fiscal	Unclaimed dividend as on 31 March, 2025 (in ₹)	Percentage to total dividend declared	Date of declaration of dividend	Last date for claiming dividend prior to its transfer to the IEPF
2017-18		No dividend declared		
2018-19	17,27,854	0.07	20 July, 2019	25 August, 2026
2019-20		No dividend declared		
2020-21		No dividend declared		
2021-22	19,99,610	0.07	29 July, 2022	4 September, 2029
2022-23	21,88,461	0.08	28 July, 2023	3 September, 2030
2023-24	29,52,803	0.11	26 July, 2024	1 September, 2031
Total	**88,68,728**			

Members of the Bank are requested to verify details of their unclaimed dividends in respect of fiscal 2019, fiscal 2022, fiscal 2023 and fiscal 2024 and lodge their claim with KFIN, prior to the date of its transfer to the IEPF. Members may write to KFIN at einward.ris@kfintech.com for any assistance, in this regard.

In its endeavour to reduce the quantum of unclaimed dividend, the Bank has sent reminders in the month of August 2024 and March 2025 to all the members whose dividend was lying in the unclaimed dividend account. These reminders were also supported with requisite forms and papers to simplify the claim process and to facilitate a seamless transfer.

Transfer of underlying equity shares to the IEPF

Pursuant to the provisions of Sections 124 and 125 of the Act and the relevant provisions of the IEPF Rules, the equity shares of the Bank on which dividend has not been claimed for seven consecutive years are liable to be transferred by the Bank to the IEPF.

Reminder letters to claim dividend were sent in the month of May 2024 to those members whose dividend and corresponding shares were due for transfer to the IEPF in fiscal 2025.

The Bank has till 31 March, 2025, transferred 14,02,191 underlying equity shares to the IEPF.

Guidelines to claim dividends / shares transferred to IEPF

The detailed guidelines for claiming dividends / shares which have been transferred to the IEPF in accordance with the IEPF Rules are mentioned in the investor's FAQs available on the website of the Bank at https://www.axisbank.com/shareholders-corner/financial-results-and-other-information/public-notices/investor-faqs.

Dematerialisation of Shares

The equity shares of the Bank are traded on BSE Limited and National Stock Exchange of India Limited.

	No. of Folios	No. of Shares
Physical	2,922	26,00,044
Demat	9,68,481	3,09,47,69,022
Total	**9,71,403**	**3,09,73,69,066**

During the last three fiscal years, no equity shares of the Bank held in physical form were transferred.

During fiscal 2025, the Bank has undertaken initiatives to encourage its members holding shares in physical form to dematerialise their holdings. Letters were sent to such members in the month of August 2024 and March 2025 sensitising them on the benefits of dematerialisation.

Unclaimed Suspense Account

New share certificates issued in fiscal 2015 consequent to the sub-division of shares of the Bank having face value of ₹10/- each into five fully paid-up shares of face value of ₹2/- each, which remained unclaimed in the custody of the RTA were transferred to Unclaimed Suspense Account of the Bank.

In terms of Regulation 39(4) read with Schedule VI of the SEBI Listing Regulations, the Bank had sent three reminders to the members whose physical share certificates remained unclaimed requesting them to claim their shares, before transferring the said shares to the Unclaimed Suspense Account. The Bank *vide* these letters also requested the members to update their KYC details with the RTA.

Details in accordance with Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations are as follows:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	174	1,32,005
Number of shareholders who approached the Bank for transfer of shares from suspense account during the year	21	15,000
Number of shareholders to whom shares were transferred from suspense account during the year**	9	5,500
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	139	1,09,005

**During the year 17,500 shares with respect to 26 shareholders were transferred to IEPF in accordance with the IEPF Rules.

Note: Voting rights on these shares were/will remain frozen till the rightful owner of such shares claims the shares.

Distribution of Shareholding

The distribution of shareholding of the Bank as on 31 March, 2025, is detailed as under:

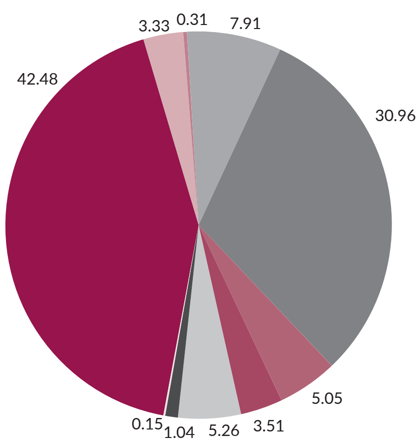
Sr. No.	Category	Electronic Form			Physical Form			Total		
		No. of Holders	No. of Shares	% to Equity	No. of Holders	No. of Shares	% to Equity	No. of Holders	No. of Shares	% to Equity
1.	1 - 5000	962,922	98,956,504	3.19	2,906	2,476,844	0.08	965,828	101,433,348	3.27
2.	5001 - 10000	1,949	13,927,067	0.45	14	99,200	0	1,963	14,026,267	0.45
3.	10001 - 20000	1,020	14,555,349	0.47	2	24,000	0	1,022	14,579,349	0.47
4.	20001 - 30000	378	9,205,515	0.3	-	-	-	378	9,205,515	0.3
5.	30001 - 40000	228	7,943,082	0.26	-	-	-	228	7,943,082	0.26
6.	40001 - 50000	141	6,328,389	0.2	-	-	-	141	6,328,389	0.2
7.	50001 - 100000	391	28,735,669	0.93	-	-	-	391	28,735,669	0.93
8.	100001 and above	1,452	2,915,117,447	94.12	-	-	-	1,452	2,915,117,447	94.12
	Total	**968,481**	**3,094,769,022**	**99.92**	**2,922**	**2,600,044**	**0.08**	**971,403**	**3,097,369,066**	**100**

Shareholding Pattern

Category wise shareholding pattern of the Bank as on 31 March, 2025 is detailed as under:

Legends	Category	No. of Shares	Percentage
(A)	**Promoters**		
	Life Insurance Corporation of India	244,860,645	7.91
Total Promoter Holding (A)		**244,860,645**	**7.91**
(B)	**Domestic Shareholders**		
	Mutual Funds	958,904,664	30.96
	Insurance	156,449,254	5.05
	Banks / AIFs / NBFCs / Pension Funds	108,852,661	3.51
	Indian Residents	163,059,964	5.26
	Body Corporates	32,167,860	1.04
	Others	4,645,085	0.15
Total Domestic Holding (B)		**1,424,079,488**	**45.97**
(C)	**Foreign Shareholders**		
	FPIs / FIIs	1,315,838,601	42.48
	GDRs	103,078,770	3.33
	NRIs / Foreign Nationals / Foreign Companies	9,511,562	0.31
Total Foreign Holding (C)		**1,428,428,933**	**46.12**
Total		**3,097,369,066**	**100.00**

Distribution of Shareholding



Shareholders holding more than 1% equity share capital of the Bank as on 31 March, 2025, are as under:

Sr. No.	Name of the Shareholder	No. of Shares	Percentage
1.	Life Insurance Corporation of India	244,860,645	7.91
2.	ICICI through its various mutual fund schemes	180,378,395	5.82
3.	HDFC through its various mutual fund schemes	166,867,022	5.39
4.	SBI through its various mutual fund schemes	154,545,947	4.99
5.	The Bank of New York Mellon, DR (GDRs)	103,078,770	3.33
6.	Nippon through its various mutual fund schemes	87,756,844	2.83
7.	NPS Trust through its various schemes	69,754,483	2.25
8.	Dodge and Cox through its various mutual fund schemes	68,557,850	2.21
9.	Government of Singapore	65,175,984	2.10
10.	Government Pension Fund Global	64,507,242	2.08
11.	Mirae Asset through its various mutual fund schemes	55,987,557	1.81
12.	UTI through its various mutual fund schemes	50,849,579	1.64
13.	Kotak through its various mutual fund schemes	47,133,082	1.52
14.	Aditya Birla through its various mutual fund schemes	37,394,289	1.21
15.	SBI Life Insurance Co. Ltd.	34,932,841	1.13
16.	Vanguard through its various mutual fund schemes	32,393,619	1.05

1. The above shareholding is on the basis of PAN.
2. Sr. Nos. 2 to 11 represent the top 10 public shareholders of the Bank as on 31 March, 2025.

Credit Ratings

The details of the credit ratings obtained by the Bank in respect of all debt instruments issued by it and outstanding as on 31 March, 2025 along with outlook are as under:

Sr. No.	Type of Security	ICRA				CARE Ratings				CRISIL				India Ratings			
		Date of Rating	Credit Rating	Outlook	Rating Action	Date of Rating	Credit Rating	Outlook	Rating Action	Date of Rating	Credit	Outlook	Rating Action	Date of Rating	Credit	Outlook	Rating Action
1.	Certificate of Deposits	19-Nov-24	ICRA A1+	-	Reaffirmed	-	-	-	-	18-Nov-24	CRISIL A1+	-	Reaffirmed	-	-	-	-
2.	Infrastructure bond	19-Nov-24	ICRA AAA	Stable	Reaffirmed	18-Oct-24	CARE AAA	Stable	Reaffirmed	18-Nov-24	CRISIL AAA	Stable	Reaffirmed	01-Oct-24	IND AAA	Stable	Reaffirmed
3.	Tier II (Basel III)	19-Nov-24	ICRA AAA	Stable	Reaffirmed	18-Oct-24	CARE AAA	Stable	Reaffirmed	18-Nov-24	CRISIL AAA	Stable	Reaffirmed	01-Oct-24	IND AAA	Stable	Reaffirmed
4.	Tier I (Basel III)	19-Nov-24	ICRA AA+	Stable	Reaffirmed & Assigned	-	-	-	-	18-Nov-24	CRISIL AA+	Stable	Reaffirmed & Assigned	01-Oct-24	IND AA+	Stable	Reaffirmed
5.	Fixed Deposit	19-Nov-24	ICRA AAA	Stable	Reaffirmed	-	-	-	-	-	-	-	-	01-Oct-24	IND AAA	Stable	Reaffirmed

Ratings for MTN (senior unsecured) securities have been reaffirmed at BB+ with Stable outlook by Fitch Ratings, Baa3 with Stable outlook by Moody's Investors Service and BBB- with Positive outlook by S&P Global Ratings.

Investor Services

KFIN has been entrusted with the task of administering all aspects relating to investor services for and on behalf of the Bank. KFIN has appropriate systems to ensure that requisite service is provided to the investors of the Bank in accordance with applicable corporate and securities laws as per the adopted service standards.

Investors are requested to write to the Bank or to KFIN for availing any services or may send their correspondence / complaints to shareholders@axisbank.com or einward.ris@kfintech.com.

Members can contact KFIN for redressal of queries by visiting https://kprism.kfintech.com for query registration through free identity registration process. Members can submit their queries on the above website which would generate a registration number. For accessing the status / response to the query submitted, the grievance registration number can be used at the option 'click here to track your grievance' after 24 hours.

Investor Correspondence / Complaints

The details of the investor complaints received and redressed by the Bank during fiscal 2025 are as under:

Received from statutory / regulatory authorities	No. of complaints received in fiscal 2025	No. of complaints unresolved as on 31 March 2025
SEBI SCORES	21	0
Stock exchanges	4	0
NSDL / CDSL	1	0
Ministry of Corporate Affairs ("**MCA**")	0	0
RBI	0	0
Total no. of complaints received	**26**	**0**
Total no. of complaints redressed	**26**	**0**

There were no investor complaints pending as on 1 April, 2025. During fiscal 2025, the Bank received 26 complaints from the members. The Bank had attended to all the complaints and no complaints were pending or remained unresolved to the satisfaction of the members as on 31 March, 2025.

During fiscal 2025, the Bank received 3,255 investor correspondence(s) as provided herein below, from its investors, capital market intermediaries, by post, web-based query redressal system of KFIN and through emails, *inter alia,* in respect of the services relating to the securities issued by the Bank:

Nature of Correspondences	Pending as on 1 April, 2024	Received	Replied	Pending as on 31 March, 2025
Non-receipt and revalidation of dividend warrants	0	1,458	1,455	3
Change in address	0	13	13	0
Incorporation of ECS details	0	24	24	0
Change / correction in name	0	348	348	0
Change in bank mandate	0	12	12	0
Registration of nominee	0	77	77	0
Others	0	1,323	1,318	5
Total	**0**	**3,255**	**3,247**	**8**

The statement highlighting the status of the investor correspondence(s) / complaint(s) received and redressed by the Bank during fiscal 2025 was tabled at the meetings of the Stakeholders Relationship Committee / Board of Directors (the "**Board**") of the Bank for their review and noting.

Process for requests related to physical shares

Pursuant to Regulation 40 of the SEBI Listing Regulations, as amended, from time to time, the transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI *vide* its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022, has made it mandatory for listed companies to issue shares only in demat form while processing investor service requests *viz.*, issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition. RTAs are now required to issue a 'Letter of Confirmation' within 30 days of receipt of such request after removing objections, if any, in lieu of the share certificate while processing any of the aforesaid investor service requests. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder / claimant shall make a request to the Depository Participant for dematerialising the said securities.

Accordingly, members are advised to request for such services by submitting a duly filled and signed form ISR-4 or ISR-5, as applicable, the format of which is available on the Bank's website at https://www.axisbank.com/shareholders-corner/financial-results-and-other-information/public-notices/investor-faqs.

In cases where the securities holder / claimant fails to submit the demat request to the depository participant within the period of 120 days from the date of issuance of the Letter of Confirmation from RTA / listed companies, the said securities shall be credited to 'Suspense Escrow Demat Account'. Securities which have been moved to 'Suspense Escrow Demat Account' may be claimed by the security holder / claimant by submitting a duly filled and signed Form ISR- 4 or ISR-5.

In view of the above and also to eliminate all risks associated with physical shares, the Bank has in August 2024 and March 2025 sent letters to members holding shares in physical form encouraging them to dematerialise their holding.

Shareholder Handbook / Shareholder Services

Members are requested to refer to the investor's handbook available on the Bank's website at https://www.axisbank.com/shareholders-corner/financial-results-and-other-information/public-notices/investor-faqs for rights of members, procedures related to transfer, dematerialisation, transmission, nomination in respect of shareholding, change of address, unclaimed / unpaid dividend, refund from IEPF, updation of KYC details, etc.

Dispute Resolution

Arbitration Mechanism:

As per SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated 30 May, 2022, in case of claims or disputes arising between the shareholders / investors of the Bank and the RTAs, the RTAs shall be subjected to the stock exchange arbitration mechanism. The arbitration mechanism shall be initiated post exhausting all actions for resolution of complaints including those received through SCORES portal.

Online Dispute Resolution:

In terms of SEBI circular nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31 July, 2023, SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated 4 August, 2023, SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/191 dated 20 December, 2023, investors can register their complaint in case of disputes arising in the Indian Securities Market against the Bank / RTA, on https://smartodr.in/login by harnessing online conciliation and / or online arbitration. The aforesaid circulars are available on the website of the Bank. Members may access the same at https://www.axisbank.com/shareholders-corner/financial-results-and-other-information/public-notices/investor-faqs.

Nomination Facility

Section 72 of the Act provides that every holder of securities of a Company may at any time nominate in the prescribed manner any person in whom the securities shall vest, in the event of death. Where the securities are held by more than one person jointly, the joint holders may together nominate any person in whom all the rights in the securities shall vest, in the event of death of all the joint holders.

In view of the above, the members are encouraged to avail of the nomination facility. The relevant nomination form can be downloaded from the website of the Bank at https://www.axisbank.com/shareholders-corner/financial-results-and-other-information/public-notices/investor-faqs or members may write to the Bank or to KFIN for the same.

Please note that the nomination shall automatically be rescinded on transfer / transmission / dematerialisation of the securities.

Green Initiatives

In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, a company may send a copy of the notice through electronic mode to those members who have registered their email address(es) either with their depository participants ("**DP**") or with the Company.

Further, as per Regulation 36 of the SEBI Listing Regulations, the listed entity is required to send soft copies of its annual report to all those members who have registered their email address(es) for this purpose.

In case of members whose email address has changed and is not updated with the Bank / RTA, the aforesaid documents would be sent to the email address available in the records of the Bank / RTA and the same shall be deemed to have been delivered in compliance with the provisions of the Act and the SEBI Listing Regulations. Therefore, members are requested to register their email address or any change thereof with their DP (in case of shares held in electronic form) or with KFIN (in case of shares held in physical form) at the earliest.

Further, in terms of MCA Circular no. 09/2024 dated 19 September, 2024 and SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3 October, 2024, the Integrated Annual Report containing the Standalone and Consolidated Financial Statements for fiscal 2025, the Board's Report, the Auditors' Report and other documents required to be attached thereto along with the notice convening the 31st AGM is being sent only through electronic mode to those members who have registered their email address(es) with the Bank / KFIN or their respective DPs, as the case may be. Accordingly, no physical copy of the notice of the 31st AGM and the Integrated Annual Report for fiscal 2025 is being sent to members who have not registered their email address(es) with the Bank / RTA. The Bank is sending, at the latest available postal address, a letter providing the web-link, including the exact path, where complete details of the Integrated Annual Report is available to those shareholder(s) who have not registered their email address.

Any member who still wishes to receive a physical copy of the Integrated Annual Report is requested to write to einward.ris@ kfintech.com or shareholders@axisbank.com quoting his / her DP ID and Client ID / folio number as the case may be, to enable the Bank to provide physical copy of the said documents free of cost. Please note that the said documents are also uploaded on the Bank's website at https://www.axisbank.com/shareholders-corner/shareholders-information.

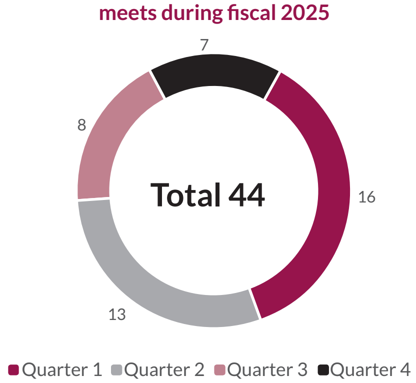
Means of Communication

Quarterly / Annual Results: The unaudited / audited financial results of the Bank are reviewed and approved by the Board and disclosed to the stock exchanges in accordance with Regulation 30 of the SEBI Listing Regulations. The results of the Bank are simultaneously also made available on the website of the Bank at https://www.axisbank.com/shareholders-corner/financial-results-and-other-information and published in Business Standard, Mint (all editions) and Sandesh (Ahmedabad edition), the day after they are disclosed to the stock exchanges.

Investor Presentations: Detailed presentations are published for the Bank's quarterly, half-yearly as well as annual financial results. The Bank also arranges post quarterly earnings conference calls for market participants, which is the key platform to share the Bank's view on various aspects related to the sector, the Bank and its financials. These presentations, audio recordings, video recordings (if any), and transcripts of the earnings conference call are available on the website of the Bank at https://www.axisbank.com/shareholders-corner/financial-results-and-other-information/quarterly-results and are also intimated to the stock exchanges within the prescribed timelines.

The Bank also holds regular interactions (meetings, roadshows, etc.) with its institutional shareholders and market participants based on publicly available information. The Bank provides advance intimation about the quarterly earnings conference calls and group meetings to the stock exchanges. The Bank also provides the schedule of investors / analysts with whom interaction will take place along with the link of the presentation referred during the group meetings to the stock exchanges in accordance with the SEBI Listing Regulations. During fiscal 2025 the Bank participated in 44 group meetings and interacted with 527 investors and analysts at these group meetings.

Analysts / Institutional Investors meets during fiscal 2025



Official Press Releases: Official press releases are available on the website of the Bank at https://www.axisbank.com/about-us/press-releases.

Compliance Reports, Corporate Announcements, Material Information and Updates: The Bank disseminates requisite corporate announcements under the SEBI Listing Regulations including the quarterly shareholding pattern, corporate governance report etc., electronically through designated portals of the stock exchanges and on its website at https://www.axisbank.com/shareholders-corner/corporate-governance.

Integrated Annual Report: The Integrated Annual Report of the Bank containing, *inter alia,* the Annual Audited Financial Statements (standalone and consolidated), the Board's Report, Auditors' Report, Management Discussion and Analysis Report and other important information is circulated to the members and others entitled thereto and is also made available on the website of the Bank at https://www.axisbank.com/shareholders-corner/shareholders-information/annual-reports.

Letters / Emails to Investors: The Bank addressed various investor-centric letters / emails / SMS(es) to its members during the year. This includes reminders for claiming unclaimed / unpaid dividend from the Bank, dematerialisation of shares, updation of email address(es), PAN and bank account details.

Designated exclusive email address: The Bank has designated the following email address exclusively for investor servicing: shareholders@axisbank.com.

Shareholders' Feedback Survey: During fiscal 2025, the Bank sought feedback from members on various matters relating to investor services and annual report. The Bank has also initiated sending shareholder satisfaction survey link on a monthly basis to all those shareholders of the Bank who had interacted with KFIN for resolution of their queries / complaints. The Bank monitors the response received on the shareholder satisfaction survey and takes necessary steps as required.

Evaluation of RTA Services

With a view to enhance and improve shareholder experience, the Stakeholders Relationship Committee of the Board of the Bank, during the fiscal 2024, formally adopted 'Guidelines to evaluate the services of Registrar & Transfer Agent of the Bank'. These guidelines lay down parameters for annual performance evaluation of the RTA. During fiscal 2025, evaluation was carried out in accordance with the said guidelines.

General Meetings

The details of the previous three Annual General Meetings ("**AGMs**") and summary of the special resolutions passed therein, are as under:

AGM	Day and Date	Time	Location	Special Resolutions
28th	Friday, 29 July, 2022	10.00 a.m.	Held through video conferencing facility	**Resolution no. 4 -** Re-appointment of Girish Paranjpe (DIN: 02172725) as an Independent Director of the Bank for his second term of four years with effect from 2 November, 2022 up to 1 November, 2026 (both days inclusive). **Resolution no. 5 -** Appointment of Manoj Kohli (DIN: 00162071) as an Independent Director of the Bank for a period of four years with effect from 17 June, 2022 up to 16 June, 2026 (both days inclusive). **Resolution no. 6 -** Enhancement of borrowing limit of the Bank up to ₹250,000 crores under Section 180 (1)(c) of the Companies Act, 2013. **Resolution no. 7 -** Borrowing / raising of funds denominated in Indian rupees or any other permitted foreign currency, by issue of debt securities on a private placement basis for an amount of up to ₹35,000 crores during a period of one year from the date of passing of this special resolution.
29th	Friday, 28 July, 2023	10.00 a.m.	Held through video conferencing facility	**Resolution no. 4 -** Appointment of N. S. Vishwanathan (DIN: 09568559) as an Independent Director of the Bank for a period of four years, with effect from 30 May, 2023 up to 29 May, 2027 (both days inclusive). **Resolution no. 9 –** Alteration to the Articles of Association of the Bank to insert a new clause in terms of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 dated 2 February, 2023, for appointment of a director nominated by debenture trustees in the event of default as prescribed under Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, within one month from the date of receipt of such nomination. **Resolution no. 10 -** Borrowing / raising of funds denominated in Indian rupees or any other permitted foreign currency, by issue of debt securities on a private placement basis for an amount of up to ₹35,000 crores during a period of one year from the date of passing of this special resolution.

AGM	Day and Date	Time	Location	Special Resolutions
30th	Friday, 26 July, 2024	10:00 a.m.	Held through video conferencing facility	**Resolution no. 6 –** Re-appointment of Meena Ganesh (DIN: 00528252) as an Independent Director of the Bank for a period of four years, with effect from 1 August, 2024 up to 31 July, 2028 (both days inclusive). **Resolution no. 7 –** Re-appointment of G. Padmanabhan (DIN: 07130908) as an Independent Director of the Bank for a period of four years, with effect from 28 October, 2024 up to 27 October, 2028 (both days inclusive). **Resolution no. 13 –** Borrowing / raising of funds denominated in Indian rupees or any other permitted foreign currency, by issue of debt securities on a private placement basis for an amount of up to ₹35,000 crores during a period of one year from the date of passing of this special resolution. **Resolution no. 14 –** Raising of funds by issue of equity shares / depository receipts and / or any other instruments or securities representing either equity shares and / or convertible securities linked to equity shares for an amount of up to ₹20,000 crores.

None of the businesses proposed to be transacted at the ensuing AGM require passing of resolution through postal ballot. Further, during the last three years, no resolutions have been rejected by the shareholders.

Procedure for Postal Ballot

The postal ballot process was conducted in accordance with the provisions of Sections 110 and 108 of the Act read with Rules 22 and 20 of the Companies (Management and Administration) Rules 2014.

MCA *vide* its circulars has permitted companies to conduct postal ballots by sending the notice in electronic form. Accordingly, physical copies of the notice along with postal ballot form and pre-paid business reply envelopes were not sent to the members for the postal ballots conducted during the year. Members were requested to convey their assent or dissent through remote e-voting only. Copies of the postal ballot notice were hosted on the website of the Bank, websites of the stock exchanges (i.e., BSE Limited and National Stock Exchange of India Limited) at www.bseindia.com and www.nseindia.com, respectively, and on the website of our e-voting agency i.e., NSDL at https://www.evoting.nsdl.com. An advertisement was also published in the newspapers informing about completion of dispatch of the postal ballot notice and other details.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date.

A Scrutinizer was appointed by the Bank for conducting the postal ballot process in a fair and transparent manner. The Scrutinizer submitted his report to the Chairman and the results of the voting were disclosed to the stock exchanges, were published on the websites of the Bank and of the e-voting agency, and were also displayed at the registered office.

Details of Special Resolution passed through Postal Ballot during fiscal 2025

Date of Postal Ballot Notice	Scrutinizer	Date of Approval	Link for Postal Ballot Notice and Results	Special Resolution passed through Postal Ballot	No. of Votes in Favour	No. of Votes Against	% of Votes in Favor	% of Votes Against
4 April 2024	CS KVS Subramanyam, Practising Company Secretary (Membership No. FCS 5400 and Certificate of Practice No. 4815)	10 May, 2024	https://www.axisbank.com/shareholders-corner/shareholders-information/postal-ballot	Appointment of Pranam Wahi (DIN: 00031914) as an Independent Director of the Bank for a period of four years, with effect from 15 February, 2024 up to 14 February, 2028 (both days inclusive)	2,49,77,70,037	13,59,608	99.9456	0.0544

Note: The Board at its meeting held on 17 January 2025, proposed a special resolution for the approval of the members *vide* postal ballot with respect to re-appointment of Prof. S. Mahendra Dev (DIN: 06519869) for his second term of four years with effect from 14 June, 2025.

Additional information on auditors and directors seeking appointment / re-appointment at the ensuing AGM

The details of secretarial auditor and directors seeking appointment / re-appointment at the ensuing AGM in terms of Regulation 36(5) and 36(3) respectively, of the SEBI Listing Regulations is provided in the notice of the ensuing 31st AGM of the Bank.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The details with respect to commodity price risk in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15 November, 2018 is as follows:

1. Risk management policy with respect to commodities including through hedging: As the Bank is not exposed to XAU (Gold) and XAG (Silver), the Bank does not have a risk management policy for commodity price risk.

2. Exposure of the Bank to commodity and commodity risks faced by the Bank during the fiscal year is given below:

   a) Total exposure of the Bank to commodities in INR: Nil as on 31 March, 2025.

   b) Exposure of the Bank to various commodities: Not applicable.

   c) Commodity risks faced by the Bank during the year and how they have been managed: The Bank did not run any trading positions in XAU (Gold) or XAG (Silver) and does not have exposure to any other commodity.

Plant Locations

Being a banking company registered under the Banking Regulation Act, 1949, the provisions relating to disclosure of details relating to plant location are not applicable to the Bank.

The Bank operates through a network of branches spread across the length and breadth of the country. As on 31 March, 2025, the Bank had a network of 5,879 domestic branches and extension counters, 13,941 ATMs and cash recycler machines.

The list of branches is available on the website of the Bank at https://branch.axisbank.com.

Business Responsibility and Sustainability Report

As at 31 March, 2025

As per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated 10 May, 2021 on 'Business Responsibility and Sustainability Reporting by listed entities', the Bank has published the Business Responsibility and Sustainability Report (BRSR) for fiscal 2025.

Further, as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July, 2023 on 'BRSR Core - Framework for Assurance and ESG disclosures for Value Chain', the BRSR Core has been externally assured by SGS India Private Limited (SGS India) for which 'Reasonable Assurance' was provided.

The Bank's BRSR for fiscal 2025 along with the Assurance Statement has been hosted on the Bank's website:

https://www.axisbank.com/shareholders-corner/shareholders-information/business-responsibility-report

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.

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Director

Mini Ipe
Director

Sandeep Poddar
Company Secretary

Puneet Sharma
Chief Financial Officer

S. Mahendra Dev
Director

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
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Gautam Shah
Partner
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For Axis Bank Ltd.

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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 Forward Contracts[4]	CCS	Options	Total	Interest rate Derivatives
		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 Forward Contracts[4]	CCS	Options	Total	Interest rate Derivatives
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 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 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)
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Pranam Wahi
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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

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Deputy Managing Director

Amitabh Chaudhry
Managing Director & CEO

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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							
			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)	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

Notes

AXIS BANK

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Corporate office:

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