AXIS BANK LIMITED

Axis Bank Limited (the "**Bank**" or "**Issuer**") was incorporated at Ahmedabad on December 03,1993 as a **public limited company/bank and subsequently renamed as Axis Bank Limited on July 30th, 2007**. For more information about our Bank, please refer "*General Information*" given in Section 2.7 of this General Information Document.

Registered Office: "Trishul", Third Floor, Opp. Samartheshwar Temple,
Law Garden, Ellisbridge, Ahmedabad – 380 006.
Corporate Office: Axis House, P.B. Marg, Worli, Mumbai – 400025.
Telephone: +9179 – 66306161 (Registered), +91 - 22 -24252525 / 43252525 (Corporate) | **Website:** www.axisbank.com | **Email:** alm@axisbank.com |
CIN: L65110GJ1993PLC020769 | **PAN:** AAACU2414K | **Fax:** +9179 - 26409321 (Registered)

GENERAL INFORMATION DOCUMENT BY AXIS BANK LIMITED (THE "ISSUER" / "BANK") FOR ISSUE OF LISTED NON-CONVERTIBLE SECURITIES (AS DEFINED IN THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, AND ANY AMENDMENTS THERETO ("SEBI NCS REGULATIONS")) ("NCS") FOR AN AMOUNT NOT EXCEEDING INR 35,000 CRORE AS PERMITTED BY THE SPECIAL RESOLUTION PASSED BY SHAREHOLDERS' OF THE ISSUER ON JULY 26, 2024 UNDER SECTION 42 OF THE COMPANIES ACT, 2013, BY WAY OF PRIVATE PLACEMENT. EACH ISSUANCE OF NCS PURSUANT TO THIS GENERAL INFORMATION DOCUMENT WILL BE BY WAY OF A KEY INFORMATION DOCUMENT (THE "KEY INFORMATION DOCUMENT") CONTAINING THE TERMS AND CONDITIONS OF ISSUANCE OF SUCH NCS, IN ACCORDANCE WITH SEBI NCS REGULATIONS (INCLUDING COMPLIANCE WITH THE ELECTRONIC BOOK MECHANSIM OF THE RELEVANT STOCK EXCHANGE, IF APPLICABLE). AN OFFER OF NCS WILL BE MADE BY ISSUE OF A SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER TO ELIGBLE INVESTORS (AS DEFINED IN THE RELEVANT KEY INFORMATION DOCUMENT) IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES ("COMPANIES ACT").

General Information Document of Private Placement of NCS
Date: August 29, 2024

NEITHER THE ISSUER NOR ANY OF ITS PROMOTERS OR DIRECTORS HAS BEEN DECLARED AS A WILFUL DEFAULTER.

This General Information Document contains relevant information and disclosures required to be made by the Issuer under SEBI NCS Regulations and the Companies Act for issuance of NCS pursuant to the relevant Key Information Document.

GENERAL RISKS

Investments in non-convertible securities involves a degree of risk and investors should not invest any funds in such securities unless they can afford to take risks attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking any investment decision, investors must rely on their examination of the issue including risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 1 (Risk Factors) of this general information document. These risks are not and are not intended to be a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

CREDIT RATING

The rating details in relation to each Issuance shall be mentioned in the relevant Key Information Document and shall be valid as on the date of issuance of the relevant NCS and the listing of such NCS.

LISTING

The NCS offered pursuant to this General Information Document read with the relevant Key Information Document will be listed in the manner indicated in the Key Information Document.

VALIDITY OF GENERAL INFORMATION DOCUMENT

This General Information Document and various Issuances through relevant Key Information Document shall be valid for a period of 1 (one) year from the Issue Opening Date of the first Issuance and in respect of each Issuance during the period of validity of this General Information Document, the Issuer shall file with the stock exchange, the Key Information Document with respect to such Issuance, containing details of the offer of such Issuance through the Key Information Document, material developments, material changes, if any, in the information including the financial information provided in this General Information Document or the earlier Key Information Document, as applicable.

ISSUE SCHEDULE

ISSUE OPENING DATE	ISSUE CLOSING DATE	ISSUE EARLIEST CLOSING DATE	PAY-IN DATE	DEEMED DATE OF ALLOTMENT
As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document

COMPLIANCE CLAUSE FOR ELECTRONIC BOOK MECHANISM

The debt securities would be issued under the electronic book mechanism on private placement basis as per Operational Guidelines. The Issuer intends to use the BSE Bond - EBP Platform or the NSE – EBP Platform, as the case may be and as more particularly provided in the relevant Key Information Document. This General Information Document is being uploaded on the BSE Bond - EBP Platform or NSE - EBP Platform, as applicable, to comply with the Operational Guidelines and an offer will be made by issue of the General Information Document and the relevant Key Information Document(s) after completion of the bidding process on a relevant issue date, to successful bidder(s) in accordance with the provisions of the Companies Act, 2013.

DISCLOSURE UNDER SECTION 26(4) OF THE COMPANIES ACT, 2013

The issuance of debt securities is being made on private placement basis. Section 26 of the Companies Act is not applicable to this issuance of debt securities, and therefore no additional disclosures have been made in relation to Section 26 of the Companies Act under this General Information Document and accordingly, a copy of this General Information Document has not been filed with the relevant Registrar of Companies.

DETAILS ABOUT ARRANGER, ANCHOR INVESTOR AND ELIGIBLE INVESTORS

Arrangers: As per the relevant Key Information Document.
Anchor investor: As per the relevant Key Information Document.
The Eligible Investors: As per the relevant Key Information Document.
Underwriting: As per the relevant Key Information Document.

COUPON	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT
As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document

DETAILS OF KMP			
COMPLIANCE OFFICER	**COMPANY SECRETARY**	**CHIEF FINANCIAL OFFICER**	**PROMOTERS**
Mr. Sandeep Poddar **Tel No**. +91 - 22 -24252525 / 43252525 **Email**: shareholders@axisbank.com	**Mr. Sandeep Poddar** **Tel No**. +91 - 22 -24252525 / 43252525 **Email**: shareholders@axisbank.com	**Mr. Puneet Sharma** **Tel No**. +91 - 22 -24252525 / 43252525 **Email**: sharma.puneet@axisbank.com	**LIFE INSURANCE CORPORATION OF INDIA** **Tel No**. 022-6827 6827 **Email**: co_investbackoffice@licindia.com

DETAILS OF INTERMEDIARIES	
DEBENTURE TRUSTEE (IF ANY) TO THE ISSUE	**CREDIT RATING AGENCIES**
As per the Key Information Document	**As per the Key Information Document**
LEGAL COUNSEL	
As per the Key Information Document	
ARRANGERS TO THE ISSUE	
As per the Key Information Document	
REGISTRAR TO THE ISSUE	
As per the Key Information Document	
STATUTORY AUDITORS	
M M Nissim & Co LLP. Chartered Accountants	**KKC & Associates LLP. Chartered Accountants**
Address: Barodawala Mansion, B-Wing, 3rd Floor, 81, Dr. Annie Besant Road, Worli, Mumbai 400 018, INDIA Tel: +91-22-2496 9900 E-mail: skkhemani@mmnissim.com Website: www.mmnissim.com Contact Person: Sanjay Khemani	Address: Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013., INDIA Tel: +91-22-6143 7333 E-mail: gautam@kkcllp.in Website: www.kkcllp.in Contact Person: Gautam Shah

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I. DISCLAIMER CLAUSE:

THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT FOR PRIVATE PLACEMENT OF NCS (HEREINAFTER REFERRED TO AS THE "**OFFER DOCUMENTS**" ARE NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THE ISSUE OF NCS WILL BE STRICTLY ON A PRIVATE PLACEMENT BASIS. THE OFFER DOCUMENTS HAVE BEEN OR WILL BE PREPARED IN CONFORMITY WITH THE SEBI NCS REGULATIONS AND THE COMPANIES ACT. THE OFFER DOCUMENTS ARE NOT INTENDED TO BE CIRCULATED TO MORE THAN 200 (TWO HUNDRED) INVESTORS IN ANY FINANCIAL YEAR, AS ELIGIBLE UNDER THE LAWS OF INDIA TO INVEST IN THESE NCS ("**ELIGIBLE INVESTORS**"). MULTIPLE COPIES OF THE OFFER DOCUMENTS GIVEN TO THE SAME ENTITY SHALL BE DEEMED TO BE GIVEN TO THE SAME PERSON AND SHALL BE TREATED AS SUCH. IT DOES NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE NCS ISSUED TO THE PUBLIC IN GENERAL. THE OFFER DOCUMENTS HAVE NEITHER BEEN DELIVERED FOR REGISTRATION NOR IS ARE INTENDED TO BE REGISTERED.

THE OFFER DOCUMENTS HAVE BEEN PREPARED TO PROVIDE GENERAL INFORMATION ABOUT THE ISSUER TO POTENTIAL INVESTORS TO WHOM IT IS ADDRESSED AND WHO ARE WILLING AND ELIGIBLE TO SUBSCRIBE TO THE NCS. THE OFFER DOCUMENTS DO NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT ANY POTENTIAL INVESTOR MAY REQUIRE. NEITHER THE OFFER DOCUMENTS NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NCS IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION NOR SHOULD ANY RECIPIENT OF THE OFFER DOCUMENTS CONSIDER SUCH RECEIPT A RECOMMENDATION TO PURCHASE ANY NCS. EACH INVESTOR CONTEMPLATING THE PURCHASE OF ANY NCS SHOULD MAKE HIS OWN INDEPENDENT INVESTIGATION OF THE FINANCIAL CONDITION AND AFFAIRS OF THE ISSUER, AND HIS OWN APPRAISAL OF THE CREDITWORTHINESS OF THE ISSUER. POTENTIAL INVESTORS SHOULD CONSULT THEIR OWN FINANCIAL, LEGAL, TAX AND OTHER PROFESSIONAL ADVISORS AS TO THE RISKS AND INVESTMENT CONSIDERATIONS ARISING FROM AN INVESTMENT IN THE NCS AND SHOULD POSSESS THE APPROPRIATE RESOURCES TO ANALYSE SUCH INVESTMENT AND THE SUITABILITY OF SUCH INVESTMENT TO SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES. IT IS THE RESPONSIBILITY OF INVESTORS TO ALSO ENSURE THAT THEY WILL SUBSCRIBE TO AND SELL THE NCS IN STRICT ACCORDANCE WITH THE OFFER DOCUMENTS AND OTHER APPLICABLE LAWS, SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES ACT.

THE ISSUER CONFIRMS THAT, AS OF THE DATE HEREOF, THIS GENERAL INFORMATION DOCUMENT CONTAINS INFORMATION THAT IS ACCURATE IN ALL MATERIAL RESPECTS AND DOES NOT CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT, OR OMITS TO STATE ANY MATERIAL FACT, NECESSARY TO MAKE THE STATEMENTS HEREIN THAT WOULD BE, IN THE LIGHT OF CIRCUMSTANCES UNDER WHICH THEY ARE MADE, NOT MISLEADING. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED OR INCORPORATED BY REFERENCE IN THE OFFER DOCUMETNS OR IN ANY MATERIAL MADE AVAILABLE BY THE ISSUER TO ANY POTENTIAL INVESTOR PURSUANT THE OFFER DOCUMENTS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER.

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THE ISSUER DOES NOT UNDERTAKE TO UPDATE THIS GENERAL INFORMATION DOCUMENT TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE GENERAL INFORMATION DOCUMENT EXCEPT ANY INFORMATION PROVIDED IN THE KEY INFORMATION DOCUMENTS AFTER THE DATE OF THIS GENERAL INFORMATION DOCUMENT AND THUS IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE ISSUER. NEITHER THE DELIVERY OF THIS GENERAL INFORMATION DOCUMENT NOR ANY SALE OF NCS MADE PURSUANT TO THIS SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER SINCE THE DATE HEREOF.

IN THE EVENT OF CONFLICT BETWEEN THE PROVISIONS OF THE OFFER DOCUMENTS AND THE TRANSACTION DOCUMENTS (TO BE EXECUTED BY THE ISSUER WITH RESPECT TO EACH ISSUANCE INTER ALIA RECORDING THE TERMS AND CONDITIONS UPON WHICH THE RELEVANT NCS ARE BEING ISSUED BY THE ISSUER), THE TERMS OF THE TRANSACTION DOCUMENTS SHALL PREVAIL.

THE OFFER DOCUMENTS DO NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE NCS OR THE DISTRIBUTION OF THE OFFER DOCUMENTS IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THE OFFER DOCUMENTS AND THE OFFERING AND SALE OF THE NCS MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THE OFFER DOCUMENTS COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS. THE OFFER DOCUMENTS ARE MADE AVAILABLE TO POTENTIAL INVESTORS IN THE ISSUE ON THE STRICT UNDERSTANDING THAT IT IS CONFIDENTIAL.

ANY ISSUANCE PURSUANT TO THIS GENERAL INFORMATION DOCUMENT WILL BE ON A PRIVATE PLACEMENT BASIS AND ACCORDINGLY, SECTION 26(4) OF THE COMPANIES ACT IS NOT APPLICABLE TO ANY ISSUANCE.

THE OFFER DOCUMENT DOES NOT CONTAIN A STATEMENT PURPORTED TO BE MADE BY AN EXPERT, UNLESS THE EXPERT IS A PERSON WHO IS NOT, AND HAS NOT BEEN, ENGAGED OR INTERESTED IN THE FORMATION OR PROMOTION OR MANAGEMENT, OF THE ISSUER AND HAS GIVEN HIS WRITTEN CONSENT TO THE ISSUE OF THE ISSUE DOCUMENT AND HAS NOT WITHDRAWN SUCH CONSENT BEFORE THE DELIVERY OF A COPY OF THE ISSUE DOCUMENT TO THE REGISTRAR (AS APPLICABLE) FOR REGISTRATION.

STOCK EXCHANGE DISCLAIMER CLAUSE: AS REQUIRED, A COPY OF THE OFFER DOCUMENTS HAS BEEN OR SHALL BE FILED WITH THE STOCK EXCHANGE PURSUANT TO THE SEBI NCS REGULATIONS. IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENTS WITH THE STOCK EXCHANGE SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE STOCK EXCHANGE. THE STOCK EXCHANGE DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH ANY ISSUE UNDER THE OFFER DOCUMENT IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENTS.

SEBI DISCLAIMER CLAUSE: IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENTS WITH THE SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH ANY ISSUE UNDER THE OFFER DOCUMENTS IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENTS. THE ISSUER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

DISCLAIMER FROM THE ISSUER: THE ISSUER ACCEPT NO RESPONSIBILITY FOR THE STATEMENTS MADE OTHERWISE THAN IN THE OFFER DOCUMENTS OR IN ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

DISCLAIMER OF THE RESERVE BANK OF INDIA: THE DEBENTURES HAVE NOT BEEN RECOMMENDED OR APPROVED BY THE RESERVE BANK OF INDIA NOR DOES RBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS DOCUMENT SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE DEBENTURES HAVE BEEN RECOMMENDED FOR INVESTMENT BY THE RBI. RBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ISSUER, OR THE DEBENTURES BEING ISSUED BY THE ISSUER OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DOCUMENT. POTENTIAL INVESTORS MAY MAKE INVESTMENT DECISION IN THE DEBENTURES OFFERED IN TERMS OF THIS KEY INFORMATION DOCUMENT READ WITH THE GENERAL INFORMATION DOCUMENT SOLELY ON THE BASIS OF THEIR OWN ANALYSIS AND RBI DOES NOT ACCEPT ANY RESPONSIBILITY ABOUT SERVICING/ REPAYMENT OF SUCH INVESTMENT.

DISCLAIMER IN RESPECT OF JURISDICTION: THE LAWS OF INDIA WILL GOVERN AND BE USED TO CONSTRUE THE OFFER DOCUMENTS AND THE NCS. NOTHING IN THE OFFER DOCUMENTS CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY OTHER JURISDICTION, OTHER THAN INDIA, WHERE SUCH OFFER OR PLACEMENT WOULD BE IN VIOLATION OF ANY LAW, RULE OR REGULATION.

DISCLAIMER CLAUSE OF THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA ("IRDAI"): THE IRDAI DOES NOT UNDERTAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF OUR COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS CONNECTION. IRDAI DOES NOT GUARANTEE THE ACCURACY OR ADEQUACY OF THE CONTENTS OF THE INFORMATION IN THE OFFER DOCUMENTS. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE OFFER DOCUMENTS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY IRDAI.

LISTING
The NCS to be issued pursuant to this General Information Document will be listed on such stock exchange as identified in the relevant Key Information Document.

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN ANY ISSUE PURSUANT TO THE OFFER DOCUMENTS. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCS HAVE NOT BEEN RECOMMENDED OR APPROVED BY THE ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SEBI NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THE OFFER DOCUMENTS. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF 'RISK FACTORS' GIVEN IN SECTION 1 OF THIS GENERAL INFORMATION DOCUMENT, AS WELL AS THE SECTION TITLED 'GENERAL RISK' ON THE COVER PAGE OF THIS GENERAL INFORMATION DOCUMENT.

THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THE OFFER DOCMENTS CONTAIN ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THE OFFER DOCUMENTS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED THE OFFER DOCUMENTS ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THE OFFER DOCUMENTS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

ISSUER'S ABOSLUTE RESPONSIBILITY
THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR AND CONFIRMS THAT THE OFFER DOCUMENTS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE, THAT THE INFORMATION CONTAINED IN THE OFFER DOCUMENTS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING, THAT THE OPINIONS AND INTENTIONS EXPRESSED IN THE OFFER DOCUMENTS ARE HONESTLY STATED AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THE OFFER DOCUMENTS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING.
INVESTMENT IN NON-CONVERTIBLE SECURITIES IS RISKY AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THE ISSUANCE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER **SECTION 1** OF THIS GENERAL INFORMATION DOCUMENT. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES.
THE ISSUER HAS NO SIDE LETTER WITH ANY NCD HOLDER EXCEPT THE ONE(S) DISCLOSED IN THE OFFER DOCUMENT. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE WEBSITE WHERE THE DEBT IS LISTED.

CREDIT RATING AGENCIES DISCLAIMER CLAUSE: AS PER THE RELEVANT KEY INFORMATION DOCUMENT.

II. DEFINITIONS AND ABBREVIATIONS

Bankruptcy Code	Insolvency and Bankruptcy Code, 2016, as may be amended, replaced or substituted from time to time.
Bank or Issuer	Axis Bank Limited, incorporated in Ahmedabad on December 03,1993 and bearing corporate identity number as L65110GJ1993PLC020769.
Companies Act or Act	Companies Act, 2013, as amended, modified, supplemented or re-enacted from time to time, and includes all rules, circulars and clarifications, issued pursuant thereto, from time to time.
Eligible Investor(s)	As defined in the relevant Key Information Document.
Issue or Issuance	Any issue of NCS (pursuant to a Key Information Document) by way of private placement.
Memorandum and Articles of Association	The memorandum of association and articles of association of the Issuer, as amended from time to time.
NA	Not Applicable.
NCS	Non-convertible securities as defined in the SEBI NCS Regulations.
Offer Documents or Issue Document	This General Information Document and the relevant Key Information Document.
General Information Document	This document which sets out the information regarding the NCS being issued on a private placement basis.
Rating Agency(ies)	As defined in the relevant Key Information Document.
Rs. or INR or ₹	Indian National Rupee.
SEBI	Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time)
SEBI Debenture Trustee Master Circular	SEBI master circular bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 titled 'Master Circular for Debenture Trustee', as may be amended, clarified or updated from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended, clarified or updated from time to time.
SEBI NCS Regulations	SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as may be amended, clarified or updated from time to time.
SEBI Master Circular	The Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024, issued by SEBI bearing SEBI/HO/DDHS/PoD1/P/CIR/2024/54, as amended, modified, supplemented or replaced from time to time.
SEBI Regulations	Collectively, SEBI NCS Regulations, SEBI LODR Regulations, SEBI (Debenture Trustees) Regulations, 1993, SEBI Debenture Trustee Master Circular, SEBI Master Circular and such other applicable rules, regulations, notifications and circulars issued by SEBI from time to time.
Transaction Documents	The transaction documents executed or to be executed by the Issuer with respect to each Issuance *inter alia* recording the terms and conditions upon which the relevant NCS will be issued by the Issuer.
WDM	Wholesale Debt Market of the BSE.

Note: Other terms used but not defined in this General Information Document shall have the meanings ascribed to such term in the Transaction Documents and the relevant Key Information Document.

III. DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 (*Pursuant to section 42 of Companies Act, 2013 read with Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014*) – Please refer to Section 3 (*Dislcosures under the Companies Act, 2013*) of the General Information Document.

SECTION 1: RISK FACTORS

Investing in the NCS involves significant risk. Investors of the NCS should consider carefully all of the information in the Offer Documents, including in particular, the risk factors discussed below. Unless the context requires otherwise, the risk factors described in the Offer Documents apply alone to the Issuer. If any of the following risks actually occur, our business, results of operations, cash flow, financial condition and prospects could be materially and adversely affected. In addition, other risks and uncertainties not currently known to us or that we currently deem immaterial may also materially and adversely affect our business, financial condition, cash flows and results of operations. This could, in turn, affect adversely our ability to make payments on the NCS offered pursuant to the Offer Documents.

Unless specified or quantified in the relevant risk factors, the Issuer is not in a position to quantify the financial or other implications of any risk mentioned herein below.

In this section, a reference to "we", "us", or "our" means the Issuer, unless the context otherwise requires.

The risks in relation to investing in NCS are mentioned in the relevant Key Information Document.

1. RISKS RELATING TO THE ISSUER

The Bank's business is vulnerable to interest rate risk, and volatility in interest rates could adversely affect the Bank's net interest margin, the value of its fixed income portfolio, its income from treasury operations, the quality of its loan portfolio and its financial performance.

The Bank's results of operations depend to a great extent on its net interest income. Net interest income (comprised of interest earned minus interest expended) constituted 68.52% 72.68% and 68.98% of the Bank's operating revenue (comprised of net interest income plus non-interest income) for fiscals 2022, 2023 and 2024 respectively. Interest rates are sensitive to many factors beyond the Bank's control, including the RBI's monetary policy, deregulation of the financial sector in India, domestic and international economic and political conditions, and other factors. An increase in interest rates applicable to the Bank's liabilities, without a corresponding increase in interest rates applicable to its assets, will result in a decline in net interest income. Furthermore, in the event of rising interest rates, the Bank's borrowers may not be willing to pay correspondingly higher interest rates on their borrowings and may choose to repay their loans with the Bank, particularly if they are able to switch to more competitively priced loans offered by other banks. Any inability of the Bank to retain customers as a result of rising interest rates may adversely impact the Bank's earnings in future periods. Similarly, in the event of falling interest rates, the Bank may face more challenges in retaining its customers if it is unable to offer competitive rates as compared with other banks in the market.

In addition, as a result of the RBI-mandated reserve requirements, the Bank is also more structurally exposed to interest rate risks than banks in many other countries. Under the RBI regulations, the Bank's liabilities are subject to the statutory liquidity ratio (**SLR**) requirement such that a minimum specified percentage, currently 18%, of a bank's net demand and time liabilities must be invested in Government securities and other approved securities. These securities generally carry fixed coupons and, in an environment of rising interest rates, the value of Government securities and other fixed income securities decline. The volatility in interest rates is reflected in the movement of the semi-annual yield on the ten-year Government bond, which was 6.86% as at March 31, 2022, 7.31% as at March 31, 2023 and 7.056% as at March 31, 2024. A decline in the valuation of the Bank's trading book as a result of rising interest rates may adversely impact the Bank's future financial performance and the trading price of the Bonds.

The Bank had a gross debenture and bond portfolio of ₹46,287 crores as at March 31, 2022, ₹56,265 crores as at March 31, 2023 and ₹75,004 crores as at March 31, 2024 of which substantially all of the bonds in the portfolio are fixed rate bonds. In the event of a rise in interest rates, the portfolio will be exposed to an adverse impact on the valuation of such bonds. Any rise in interest rates or fall in the market value of the securities in the Bank's proprietary portfolio may adversely affect the Bank's future performance and the trading price of the Bonds.

Global Treasury yields have seen a sharp fall in the recent months driven by a build up of rate cut expectations. US Treasury has been driving the down move as recent labour data suggests a growing weakness in the economy. US rates now predict a total of ~108 bps rate cut in CY2025 and ~40 bps cut in September FOMC. US 10y Treasury is currently trading at 3.85% level.

Domestic markets have been driven by a mix of macro data, strong FPI buying and a generally favourable inflation outlook. During the month of July, FPIs remained net buyers in government debt for an amount of ~Rs 19,356 Crores. This follows a net buy of ~16,024 Crores in the June, the first month of bond inclusion. In the bi-monthly Monetary Policy Committee (MPC) conducted in August 2024, the decision was taken to hold the policy rates, and to keep the stance unchanged. The CPI and real GDP projections were kept unchanged at 4.50% and 7.20%, respectively. India July 2024 CPI inflation print came in at 3.54% against expectation of 3.65%, lower than the CPI print of 5.08% registered for the month of June 2024. The draft guidelines on LCR have also proven to be supportive of G-sec with the proposed guidelines indicating an increased demand for HQLA securities. Overall, the domestic debt market remains adequately supported and the India 10-year benchmark continues to trade in a range of 6.84-6.94% with a downward bias.

As a result of these rate hikes, Bank's asset yields have increased, primarily due to increase in yields of External Benchmark based loans & MCLR linked loans, while the repricing of retail term deposits has happened gradually over a period of time.

In December 2015, the Reserve Bank of India released guidelines on the computation of lending rates based on the marginal cost of funds methodology, which is applicable on incremental lending from April 1st 2016. Further, on 5 December 2018, the RBI published a report recommending referencing floating rate advances to certain external benchmarks which came into effect on October 01st 2019. To give effect to the aforesaid, the RBI, by way of its notification dated September 04th 2019, amended the Master Direction on Interest Rate on Advances, dated March 03rd 2016, pursuant to which, it linked all new floating rate personal or retail loans (housing, auto, etc.) and floating rate loans to micro and small enterprises extended by banks with effect from October 01st, 2019 to external benchmarks (**September 2019 Circular**). Further, on February 26th, 2020, the RBI stipulated that all new floating rate loans to the medium enterprises extended by banks from April 1st 2020, shall be linked to the external benchmarks as indicated in the September Circular. This change in the methodology for calculating the cost of funds may lead to lower lending rates and more frequent revisions in lending rates due to the prescribed monthly review of cost of funds. This may impact the yield on our interest-earning assets, our net interest income and our net interest margin.

For fiscal years 2022, 2023 and 2024 the Bank recorded income from Treasury operations ((profit/ loss) on sale of investments (net) and profit on exchange/derivative transactions (net)) of ₹3,290 crores ₹1,527 crores and ₹3,731 respectively. The Bank's income from treasury operations is subject to substantial volatility due to, among other things, changes in interest rates and foreign currency exchange rates as well as other market fluctuations. For example, an increase in interest rates may have a substantial impact on the value of certain of the Bank's investments. Any significant or sustained decline in income generated from treasury operations resulting from market volatility may adversely impact the Bank's financial performance and the trading price of the Bonds.

The Bank's level of non-performing assets is elevated, and if the level of its non-performing assets increases further and the overall quality of its loan portfolio deteriorates, the Bank's business will suffer.

As a result of widespread economic challenges faced by the Indian economy in general and the corporate sector in particular, as well as changes to Reserve Bank of India policies and guidelines related to non-performing and restructured loans and other changes to the law affecting non-performing and restructured loans, the non-performing loans and provisions of a number of Indian banks, including the Bank, increased significantly in fiscal year 2016, fiscal year 2017 and fiscal year 2018. The Bank's gross NPAs represented 2.82%, 2.02% and 1.43% of gross customer assets (including gross advances and credit substitutes, which include debentures and bonds, shares and other investments such as certificate of deposits, commercial papers and pass-through certificates, among others) as at March 31, 2022, March 31, 2023 and March 31, 2024 respectively. The Bank's net NPAs, represented 0.73%,0.39% and 0.31% of net customer assets as at March 31, 2022, March 31, 2023 and March 31, 2024 respectively.

Adverse economic, regulatory and legal developments—including increased competition, inconsistent industrial and business growth in recent years, high levels of debt involved in financing of projects, the large number of frauds, regulatory and legal changes affecting the Bank's loan portfolio, loss or disruptions caused by epidemics or pandemics, such as the COVID-19 pandemic and challenging economic conditions affecting the Bank's project finance loan portfolio or other key sectors—could cause further increases in the level of the Bank's non-performing assets and have a material adverse impact on the quality of the Bank's loan portfolio. Additionally, if the systems and process established by the Bank to identify NPAs fail or are not able to identify the NPAs correctly and in a timely manner, the Bank's financial position could be adversely affected. The Bank has in the past experienced certain deficiencies in its NPA identification and monitoring systems and processes. Although the Bank believes that it has now taken appropriate measures to address those issues, it cannot assure you that such systems and processes will always function appropriately or correctly identify NPAs in a timely manner or at all, or that similar deficiencies will not arise in the future.

Provisions are created by a charge to expense and represent the Bank's estimate for loan losses and risks inherent in the credit portfolio, pursuant to applicable RBI guidelines. As at March 31, 2022, March 31, 2023 and March 31, 2024 the provisioning coverage ratio (including prudential write offs) of the Bank was 90.51%, 93.71%, and 94.07% respectively. The determination of an appropriate level of loan losses and provisions required inherently involves a degree of subjectivity and requires that the Bank make estimates of current credit risks and future trends, all of which may undergo material changes. Therefore, the Bank's provisions may not be adequate to cover any further increase in the amount of non-performing loans or any further deterioration in its non-performing loan portfolio.

If the level of the Bank's non-performing assets increases, the overall quality of its loan portfolio deteriorates or it experiences further ageing of the assets after being classified as non-performing, an increase in provisions could be required. There can be no assurance that the percentage of NPAs that the Bank will be able to recover will be similar to the Bank's past experience of recoveries of NPAs. As a result, the Bank's provisioning costs could increase, its net interest income and net interest margin could be negatively impacted due to non-accrual of income on non-performing loans, the Bank's credit ratings and liquidity may be adversely impacted, the Bank may become subject to enhanced regulatory oversight and scrutiny, and the Bank's reputation, its business, its future financial performance and the trading price of the Bonds could be adversely impacted.

If regulatory and legal changes continue to impose increasingly stringent requirements (including by way of clarifications or interpretations to extant regulatory guidelines) regarding non-performing loans and provisioning for such loans, the Bank's business will suffer.

Banks in India are required to make provisions for all their loans in accordance with guidelines issued by the RBI, which prescribes the accounting for loss provisioning, unlike in the United States and European Union where a separate body sets accounting standards, including for provisioning. Under the RBI guidelines, Indian banks are required to make provisions on standard, sub-standard and doubtful assets at rates prescribed by the RBI.

The RBI assesses compliance by banks with extant prudential norms on income recognition, asset classification and provisioning as part of its supervisory processes. As a part of such review, the RBI may identify divergences in the Bank's asset classification and provisioning as reported in its financial statements. The RBI further requires such divergences to be reported in the financial statements if the divergences exceed a specified threshold as per the RBI norms. The Bank is required to address the divergences and carry out the adjustments in the asset classification and provisioning, if any, arising out of the divergences, in the financial statements of the subsequent financial year. For example, as part of the RBI's supervisory process for fiscal years 2016 and 2017, the RBI pointed out certain instances of divergences in respect of the Bank's asset classification for gross NPAs amounting to ₹9,478 crores and ₹5,633 crores, respectively. Any such divergences identified by the RBI in its future review process may lead to an increase in the level of NPAs and an increase in provisions of the Bank in the subsequent financial year, which may adversely impact the Bank's financial performance and the trading price of the Bonds.

The RBI has substantially expanded its guidance relating to the identification and classification of non-performing assets over the last five years, which has resulted in an increase in the Bank's loans classified as non-performing and an increase in provisions. For example, on June 07th 2019, the RBI established a new regulatory framework for resolution of stressed assets which introduced more stringent provisioning requirements by providing for early recognition and reporting of default in respect of large borrowers by banks, financial institutions and NBFCs and a stringent review and monitoring of stressed assets. If regulators, including the RBI, continue to impose increasingly stringent requirements (including by way of clarifications or interpretations to extant regulatory guidelines) regarding non-performing loans and provisioning for such loans, the level of non-performing loans could increase, and the overall quality of the Bank's loan portfolio could deteriorate. In addition, the RBI's annual supervisory process may assess higher provisions than the Bank has made. Any deterioration or increase in the Bank's NPA portfolio could increase the Bank's provisioning costs, which would adversely affect the Bank's financial performance and the trading price of the Bonds.

The Bank has a high concentration of loans to certain borrowers, borrower groups and industry sectors and if a substantial portion of these loans become non-performing, the overall quality of the Bank's loan portfolio, the Bank's business and the trading price of the Bonds could be adversely affected.

The Bank calculates the level of its exposure to any industry or customer in accordance with the guidelines established by the RBI. The Bank's loan portfolio and non-performing asset portfolio have a high concentration in certain industries, the most significant of which are Banking and Finance, Trade, Infrastructure (excl Power), Engineering and NBFCs industry representing 6.63%, 3.96%, 3.86%, 3.31%, and 2.87% respectively, of the Bank's gross fund-based loans outstanding and credit substitutes as at March 31, 2024.

The Bank therefore risks overexposure to industry sectors. There are uncertainties in respect of certain sectors of the Indian economy due to global and domestic economic conditions and high corporate leverage, and any significant deterioration in the performance of a particular sector, driven by events not within the Bank's control, such as worsened economic conditions, regulatory action or policy announcements by Government or State Government authorities, could adversely impact the ability of borrowers in that industry to service their debt obligations to the Bank. As a result, the Bank could experience increased delinquency risk which may adversely impact the Bank's financial performance and the trading price of the Bonds.

The Bank is also exposed to large loan concentrations with a few borrowers. As at March 31, 2024, aggregate credit exposure (including derivative exposure) to the Bank's 20 largest borrowers (fund and non-fund based) amounted to ₹1,26,510 crores, representing 73.18% of the Bank's total capital (comprising Tier I capital and Tier II capital). The Bank's single largest borrower (fund and non-fund based) as at March 31, 2024 had a loan balance of ₹18,675 crores, representing 10.80% of the Bank's total capital (comprising Tier I capital and Tier II capital). Any default by these borrowers or deterioration in the credit quality of these assets could have a significant adverse effect on the Bank's future financial performance and the trading price of the Bonds.

Finally, the Bank is exposed to certain risks from significant geographical concentrations in its loan portfolio. For example, a substantial percentage of the Bank's real estate portfolio was concentrated in one particular metropolitan area, which exposes the Bank to risk associated with an economic downturn in that particular region.

As part of the Bank's strategic shift toward greater portfolio diversification and decreased concentration in specific borrowers, geographies and industries, the Bank has been focused on, among other things, growing its CASA deposit base in addition to retail term deposits, mid-corporate and commercial banking portfolio, cross selling its products and

services under the "One Axis" vision and leveraging its digital platform to achieve higher customer engagement. However, there can be no assurance that the Bank will be able to successfully implement its strategy and control or reduce these levels of concentration.

The Bank may not be successful in implementing its growth strategies or penetrating new markets.

One of the Bank's principal business strategies under its GPS Strategy is focused on achieving "Growth" by broadening the Bank's low-cost deposit base; increasing the Bank's retail asset portfolio; accelerating growth in the wholesale/corporate banking segment; establishing leadership in digital payments; and significantly scaling up the Bank's subsidiaries. We continue to be guided by the pillars of the aforesaid strategy. These strategies may ultimately fail to contribute to the Bank's growth or profitability and may ultimately be unsuccessful. Even if such strategies are partially successful, the Bank cannot assure you that it will be able to manage its growth effectively or fully deliver on its growth objectives.

Challenges that may result from the Bank's growth strategies include the Bank's ability to, among other things:

- manage efficiently the operations and employees of its expanding businesses;
- maintain or grow its existing customer base;
- assess the value, strengths and weaknesses of future investments;
- finance strategic investments;
- align the current information technology systems adequately with those of a larger group;
- apply risk management policy effectively to a larger group;
- hire and train additional skilled personnel; and
- manage a growing number of branch offices without over-committing management or losing key personnel,

Each of which would have a potential adverse impact on the Bank's profitability.

The Bank may not be able to effectively manage this growth or achieve the desired profitability in the expected timeframe or at all or the expected improvement in indicators of financial performance from the expansion. For example, the Bank intends to continue adding new branches over the next few years, which will increase the size of the Bank's business and the scope and complexity of its operations and will involve significant start-up costs. In addition, there can be no assurance that the Bank will be able to achieve the desired growth in its deposit base, and the Bank's new branches may not perform as well as its existing branches. The Bank may also fail to develop or retain the technical expertise required to develop and grow its digital payments capabilities. To the extent that the Bank fails to meet required targets, develop and launch new products or services successfully, it may lose any or all of the investments that it has made in promoting them, and the Bank's reputation with its customers could be harmed. Moreover, if the Bank's competitors are better able to anticipate the needs of individuals in its target market, the Bank could lose market share and its business could be adversely affected.

Finally, the Bank's growth strategy in the future may evolve or change to include strategic acquisitions and restructurings, partnerships, joint ventures and strategic business arrangements with other parties. For example, in March 2023, the Bank completed the acquisition of Citibank India's consumer businesses (covering loans, credit cards, wealth management and retail banking operations) in India. Such arrangements may not necessarily contribute to business growth or profitability and may ultimately be unsuccessful. The Bank could also experience difficulties in assimilating personnel and integrating operations and cultures and may not realise the anticipated synergies or efficiencies from such transactions. Further, the Bank cannot assure you that it will be able to undertake such strategic investments, acquisitions (including by way of a merger, or share or asset acquisition) or joint ventures in the future, either on terms acceptable to us or at all. These difficulties could disrupt the Bank's ongoing business, distract its management and employees, and increase its expenses.

The Bank's inability to effectively manage any of these issues may adversely affect its business growth and, as a result, impact the Bank's businesses, prospects, financial condition and results of operations, as well as the trading price of the Bonds.

The Bank may not be able to effectively manage the growth of its retail asset portfolio and maintain the quality of its retail loan portfolio.

The Bank's net retail asset portfolio has experienced significant growth in recent years. Total net retail advances increased from ₹4,00,142 crores as at March 31, 2022 and ₹4,87,571 crores as at March 31, 2023 and ₹5,83,265 crores as at March 31, 2024. In addition, the Bank's current growth strategy contemplates further growth in its retail asset

portfolio. The Bank's failure to effectively manage the recent or future growth of its retail portfolio and maintain the quality of its retail loan portfolio could adversely affect the Bank's financial condition and results of operation.

Competition in the retail segment is intense and the Bank's ability to effectively compete in this segment will depend, in part, on its ability to offer a diverse product mix and expand its distribution capabilities. Although India has a credit bureau industry and the Bank reviews credit history reports whenever they are available from credit bureaus, adequate information regarding loan servicing histories, particularly in respect of individuals and small businesses, is limited. As a result, the Bank's credit risk exposure is higher compared with banks operating in more developed markets. Additionally, the economy in India is largely cash based, making it difficult for the Bank to monitor the credit of its retail customers, who frequently do not maintain formal financial records. Furthermore, retail loans may carry a higher risk for delinquency if there is an increase in unemployment, prolonged recessionary conditions or a sharp rise in interest rates. As a result, the Bank is exposed to higher credit risk in the retail segments as compared to banks in more developed markets. If the Bank's screening process proves to be inadequate, it may experience an increase in impaired loans and it may be required to increase its provision for defaulted loans. If the Bank is unable to maintain the quality of its retail loan portfolio as the Bank grows its retail business, its NPAs may increase, which could materially and adversely affect the Bank's financial performance and the trading price of the Bonds.

The Bank's failure to manage growth effectively may adversely impact the Bank's business.

In the past, the Bank has witnessed rapid growth in both its infrastructure and its business. The number of Bank branches and extension counters (excluding foreign branches) grew from 4903 as at March 31, 2023 to 5,377 as at March 31, 2024. The Bank's total assets have grown from ₹11,75,429 crores as at March 31, 2022 to ₹13,17,326 crores as at March 31, 2023. The Bank's total assets have grown to ₹14,77,209 crores as on March 31, 2024.

Such growth puts pressure on the Bank's ability to effectively manage and control existing and newly emerging risks. The Bank's ability to sustain its growth depends primarily upon its ability to manage key issues such as selecting and retaining skilled manpower, maintaining an effective technology platform that can be continually upgraded, developing a knowledge base to implement the Bank's strategies, and ensuring a high standard of customer service. The inability of the Bank to effectively manage any of these issues may adversely affect the Bank's business growth and as a result, impact future financial performance and the trading price of the Bonds.

In addition, given the increasing share of retail products and services and transaction banking services in the Bank's overall business, the importance of systems technology to the Bank's business has increased significantly. Any failure in the Bank's systems, particularly for retail products and services and transaction banking, could significantly affect the Bank's operations and the quality of its customer service and could result in business and financial losses and adversely affect the trading price of the Bonds.

The Bank's securities and derivative financial instruments are subject to market price and liquidity variations due to changes in economic conditions and may produce material losses.

Derivative financial instruments and securities represent a significant amount of the Bank's total assets. Any realized or unrealized future gains or losses from these investments or hedging strategies could have a significant impact on the Bank's income. These gains and losses, which the Bank accounts for when it sells or marks to market its investments in financial instruments, can vary considerably from one period to another. The Bank cannot forecast the amount of gains or losses in any future period, and the variations experienced from one period to another do not necessarily provide a meaningful forward-looking reference point, particularly in India given the current climate of market volatility. Gains or losses in the Bank's investment portfolio may create volatility in profitability, and the Bank may not earn a return on its consolidated investment portfolio in the future. Any losses on the Bank's securities and derivative financial instruments could adversely affect the Bank. Any decrease in the value of these securities and derivatives portfolios may result in a decrease in the Bank's capital ratios, which could impair its ability to engage in certain activities, such as lending or other financings, at the levels the Bank currently anticipates, and may also adversely affect the Bank's ability to pursue its growth strategies.

This General Information Document includes audited financial information, which has been subjected to limited review, in relation to the Bank. Reliance on such information should, accordingly, be limited.

This General Information Document includes Audited Financial Results for the year ended on March 31, 2024, in respect of which the Auditors have issued their unmodified opinion. Any financial results published in the future may not be consistent with past performance. Accordingly, prospective investors should rely on their independent examination of our financial position and results of operations, and should not place undue reliance on, or base their investment decision solely on the financial information included in this General Information Document.

The Bank's unsecured loan portfolio is not supported by any collateral that could help ensure repayment of the loan, and in the event of non-payment by a borrower of one of these loans, the Bank may be unable to collect the unpaid balance.

The Bank offers unsecured personal loans and credit cards as part of its Retail Banking segment, and unsecured loans to its SME and corporate clients As at March 31 2022, 2023 and 2024 25.87%, 28.63% and 30.51% respectively, of the Bank's loans were unsecured (including advances covered by bank or Government guarantees).

Unsecured loans are a greater credit risk for the Bank than its secured loan portfolio because they may not be supported by realizable collateral that could help ensure an adequate source of repayment for the loan. Although the Bank may obtain direct debit instructions or postdated checks from its customers for its unsecured loan products, the Bank may be unable to collect the unpaid loan balance in part or at all in the event of non-payment by a borrower. Further, any expansion in the Bank's unsecured loan portfolio could require the Bank to increase the Bank's provision for credit losses, which would decrease the Bank's profitability.

The Bank's inability to foreclose on collateral in an event of a default or a decrease in the value of the collateral may result in failure to recover the expected value of the collateral.

As at March 31, 2022, 2023 and 2024 74.13%, 71.37% and 69.49% of the Bank's loans were partially or fully secured by tangible assets. The Bank's loans to corporate customers for working capital credit facilities are typically secured by charges on inventories, receivables and other current assets. In certain cases, the Bank obtains security by way of a first or second charge on fixed assets, a pledge of marketable securities, bank guarantees, Government guarantees, corporate guarantees and personal guarantees. In addition, project loans or long-term loans to corporate customers are secured by a charge on fixed assets and other collateral. Loans to retail customers are either unsecured or secured by the assets financed, which largely comprise property and vehicles.

The Bank may not be able to realize the full value of the collateral due to, among other things, volatility in commodity prices, stock market volatility, changes in economic policies of the Government, obstacles and delays in legal proceedings, borrowers and guarantors not being traceable, the Bank's records of borrowers' and guarantors' addresses being ambiguous or outdated and defects in the perfection of collateral and fraudulent transfers by borrowers. For example, the global economic slowdown and other domestic factors led to a downturn in real estate prices in India. Therefore, upon foreclosure, the value of the collateral that is actually realized may be less than that expected by the Bank. If the Bank is unable to foreclose on its collateral or realize adequate value from the collateral, its losses will increase, and its net profits will decline.

In India, foreclosure on collateral may be subject to delays that can last for several years and might lead to deterioration in the physical condition or market value of the collateral. Although special tribunals have been set up for expeditious recovery of debts due to banks, any proceedings brought may be subject to delays and administrative requirements that may result in, or be accompanied by, a decrease in the value of the collateral. Should a corporate borrower make a reference to the specialized judicial authority, the National Company Law Tribunal, foreclosure, and enforceability of collateral may be stayed. When dealing with financially distressed debtors, the recovery of collateral may also be subject to insolvency proceedings in India. The Insolvency and Bankruptcy Code was introduced on December 01st 2016, providing for a time-bound mechanism to resolve stressed asset. Given the limited experience of this framework, there can be no assurance that the Bank will be able to successfully or efficiently utilize this new framework to recover the amounts due to it in full or in a timely manner or at all.

In terms of the Banking Regulation Act, a banking company is not permitted to hold any immovable property (except as is required for its own use), for any period exceeding seven years, or as may be extended by the RBI for a period not exceeding five years, on a case-to-case basis. Such restriction may force the Bank to dispose of the collateral upon foreclosure without realizing the full value of such collateral.

Once the Bank has obtained a court judgment, execution of the judgment in order to obtain the collateral for sale may involve additional obstacles. In the event that a specialized regulatory agency gains jurisdiction over the borrower, creditor actions can be further delayed. In addition, certain types of collateral, such as automobiles, may be expensive to repossess and difficult and cumbersome to store and manage. In addition, there may be significant deterioration in the value of collateral from the time of identification of NPA and sale of such collateral. Finally, the Bank may not have accurately estimated the value of the collateral. The inability to foreclose on such loan dues or otherwise liquidate the Bank's collateral may therefore result in a failure to recover the expected value of such collateral. The Bank may have also over-estimated the expected value of the collateral. These factors may, in turn, give rise to increased losses and a decline in profitability.

Liquidity and funding risks are inherent in the Bank's business and could have a material adverse effect on the Bank.

Liquidity risk is the risk that the Bank either does not have available sufficient financial resources to meet its obligations as they fall due or can secure them only at excessive cost. This risk is inherent in any retail and commercial banking business and can be heightened by a number of enterprise-specific factors, including over-reliance on a particular source of funding, changes in credit ratings or market-wide phenomena such as market dislocation. While the Bank implements liquidity management processes to seek to mitigate and control these risks, unforeseen systemic market factors make it difficult to completely eliminate these risks.

The Bank relies, and will continue to rely, primarily on short-term deposits as its main source of funding. As at March 31 2022, 2023 and 2024 36.84%,, 36.23% and 41.99% respectively, of the Bank's total deposits had maturities of one year or less, or were payable on demand. Also, as at March 31 2022, 2023 and 2024 24.28%, 19.83% and 21.84% respectively, of the Bank's advances had maturities of one year or less (based on the RBI's asset-liability management guidelines), resulting in maturity mismatches between the Bank's assets and liabilities. Moreover, the Bank could experience certain liquidity shortfalls and constraints under a stress testing scenario and has at times exhibited a relatively high credit-to-deposits ratio which could indicate dependence on borrowings for the Bank's lending activities. Therefore, if depositors do not renew their deposits or the Bank is unable to raise new deposits, the Bank may face a liquidity problem and may be required to pay higher rates of interest to attract deposits, which could adversely affect the Bank's business and operations. The Bank has increased its focus on growing its CASA deposit base in addition to retail term deposits, with the objective of mitigating certain of these risks, but no assurances can be provided that this strategy will be successful or that it will be effective in mitigating such risks.

The ongoing availability of deposits is sensitive to a variety of factors beyond the Bank's control, such as general economic conditions and the confidence of commercial depositors in the economy and in the financial services industry, retail customers' changing perceptions toward savings, competition between banks, and the availability and extent of deposit guarantees. For example, the Bank experienced a slowdown in its deposit growth in the years following the financial crisis in 2008 due to a combination of factors, including a slowdown of capital flows and high inflation which adversely impacted domestic savings. In addition, the availability of deposits may also be affected by the availability of investment alternatives. For example, in a favourable economic environment, retail customers may reduce their deposits and increase their investment in securities for a higher return, while micro, small- and medium-enterprise and mid-corporate customers may reduce their deposits in order to invest in business ventures. Any of these factors could significantly increase the amount of commercial deposit withdrawals in a short period of time, thereby reducing the Bank's ability to access commercial deposit funding on economically appropriate and reasonable terms, or at all, in the future.

In such event, the Bank may need to seek more expensive sources of funding, and it is uncertain whether the Bank will be able to obtain additional funding on commercially reasonable terms as and when required, or at all. The Bank's ability to raise additional funds may be impaired by factors over which it has little or no control, such as deteriorating market conditions or severe disruptions in the financial markets. The Bank cannot assure you that in the event of a sudden or unexpected shortage of funds in the banking system, it will be able to maintain levels of funding without incurring high funding costs, a reduction in the term of funding instruments or the liquidation of certain assets. Therefore, if the Bank fails to maintain its desired level of deposits, the Bank's liquidity position, financial condition and results of operations could be materially and adversely affected.

Regulations in India requiring the Bank to extend a minimum level of loans to certain sectors, including the agricultural sector, may subject the Bank to higher delinquency rates and impact the Bank's profitability.

Under the directed lending norms of the RBI, banks in India are required to lend 40.0% of their adjusted net bank credit to certain eligible sectors, categorized as priority sectors. Of this, banks have sub-targets for lending to key segments or sectors, such as Agriculture 18% of ANBC including Lending to Small & Marginal Farmers 10%, Micro Enterprise units 7.5% of ANBC. The balance of the priority sector lending requirement can be met by lending to a range of sectors, including Small & Medium enterprises, Renewable Energy, Social Infrastructure and Education loan, Export Credit, Residential mortgages satisfying certain criteria. The RBI has directed banks to maintain direct lending to non-corporate farmers at the banking system's average level for the last three years and has notified a target of 13.78% of adjusted net bank credit for this purpose for fiscal 2024. Loans to identified "weaker sections" of society must comprise 12% of adjusted net bank credit. As at March 31, 2022, 2023 and 2024, the Bank's lending to priority sectors (on a quarterly average basis for that year/period) accounted for 44.38%, 42.53% and 46.37% respectively, of adjusted net bank credit, with 18.76%, 18.92% and 19.76% respectively, of net credit going to the agricultural sector. In addition, according to the RBI guidelines, failure to achieve priority sector lending target and sub-targets will be taken into account by the RBI when granting regulatory clearances/approvals for various purposes.

As a result of these directed lending requirements, the Bank may experience a higher level of non-performing assets in its directed lending portfolio, particularly due to loans to the agricultural sector and small enterprises, where the Bank is less able to control the portfolio quality and where economic difficulties are likely to affect the Bank's borrowers more severely. There is inadequate historical data of delinquent loans to farmers, which increases the risk of such exposures. Additionally, economic difficulties, such as poor harvests in the agricultural sector due to drought, are likely to affect borrowers in priority sectors more severely. In fiscal year 2018 and fiscal year 2019, some states in India announced schemes for the waiver of loans taken by farmers. While the cost of such schemes is borne by the state governments, such schemes or borrower expectations of such schemes have resulted in higher delinquencies in the kisan credit card portfolio for banks, including the Bank.

As the Bank increases its direct lending to certain sectors, the Bank increases its exposure to the risks inherent in such sectors, which could materially and adversely impact the Bank's business, financial performance, and the trading price of the Bonds. The Bank's gross non-performing advances in the priority sector loan portfolio were 2.12%,1.53% and 1.38% as at March 31 2022, 2023 and 2024. Any future changes by the RBI to the directed lending norms may require

the Bank to increase its lending to relatively riskier segments, increasing its exposure to the risks inherent in such sectors, which may result in an increase in NPAs in the directed lending portfolio.

Any shortfall in meeting the priority sector lending requirements may be required to be invested at any time, at the RBI request, in Government schemes that yield low returns, determined depending on the prevailing bank rate and on the level of shortfall, thereby impacting the Bank's profitability. The aggregate amount of funding required by such schemes is drawn from banks that have shortfalls in achievement of their priority sector lending targets, with the amounts drawn from each bank determined by the RBI. The Bank has, on previous occasions, failed to meet its priority sector lending targets and sub-targets, and there can be no assurance that the Bank will be able to meet such priority sector lending targets in the future. Any failure by the Bank to meet its priority sector lending targets may require it to invest in Government schemes that yield low returns, thereby impacting the Bank's profitability.

The Bank is exposed to fluctuations in foreign exchange rates

As a financial intermediary, the Bank is exposed to exchange rate risk. In fiscal year 2022, the Rupee depreciated 3.7% to ₹75.79 per U.S.$1.00 as at March 31, 2022 and in fiscal year 2023, the Rupee depreciated 8.42% to ₹82.17 per U.S.$1.00 as at March 31, 2023. The Rupee further depreciated 1.50% to ₹83.41 per U.S.$1.00 as at March 28, 2024.

The Bank complies with regulatory limits on its unhedged foreign currency exposure. As at March 31 2022, 2023 and 2024 contingent liabilities (calculated pursuant to the Banking Regulation Act 1949 and Accounting Standard 29) on account of outstanding forward exchange contracts were ₹5,17,803 crores, ₹6,04,835 crores and ₹8,40,387 crores respectively. However, the Bank is exposed to fluctuations in foreign currency rates for its unhedged exposure.

Adverse movements in foreign exchange rates may also impact the Bank's borrowers negatively, which may in turn impact the quality of the Bank's exposure to these borrowers. Volatility in foreign exchange rates could adversely affect the Bank's future financial performance and the trading price of the Bonds.

The Bank operates in a very competitive environment and the Bank's ability to grow depends on its ability to compete effectively.

The Indian banking industry is very competitive. The Bank competes directly with public sector banks, private sector banks and foreign banks with branches in India. As at March 2024, there were 136 scheduled commercial banks in India, including 12 nationalized banks, following the amalgamation of certain public sector banks in March 2020, 21 private sector banks (including the Bank) and 45 foreign banks with branches in India.

The public sector banks, which generally have much larger customer and deposit bases, larger branch networks and Government support for capital augmentation pose strong competition to the Bank, and consolidation trends by the public sector banks may further increase these competitive pressures. For example, in one of the largest consolidations in the Indian banking industry, the State Bank of India merged with its five associate banks and the Bharatiya Mahila Bank, which became effective from April 1st 2017. Moreover, the Government announced the merger of three other public sector banks in fiscal year 2019, Bank of Baroda, Vijaya Bank and Dena Bank, which merger became effective from April 1st 2019. In fiscal 2019, a public sector bank, IDBI Bank, was acquired by LIC, following which that bank was reclassified as a private sector bank by the RBI. In fiscal year 2020, the Government announced several additional mergers of public banks: Canara Bank's merger with Syndicate Bank; United Bank of India's merger with Oriental Bank of Commerce and Punjab National Bank; Andhra Bank's merger with Corporation Bank and Union Bank of India; and Allahabad Bank's merger with Indian Bank.

The Bank also faces competition from private sector banks in India, some of which have larger customer bases and greater financial resources than the Bank.

In addition, new entrants into the financial services industry, including companies in the financial technology sector, may further intensify competition in the business environments in which the Bank operates, especially in the digital business environment. As a result, the Bank may be forced to adapt its business to compete more effectively. For example, non-bank financial companies, particularly international technology companies including large e-commerce players, have recently been increasing their presence in the financial sector in India and offering payment platforms and select services to customers, which increase competitive pressures on the Bank.

The RBI has released guidelines with respect to a continuous licensing policy for universal banks as compared to its earlier practice of intermittently issuing licenses. The RBI has also demonstrated an intention to allow small finance banks to apply for a universal banking license under this framework. These developments may increase the number of players in India's banking space. The Bank also faces competition from foreign banks that have established branches in India and have aggressively pursued a share of business in the market. Competition from foreign banks may increase as the RBI has indicated that it plans to give greater access to foreign banks in the Indian market. Such deregulation may result in the Bank facing increasing competition in the raising of funds from market sources and individual depositors. For example, recent deregulation of interest rates on savings deposits has resulted in certain banks increasing such interest rates. Deregulation has also lowered entry barriers for new categories of players in India's

private banking industry, such as small finance banks and payments banks, which has increased competitive pressures on the Bank.

Increased competitive pressure may have an adverse impact on the Bank's earnings, its future financial performance and the trading price of the Bonds. Due to competitive pressures, the Bank may be unable to successfully execute its growth strategy and offer products and services at reasonable returns and this may adversely affect its business and operations.

The Bank's risk management policies and procedures may leave the Bank exposed to unidentified or unanticipated risks, which could negatively affect its business or result in losses.

The Bank is exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk (including fraud) and legal risk (including actions taken by the Bank's own employees). The effectiveness of its risk management is limited by the quality and timeliness of available data and other factors outside of its control. For example, hedging strategies and other risk management techniques may not be fully effective in mitigating risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters.

This information may not in all cases be accurate, complete, up-to-date or properly evaluated. As part of Bank's ordinary decision-making process, it rely on various models for risk and data analysis. These models are based on historical data and supplemented with managerial input and comments.

There are no assurances that these models and the data they analyse are accurate or adequate to guide the Bank's strategic and operational decisions and protect it from risks. Any deficiencies or inaccuracies in the models or the data might have a material adverse effect on the Bank's business, financial condition or results of operation. Additionally, management of operational, legal or regulatory risk requires, among other things, policies and procedures to ensure certain prohibited actions are not taken and to properly record and verify a number of transactions and events.

The Bank has in the past experienced certain deficiencies in the Bank's internal compliance and risk management functions. These have included deficiencies in the Bank's credit review and analysis processes and procedures, deficiencies in the Bank's credit monitoring early warning systems and red flagging of potentially delinquent accounts, deficiencies in the Bank's monitoring of and adherence to its own internal risk parameters, and deficiencies in the Bank's internal audit function. Such feedback also identified deficiencies in the Bank's oversight and supervision over its subsidiaries and overseas operations, and highlighted risks associated with the Bank's compensation and incentive structure which did not sufficiently emphasize adherence to internal controls and compliance. Although the Bank believes that it has now taken appropriate measures designed to mitigate such deficiencies and strengthened its internal compliance and risk management policies and procedures, those measures may not be fully effective, and the Bank cannot assure you that its current policies and procedures will function adequately in all circumstances. Any lingering or future shortcomings in the Bank's internal compliance and risk management policies and procedures or a failure to follow them may have a materially adverse effect on the Bank's business, financial position or results of operations.

The Bank may fail to maintain an effective system of internal controls, which could prevent it from timely and accurate reporting of its financial results.

The Bank's internal controls over financial reporting may not prevent or detect misstatements on a timely manner due to inherent limitations, including human error, circumvention or overriding of controls, or fraud.

The Bank has since implemented measures designed to address those internal control deficiencies and expects to continue to implement measures designed to improve its internal control over financial reporting. While the Bank believes that these measures have been effective in correcting these internal control deficiencies in the past, it cannot be certain that, at some point in the future, another material weakness will not be identified or the Bank's internal controls will not fail to detect a matter they are designed to prevent, and failure to remedy such material weaknesses could result in a material misstatement in its financial statements and have a material adverse impact on the Bank's business, financial condition and results of operations.

Even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If the Bank fails to maintain the adequacy of its internal controls, its financial reporting may be disclosed on an untimely basis or with inaccuracies, the Bank could fail to meet its financial reporting obligations and it could be adversely affected.

The Bank may not be able to detect money laundering and other illegal or improper activities fully or on a timely basis, which could expose it to additional liability and harm its business or reputation.

The Bank is required to comply with applicable anti-money laundering and anti-terrorism laws and other regulations in India and in other jurisdictions where it has operations. These laws and regulations require the Bank, among other

things, to adopt and enforce "know-your-customer/ anti-money laundering/ combating financing of terrorism" (KYC/AML/CFT) policies and procedures and to report suspicious and large transactions to the applicable regulatory authorities in different jurisdictions. Remittances and trade finance transactions are increasingly required to be covered under the Bank's scrutiny and monitoring.

Although the Bank has adopted policies and procedures aimed at detecting and preventing the use of its banking networks for money laundering activities and by terrorists and terrorist-related organizations and individuals, such policies and procedures may not completely eliminate instances where the Bank may be used by other parties to engage in money laundering and other illegal or improper activities. The Bank's business and reputation could suffer if any such parties succeed in using the Bank for money laundering or other illegal or improper purposes.

The Bank has in place internal controls, systems and procedures in conformity with the RBI directives and believes that its anti-money laundering and KYC compliance policies and procedures are generally adequate and in accordance with regulatory guidelines. However, to the extent the Bank fails to fully comply with applicable KYC/AML/CFT laws and regulations, the relevant Government agencies and regulatory authorities may impose fines and other penalties against the Bank, which could adversely affect the Bank's business and reputation. The Bank has in the past experienced certain instances of lapses relating to its regulatory compliance, including compliance with KYC/AML/CFT rules and regulations. Although the Bank has implemented measures designed to prevent recurrence of these lapses, no assurances can be provided that such measures will be fully effective or that similar issues will not arise in the future, as the possibility of unintentional breaches remains. Such regulatory violations may result in the future, in regulatory actions, including financial penalties as described below, or in restrictions on or suspension of the related business operations, each of which could adversely affect the Bank's business and reputation.

The RBI as well as other regulators are empowered to impose penalties on banks and take other administrative measures to enforce applicable regulatory requirements, and such failures could expose the Bank to significant monetary liabilities, regulatory challenges and reputational damage. Any future recurrence of regulatory lapses by the Bank or failure to comply with applicable regulations in various jurisdictions, including unauthorized actions by employees, representatives, agents and third parties, suspected or perceived failures and media reports, and ensuing inquiries or investigations by regulatory and enforcement authorities, may result in regulatory enforcement actions, including financial penalties and restrictions on or suspension of the related business operations.

The Bank cannot predict the initiation or outcome of any investigations by other authorities or different investigations by the RBI. The penalties imposed by regulators may generate adverse publicity for the Bank and its business. Such adverse publicity, or any future scrutiny, investigation, inspection, or audit which could result in fines, public reprimands, damage to the Bank's reputation, significant time and attention from the Bank's management, costs for investigations and remediation of affected customers, may materially adversely affect the Bank's business and financial results.

The Bank's business depends on the continuity of its management team, skilled personnel and the Bank's ability to retain and attract talented personnel.

The Bank is highly dependent on the services of its management team and other key personnel. The Bank's ability to meet future business challenges depends, among other things, on their continued employment and the Bank's ability to attract and recruit talented and skilled personnel. For example, Shri Amitabh Chaudhry joined the Bank as its chief executive officer in January 2019 and since then there have been many changes in the Bank's core management, including its directors, chief financial officer and other senior managerial personnel. Since his arrival, the Bank has embarked on a review of its policies and strategies that resulted in the implementation of a new business strategy of growth, profitability and sustainability. The success of this new strategy depends in part on the continuity of the Bank's new management team and other key personnel.

There can be no assurance that the Bank will be able to retain its key personnel. Competition for skilled and professional personnel in the banking industry is intense. Although the Bank believes that all of its directors and executive officers have the requisite credentials and professional expertise necessary to discharge their duties and are compliant with applicable regulatory requirements, there can be no assurance that stakeholders, including regulatory authorities, will not raise objections, or that such objections will not result in the loss of certain members of the Bank's key management team. The loss of key personnel or an inability to manage attrition levels across the Bank may have a material adverse impact on the Bank's business, its ability to grow and its control over various business functions.

Deterioration of the Bank's relationship with, poor performance by, or bankruptcy of, the Bank's third-party service providers may adversely affect the Bank.

The Bank is reliant upon certain external service providers to provide it with certain services necessary to maintain its day-to-day operations. Accordingly, the Bank's operations are exposed to the risk that these service providers will not perform their duties in accordance with the contracted arrangements under the relevant service agreements. Third-party vendors and certain affiliated companies provide key components of the Bank's business infrastructure such as loan and deposit servicing systems, back office and business process support, information technology production and

support, internet connections and network access. Relying on these third parties and affiliated companies can be a source of operational and regulatory risk to the Bank, including with respect to security breaches affecting such parties.

The Bank is also subject to risk with respect to security breaches affecting the vendors and other parties that interact with these service providers. As the Bank's interconnectivity with these third parties and affiliated companies increases, the Bank faces the risk of operational failure with respect to their systems. The Bank may be required to take steps to protect the integrity of its operational systems, thereby increasing its operational costs. In addition, certain problems caused by these third parties or affiliated companies could affect the Bank's ability to deliver products and services to customers. Replacing these third-party vendors could also entail delays and expense. Further, the operational and regulatory risk the Bank faces as a result of these arrangements may be increased to the extent that the Bank restructures such arrangements. Restructurings could involve significant expense to the Bank and entail significant delivery and execution risk, which could have a material adverse effect on the Bank's business, operations and financial condition.

The Bank relies on correspondent banks in India and in other countries to conduct its business. The Bank's failure to maintain its relationships or enter into new relationships with correspondent banks may impact the Bank's ability to grow its business.

The Bank is subject to certain restrictive covenants in its financing instruments that restrict, among other things, its ability to declare dividends and pledge assets as collateral.

The financing documents relating to the Bank's outstanding indebtedness contains certain restrictive covenants, such as limitations on dividends and other distributions as well as negative pledge covenants that restrict, in certain circumstances, the Bank's ability to declare dividends and pledge assets as collateral. In addition, certain of these financing documents contain financial covenants requiring the Bank to comply with certain minimum ratios, such as the minimum capital adequacy ratios prescribed by the RBI, certain minimum industry borrower group exposure ratios; and certain minimum net NPA ratios, among others. Further, some of the Bank's borrowing agreements also require the Bank to obtain prior written consent for certain acts such as amendments to constitutional documents or to create any security. These restrictions may limit the Bank's ability to react to changes in the Indian economy or the banking industry, take advantage of profitable opportunities and fulfil the Bank's obligations under its other financing documents, which could adversely affect the bank.

In addition, in the event of a breach of any such restrictive covenant or a material covenant under the outstanding debt instrument of the bank, an event of default may be triggered, which could result in the imposition of contractual penalties and the acceleration of principal and interest. In the past, the Bank has been non-compliant with certain financial covenants contained in its financing documents for which the Bank obtained waivers from the relevant lender institutions. No assurances can be provided that the Bank will continue to be in compliance in the future, or that it will be able to obtain waivers for any future instances of non-compliance.

An event of default could also potentially result in a cross default under the Bank's other debt obligations. In the event of an acceleration of the Bank's outstanding indebtedness, the Bank may be unable to settle the outstanding amounts of its debts, which would adversely affect its business.

The business of the Bank is highly dependent on information technology; therefore, if the Bank is unable to adapt to rapid technological changes, its business could suffer.

The Bank's future success will depend in part on its ability to respond to technological advances and to emerging banking industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entail significant technical and business risks. There can be no assurance that the Bank will always be successful in implementing new technologies effectively or adapting its transaction processing systems to meet customer requirements or emerging industry standards. If the Bank is unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, its financial performance and the trading price of the Bonds may be adversely affected.

Furthermore, any technical failures associated with the Bank's information technology systems or network infrastructure, including those caused by power failures and breaches in security caused by computer viruses and other unauthorized tampering, may cause interruptions or delays in the Bank's ability to provide services to its customers on a timely basis or at all, and may also result in costs for information retrieval and verification.

Banking is a heavily regulated industry and material changes in the regulations that govern the Bank could cause its business to suffer.

Banks in India are subject to detailed regulation and supervision by the RBI. The RBI also sets guidelines on the cash reserve ratios, statutory liquidity ratios, priority sector lending, export credit, agricultural loans, loans to sectors deemed to be weak by the RBI, market risk, capital adequacy ratio and branch licensing, among others. In addition, banks are generally subject to changes in Indian law as well as to changes in regulations, Government policies and accounting principles. Changes in regulations in India and international markets may expose the Bank to increased

compliance costs and limitations on the Bank's ability to pursue certain business opportunities and provide certain products and services.

The Bank is also subject to regular financial inspection by the RBI. In the event that the Bank is unable to meet or adhere to the guidance or requirements of the RBI, the RBI may impose strict enforcement of its observations on the Bank, which may have an adverse effect on its business, financial condition, cash flows or results of operations. For instance, the Bank has, in the past, received several requests for information, clarification and certain observations from the RBI in relation to compliance with applicable guidelines and regulations, emanating from on-site inspections conducted by the RBI, including, among others (i) compliance with applicable corporate governance guidelines, (ii) compliance with applicable regulatory financial thresholds, (iii) gaps in acknowledging customer complaints and launching new products, and (iv) maintaining effective internal controls. While we have provided our responses to these notices and observations, the RBI may issue further notices or impose penalties in relation to current or future notices, if we are adjudged to be non-compliant, and we cannot estimate the quantum of any such penalties or its effect on the Bank's financial condition and results of operations.

The regulation governing Indian financial institutions is continuously evolving. The Bank has no control over the issuance of new regulations that may affect its operations, including in respect of:

- minimum capital requirements;
- reserve and compulsory deposit requirements;
- limits on investments in fixed assets;
- lending limits and other credit restrictions, including compulsory allocations;
- limits and other restrictions on fees;
- corporate governance;
- limits on the amount of interest banks can charge or the period for capitalizing interest; and
- accounting and statistical requirements.

In addition, any change by the RBI to its directed lending norms may result in the Bank being unable to meet the priority sector lending requirements, as well as requiring the Bank to increase its lending to relatively riskier segments which could result in an increase in NPAs in the Bank's directed lending portfolio. Consequently, the Bank's levels of yield-generating assets may be reduced or the Bank may be forced to recognize accounting losses, which could materially adversely affect its recognized profits, financial condition and results of operations. For example, the RBI has mandated banks in India to have a financial inclusion plan for expanding banking services to rural and unbanked centers and to customers who currently do not have access to banking services. Expansion into these markets involves significant investments and recurring costs, and the Bank cannot assure you that these activities will be sufficiently profitable. The services provided by the Bank also fall under the purview of the Consumer Protection Act, 2019, as amended, which was enacted for the protection of the interests of consumers availing goods and services, including banking or financial services.

Further, on June 11, 2020, the RBI published a discussion paper on Governance in Commercial Banks in India with the objective to align current regulatory framework with global best practices while being mindful of the context of domestic financial system. The paper is applicable to, among others, private sector banks. The paper discusses the overall responsibilities, structure and practices of the board of directors and committees of the boards and also explores matters including the qualification and selection criteria for board members and senior management and procedures for internal audit and vigilance. Pursuant to the discussion paper and feedback received, the RBI on April 26, 2021 has issued guidelines regarding the Chair and meetings of the board, composition of certain committees of the board, age, tenure and remuneration of directors, and appointment of the whole-time directors. Banks are instructed to comply with these instructions latest by October 01, 2021. While RBI will issue a Master Direction on Governance in due course, the Bank cannot predict the timing or the form in which such Master Direction and the nature and impact it will have on the Bank's operation.

The RBI may also direct banks to increase the total provisioning coverage ratio on their credit portfolio, which may adversely affect the Bank's financial condition and results of operations. The RBI is constantly updating prudential standards in accordance with the recommendations of the Basel Committee, in particular with respect to capital and liquidity, which could impose additional significant regulatory burdens on the Bank. For example, future liquidity standards could require the Bank to maintain a greater proportion of its assets in highly liquid but lower-yielding financial instruments, which would negatively affect its net interest margin. Increases in reserve and compulsory deposit or allocation requirements reduce the Bank's liquidity to fund its loan portfolio and other investments. There can be no assurance that future changes in regulations or in their interpretation or application will not have a material adverse effect on the Bank.

The laws and regulations governing the banking sector, including those governing the products and services that the Bank provides or proposes to provide, such as its life insurance or asset management business, or derivatives and hedging products and services, could change in the future. Any such changes may adversely affect the Bank's business and future financial performance by, for example, requiring a restructuring of the Bank's activities or increasing its operating costs. For example, in fiscal year 2018, some states in India announced schemes for waiver of loans taken by farmers. While the cost of such schemes was borne by the state governments, such schemes or borrower expectations of such schemes may result in higher delinquencies in the Bank's agricultural lending portfolio. A new Section 115BAA was introduced in the Income Tax Act, 1961, as amended (IT Act) by way of the Taxation Laws (Amendment) Act, 2019 which provides for an option to domestic companies to opt for a reduced income-tax rate of 22% (plus 10% Surcharge and 4% Health & Education Cess) subject to the condition that they will not avail specified tax exemptions/ deductions or incentives under the Act.

No assurance can be given generally that laws or regulations will be adopted, enforced or interpreted in a manner that will not have a material adverse effect on the Bank's business and results of operations. Furthermore, regulatory authorities in India have substantial discretion in how to regulate banks, and this discretion, and the regulatory mechanisms available to the regulators, have been increasing in recent years. Regulation may be imposed on an ad hoc basis by governments and regulators in response to a crisis, and these may especially affect financial institutions such as the Bank that may be deemed to be systemically important. In addition, the volume, granularity, frequency and scale of regulatory and other reporting requirements require a clear data strategy to enable consistent data aggregation, reporting and management. Inadequate management information systems or processes, including those relating to risk data aggregation and risk reporting, could lead to a failure to meet regulatory reporting requirements or other internal or external information demands, and the Bank may face supervisory measures as a result.

We operate in a highly regulated environment. Any changes to the existing legal or regulatory framework will require us to allocate additional resources, which may increase our regulatory compliance costs and direct management attention and consequently affect our business.

We operate in a highly regulated environment in which we are regulated by SEBI, RBI, PFRDA, and other domestic and international regulators. The Bank is also regulated by the IRDAI. Accordingly, legal and regulatory risks are inherent and substantial in our businesses. As we operate under licenses or registrations obtained from appropriate regulators, we are subject to actions that may be taken by such regulators in the event of any non-compliance with any applicable policies, guidelines, circular, notifications and regulations issued by the relevant regulators.

Our business could be directly affected by any changes in applicable policies and regulations for such entities. Being regulated we are subject to regular scrutiny and supervision by the respective regulators, such as regular inspections that may be conducted by the RBI, SEBI and IRDAI. The requirements imposed by regulators are designed to ensure the integrity of the financial markets and to protect investors and depositors. Among other things, in the event of being found non-compliant, we could be fined or prohibited from engaging in certain business activities. For example, our investment bank could face the risk of investigation and surveillance activity and judicial or administrative proceedings that may result in substantial penalties, if we are found to be in violation of applicable law. Such action may have reputational impact on us and affect the price of the Bonds.

In addition, we are also exposed to the risk of us or any of our employees being non-compliant with insider trading rules or engaging in front running in securities markets. As a listed entity and a fiduciary assisting listed companies, in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, designated persons of the Bank are required to observe restrictions and disclosures in relation to trading in securities of the Bank and others. In the event of any such violations, regulators could take regulatory actions, including financial penalties against us and the concerned employees. This could have a materially adverse financial and reputational impact us.

Any change to the existing legal or regulatory framework will require us to allocate additional resources, which may increase our regulatory compliance costs and direct management attention and consequently affect our business.

A significant majority of the Bank's properties, including its branches and ATMs, are located at leased or licensed premises, and the Bank's operations may be materially and adversely affected if it is unable to renew existing leases or otherwise continue to utilize its branches or ATMs.

The Bank's business and operations are significantly dependent on the Bank's branches and ATMs some of which are located on leased or licensed premises. The Bank has entered into various lease and license arrangements for such properties. As of March 31, 2024, some of the Bank leases including its branches and ATMs, had expired and were in the process of being renewed. The Bank may face the risk of being evicted in the event that the Bank's landlords allege a breach on the Bank's part of any terms under these lease agreements and there is no assurance that the Bank will be able to identify suitable locations to re-locate the Bank's operations. Some of the lease agreements entered into by the Bank may be inadequately stamped. As a result, these agreements may be inadmissible as evidence before a court of law. Further, some of the immoveable properties used by the Bank and taken on lease may have one or more irregularities of title such as non-registration of lease deeds. If the Bank is unable to continue to use its branches and ATMs which are located on leased or licensed premises during the period of the relevant lease or license or extend

such lease or license arrangements on their expiry on commercially acceptable terms, or at all, it may suffer a disruption in its operations which could materially and adversely affect the Bank's business, financial condition, results of operations and prospects. In addition, some of these leases or licenses may not have been registered, which may affect the evidentiary value of such lease or license agreements in a court of law.

Negative publicity could damage the Bank's reputation and adversely impact the Bank's business and financial results.

Reputational risk, or the risk to the Bank's business, earnings and capital from negative publicity, is inherent in the Bank's business. The reputation of the financial services industry in general has been closely monitored as a result of the 2008 financial crisis and other matters affecting the financial services industry. Negative public opinion about the financial services industry generally or the Bank specifically could adversely affect the Bank's ability to attract and retain customers and may expose it to litigation and regulatory action.

Negative publicity can result from the Bank's actual or alleged conduct in any number of activities, including lending practices, mortgage servicing and foreclosure practices, corporate governance, regulatory compliance, mergers and acquisitions and related disclosure, sharing or inadequate protection of customer information, and actions taken by Government regulators and community organizations in response to that conduct. Although the Bank takes steps to minimize reputational risk in dealing with customers and other constituencies, the Bank, as a large financial services organization with a high industry profile, is inherently exposed to this risk. Such negative media coverage may have a material adverse effect on the Bank's reputation, business, financial condition or results of operation.

The Bank may not be able to prevent its officers, employees or third parties acting on its behalf from engaging in situations that qualify as corruption, fraud or other misconduct which could expose the Bank to administrative and judicial sanctions, as well as reputational damage.

The Bank's governance and compliance procedures may not prevent breaches of law, accounting and/or governance standards, and there can be no assurance that the Bank's employees, agents, and the companies to which the Bank outsources certain of its business operations, will not take actions in violation of the Bank's policies, for which the Bank may be ultimately held responsible. For example, in fiscal 2018, the Bank's former Chief Information Officer was found to have compromised the Bank's interests following a whistleblower complaint alleging irregularities and improprieties in his supervisory and monitoring role over transactions relating to vendor selection and payments terms. In addition to taking appropriate action against the concerned executive, the Bank has put in place corrective measures and controls intended to prevent such incidents in the future. Moreover, in fiscal 2018, certain unpublished price sensitive information relating to the Bank's financial results for the quarter ended June 30, 2017 became public ahead of the official publication of such result in relation to which, SEBI passed an order against the Bank directing the Bank to strengthen its internal systems and control, conduct an internal inquiry and take appropriate steps. Although the Bank responded by taking several measures intended to prevent recurrence of these episodes, no assurances can be provided that such measures will be effective or that similar issues will not arise in the future.

The Bank's policies and procedures are aimed at detecting and preventing corruption, fraud or other misconduct by the Bank's employees and agents, they may not completely eliminate instances where the Bank's employees may engage in such illegal or improper activities. Any future misconduct by individuals working for the Bank could occur, which could adversely affect the Bank.

Actions of the Government, as the Bank's controlling shareholder through and other Government-related entities, could conflict with the interests of other shareholders.

The Government, through LIC hold 7.93% of the Bank's issued and paid-up equity shares.

Under the Bank's memorandum and articles of association LIC has the right to nominate one director. The Chairman of the board is duly appointed by the board of directors of the Bank.

While the Bank is overseen by an independent board of directors, LIC has one seat out of the Directors in the Bank's Board of Directors. The Bank believes that the LIC nominated director is not in a position to unduly exercise influence overboard decisions, decisions of the shareholders and influence the policies of the Bank in a manner that could directly or indirectly favour the interests of the Government or cause the Bank to forego business opportunities or may otherwise conflict with the interests of other shareholders.

Major fraud lapses of control, system failures or calamities could adversely impact the Bank's business.

The Bank is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and data interception during transmission through external communication channels and networks. There can be no assurance that the Bank's use of encrypted password-based protections and firewalls are adequate to prevent fraud or the invasion or breach of the network by an intruder. Failure to protect against fraud or breaches in security may adversely affect the Bank's

operations and future financial performance. The Bank's reputation could be adversely affected by significant fraud committed by its employees, agents, customers or third parties.

For example, in fiscal 2019, the Bank was one of several other Indian banks involved in a well-publicized fraud involving letters of undertaking issued by those banks, which resulted in a U.S.$20 million loss for the Bank and negatively affected the Bank's reputation. In addition, the Bank has experienced an increase in the number of internal frauds in fiscal 2019 as compared to fiscal 2018, and in fiscal 2020 as compared to fiscal 2019. Although the Bank believes it has taken appropriate measures intended to address those issues, any future lapses in the Bank's fraud identification and reporting processes could expose the Bank to the recurrence of frauds which could adversely affect the Bank's business and its reputation. In December 2017, certain unpublished price sensitive information relating to its financial results for the quarter ended June 30, 2017 allegedly became public ahead of the official publication of such result. Following public disclosure of this information, the Bank was directed by SEBI on December 27, 2017 to, among other things: (i) strengthen the Bank's current systems and controls to ensure that such instances of leakage of unpublished price sensitive information do not recur in the future; and (ii) conduct an internal inquiry into the alleged leakage of unpublished price sensitive information relating to the Bank's financial results and submit a report in relation thereto. Accordingly, the Bank had appointed an independent third-party consultant to review the effectiveness of the Bank's internal controls and submit a report on its findings. Upon conclusion of the investigation, the Bank has, by its letter dated April 13, 2018 submitted the independent third-party consultant's report with SEBI. As on the date of this General Information Document, the Bank has not received any order from SEBI in this regard.

Given the increasing share of retail products and services and transaction banking services in the Bank's overall business, the importance of systems technology to the Bank's business has increased significantly. The Bank's principal delivery channels include ATMs, internet banking, mobile banking and call centers (telephone banking). Any failure in the Bank's systems, particularly for retail products and services and transaction banking, could significantly affect the Bank's operations and the quality of its customer service and could result in business and financial losses and adversely affect the trading price of the Bonds. For example, the Bank's customer service operations have been affected to some extent in the past during the migration of the Bank's core banking software to an updated version, as the application took time to stabilize.

The Bank maintains a disaster recovery center in Bengaluru in the event that the Bank's main computer center in Mumbai shuts down for any reason. The system in Bengaluru is configured to come into operation if the Mumbai system is no longer operational. However, if for any reason the switch over to the backup system does not take place or if a calamity occurs in both Mumbai and Bengaluru such that the Bank's business is compromised in both centers, the Bank's operations would be adversely affected.

The Bank may breach third party intellectual property rights.

The Bank may be subject to claims by third parties, both inside and outside India, if it breaches their intellectual property rights by using slogans, names, designs, software or other such rights, which are of a similar nature to the intellectual property these third parties may have registered. The Bank has received oppositions from Axis Holdings Private Limited and AXA for its trademark application dated April 16, 2007 and from Axis Holdings Private Limited for its trademark application dated June 25, 2007 to register the name "AXIS BANK" and the logo associated with the name, citing prior use of their respective trademarks.

The Bank may not be able to prevent infringement of its trademark and may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, which may not provide sufficient protection. The Bank's inability to use of these trademarks and any unauthorized usage could adversely affect its business and results of operations.

Any legal proceedings which result in a finding that the Bank has breached third parties' intellectual property rights, or any settlements concerning such claims, may require the Bank to provide financial compensation to such third parties or make changes to its marketing strategies or to the brand names of its products, which may have a materially adverse effect on the Bank's business prospects, reputation, results of operations and financial condition.

A failure, inadequacy or security breach in the Bank's information technology and telecommunication systems may adversely affect its business, results of operation or financial condition.

The Bank's ability to operate and remain competitive depends in part on its ability to maintain and upgrade its information technology systems and infrastructure on a timely and cost-effective basis, including its ability to process a large number of transactions on a daily basis. The Bank's operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks.

The Bank's financial, accounting, or other data processing systems and management information systems or its corporate website may fail to operate adequately or become disabled as a result of events that may be beyond the Bank's control or may be vulnerable to unauthorized access, computer viruses or other attacks. Deficiencies in the Bank's internal management of information systems and data security practices expose the Bank to heightened risks, which could cause damage to the Bank's reputation and adversely impact the Bank's business and financial results.

Significant security breaches could adversely impact the Bank's business.

The Bank faces cyber threats, such as hacking, phishing and trojans, attempting to exploit the Bank's network to disrupt services to customers and/or theft or leaking of sensitive internal Bank data or customer information. In the past, the Bank has been exposed to cyber security incidents such as ransomware, web defacing attacks, un-patched vulnerable software exploitation, breaches of debit card use and fraudulent withdrawals. For example, in October 2016, there was an intrusion attempt observed on 15 of the Bank's servers through a third-party vendor, whose system was based in a foreign location. The investigation revealed that the vendor system had been maliciously controlled through other compromised systems, within the vendors network. In addition, in fiscal 2019, the Bank's subsidiary in the United Kingdom was the victim of a phishing attack that resulted in a U.S.$ 1.9 million loss. The occurrence or recurrence of any of these incidents in the future may cause damage to the Bank's reputation and adversely impact the Bank's business and financial results.

Further, the information available to and received by the Bank's management through its existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in the Bank's operations. If any of these systems are disabled or if there are other shortcomings or failures in the Bank's internal processes or systems, it may disrupt the Bank's business or impact the Bank's operational efficiencies and render it liable to regulatory intervention or damage to its reputation. The occurrence of any such events may adversely affect the Bank's business, results of operation and financial condition.

The Bank seeks to protect its branch network infrastructure and computer systems from security breaches and other disruptive problems caused by the Bank's increased use of the Internet. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and network infrastructure. Since technology is fast changing, there may be new areas in the system that may be exposed to security breaches and other attacks. The Bank employs security systems, including firewalls and password encryption, designed to minimize the risk of security breaches. Although the Bank intends to continue to implement security technology and establish operational procedures to prevent break-ins, damage and failures, there can be no assurance that these security measures will always be adequate or successful.

As the sophistication of cyber incidents continues to evolve, the Bank will likely be required to expend additional resources to continue to modify or enhance its protective measures or to investigate and remediate any vulnerability to cyber incidents. There is also the risk of the Bank's customers incorrectly blaming the Bank and terminating their accounts with the Bank for a cyber-incident which might have occurred on their own system or that of an unrelated third party. Any cyber security breach could also subject the Bank to additional regulatory scrutiny and expose the Bank to civil litigation and related financial liability. Failed security measures could have a material adverse effect on the Bank's business, its future financial performance and the trading price of the Bonds.

The Bank, its subsidiaries, directors and promoters are involved in legal and regulatory proceedings that, if determined against it, could have a material adverse impact on its future financial performance and the price of the Bonds.

The Bank is often involved in certain litigation matters and subject to various regulatory investigations, audits or other inspections in the ordinary course which could result in judgments, fines, reprimands and damage to the Bank's reputation. These matters may also result in the diversion of significant time and attention from the Bank's management, significant costs for the Bank to defend itself as well as costs for investigations and remediation of affected customers, each of which could adversely affect the Bank's business and financial results.

These matters may arise for various reasons, including because the Bank seeks to recover monies from its borrowers or because the Bank's customers seek claims against the Bank or for other reasons. Although it is the Bank's policy to make provisions for probable loss for litigation matters, the Bank does not make provisions or disclosures in its financial statements where its assessment is that the risk is not probable. Moreover, to the extent that the Bank is unable to accurately identify and track legacy litigation cases, such failures could expose the Bank to heightened legal and reputational risks.

The Bank has also issued notices and initiated various recovery and insolvency proceedings against defaulting borrowers under the Recovery of Debts and Bankruptcy Act, 1993 and the Insolvency and Bankruptcy Code, 2016 and failure by such borrowers to repay the outstanding borrowings pursuant to such notices and proceedings may adversely affect the business.

The Bank cannot assure you that the judgments in any of the litigation or regulatory proceedings in which the Bank is involved would be favourable to it and if its assessment of the risk changes, its view on provisions will also change. Increased provisioning for such potential losses could have a material adverse effect on the Bank's results of operations and financial condition. If the Bank's provisioning is inadequate relative to actual losses on final judgment, such additional losses could have a material adverse impact on the Bank's business and trading price of the Bonds. Such proceedings also divert management time and attention and consume significant financial resources in their defense or prosecution, which could materially affect the Bank's financial condition. Any adverse outcome of litigation or regulatory proceedings could have a material adverse effect on the Bank's business, its future financial performance

and trading price of the Bonds. The Bank may also incur legal cost for a matter even if the Bank has not made any legal provisions for the same. In addition, the cost of resolving a legal claim may be substantially higher than any amount reserved for that matter.

The Bank may not be able to renew or maintain its statutory and regulatory permits and approvals required to operate its business.

The Bank is required to obtain and maintain various statutory and regulatory permits and approvals to operate its business, which requires the Bank to comply with certain terms and conditions to continue its banking operations. Although the Bank has no reason to believe that such statutory and regulatory permits and approvals will not be granted and/or renewed as and when requested, certain of the Bank's business licenses have been denied or temporarily revoked in the past and the Bank cannot guarantee that it will be able to maintain, renew or obtain any required statutory and regulatory permits and approvals in the future, in a timely manner, or that no additional requirement will be imposed in connection with such request. Statutory and regulatory permits and approvals required for the development of the Bank's activities may require that it meet certain performance thresholds or financial metrics. In case the Bank is unable to meet these thresholds or metrics, the Bank may lose or not be able to obtain or renew such authorizations, concessions, licenses or permits. The Bank also cannot guarantee that it will timely comply with all of its obligations with governmental agencies, including obtaining the necessary operating permits in a timely manner.

In the event that the Bank is unable to renew or maintain such statutory permits and approvals or comply with any or all of the applicable terms and conditions or seek waivers or extensions of time for complying with such terms and conditions, all or some of the Bank's operations may be interrupted, penalties may be imposed and the Bank's business, financial results and reputation could be materially and adversely affected.

The Bank's insurance policies may not be sufficient to cover all of its losses.

The Bank maintains several types of insurance policies in line with the risk management policies of its business, which generally attempt to follow industry market practices for similar activities.

The Bank maintains several types of insurance policies and has coverage that it deems appropriate and customary for a bank of its size and nature. The Bank's insurance policies include a banker's indemnity insurance policy, which is a comprehensive insurance policy that offers coverage for various forms of risks. Some of the items covered under this insurance policy include (i) money (cash and precious metals) on premises and in vaults of agencies; (ii) money (cash and precious metals) in transit; (iii) cash in onsite ATMs/dispensers owned by the Bank; (iv) losses from external/internal fraud; and (v) losses from transactions through mobile banking; (vi) electronic banking transactions; and (vii) electronic crime.

The coverage obtained in these insurance policies may not be sufficient to cover all the risks to which the Bank is exposed, which could adversely affect the Bank. Additionally, the Bank may not be able to successfully contract or renew its insurance policies on satisfactory terms. If the Bank is unable to procure adequate levels of insurance at rates that its management deems satisfactory, the Bank could be adversely affected.

Any closure of branches or loss of the Bank's key branch personnel may adversely affect the Bank's ability to build and maintain relationships with the Bank's customers, which could adversely affect the Bank's business.

The Bank's business is dependent on the Bank's key branch personnel's ability to establish, build, and maintain customer relationships. The Bank encourages dedicated branch personnel to service clients in certain business segments since the Bank believes that this leads to long-term client relationships, a trust-based business environment, and over time, better cross-selling opportunities. While no individual branch manager and no single operating group of managers contribute a meaningful percentage of the Bank's business, it may suffer materially if a substantial number of branch managers leave the organization or if some of the branches are closed for any reason beyond the Bank's control.

The RBI may remove any employee, managerial personnel or may supersede the Bank's Board of Directors in certain circumstances, which may materially affect the Bank's business, results of operations, and financial conditions.

The Banking Regulation Act confers powers on the RBI to remove from office any directors, chairman, chief executive officer, or other officers or employees of a bank in certain circumstances. The RBI also has the powers to supersede the board of directors of a bank and appoint an administrator to manage the bank for a period of up to six months, which may be up to 12 months in certain circumstances. The RBI may exercise powers of supersession where it is satisfied, in consultation with the Government that it is in the public interest to do so, to prevent the affairs of any bank from being conducted in a manner that is detrimental to the interest of the depositors, or for securing the proper management of any bank. Should any of the steps as explained herein are taken by the RBI against the Bank, its business, results of operations, and financial conditions would be materially and adversely affected.

While the Bank has in place procedures and safeguards to prevent dealings with parties and countries that are the target of United States, Indian, and other sanctions, these measures by the Bank may not be fully effective, and any non-compliance by the Bank with such sanctions could harm our reputation or result in regulatory action which could materially and adversely affect our business.

The Bank engages in business with customers and counterparties from diverse backgrounds. In light of U.S., Indian, EU and other sanctions, the Bank cannot be certain that its procedures and safeguards relating to sanctions will always be effective, or that some of the Bank's customers or counterparties may become the subject of sanctions. Such sanctions may result in the Bank's inability to gain or retain such customers or counterparties or receive payments from them. Non-compliance with such sanctions could have a material adverse effect on the Bank's business, financial results and the prices of our securities.

These laws, regulations and sanctions or similar legislative or regulatory developments may further limit the Bank's business operations. If the Bank were determined to have engaged in activities targeted by certain U.S., Indian, EU or other statutes, regulations or executive orders, it could lose its ability to open or maintain correspondent or payable-through accounts with U.S. financial institutions, among other potential sanctions. In addition, depending on sociopolitical developments, even though we take measures designed to ensure compliance with applicable laws and regulations, our reputation may suffer due to our association with certain restricted targets. The above circumstances could have a material adverse effect on our business, financial results and the prices of our securities.

A global or regional financial crisis or financial instability in the countries where the Bank does business could adversely affect its operations, cash flows, asset quality and growth.

Our business has been, and in the future will continue to be, materially affected by geo-political, economic and market conditions, including factors such as the liquidity of the global financial markets, the level and volatility of debt and equity prices, interest rates, currency and commodity prices, investor sentiment, inflation and the availability and cost of capital and credit.

There are a number of uncertainties ahead in the global markets (for example, future bilateral trade relations between the US and China). As of the date of this General Information Document, India is also in an adjustment period, having been impacted by three consecutive shocks over the past three years, namely demonetization, GST implementation, and financial sector stress.

In addition, an outbreak of the COVID-19 pandemic, which first emerged in Wuhan City, Hubei province, PRC, in late December 2019, had spread to other parts of the world, followed by new waves of infections and mutant strains of the virus. Although the global economic recovery has gained momentum since the outbreak, driven by mass vaccination programmes and government stimulus packages, a pandemic driven by a different variant or a new virus could become more severe and result in a more widespread health crisis, which may in turn result in protracted volatility in international markets and/or result in a global recession as a consequence of disruptions to travel and retail segments, tourism, and manufacturing supply chains. Any of these factors may have a material adverse effect on our financial condition and results of operation.

In many major advanced economies, consumer price index inflation has been increasing, attributable to pent-up demand, elevated input prices and unfavourable base effects. This has been aggravated by the Russia Ukraine conflict which has affected the supply of key commodities including crude. Further, the concerted efforts of the central banks across the globe in taming inflation has led to increase in interest rates and moderation of economic growth.

Inflationary pressures in emerging markets and Asia are likely to ease on the back of slower global growth and reduced economic activity. Whilst this gives more leeway for an accommodative stance on monetary policy, central bankers would still have to weigh a decision to cut rates against the need to stabilize their currencies against depreciation pressures.

The implications for the world and the Bank are significant. First, a rise in global trade protectionism will negatively impact the trade-dependent economies in Asia. Second, the interplay between U.S. fiscal policies vis-à-vis monetary policies pursued by other central banks, particularly those in the emerging markets, may lead to more volatile global capital flows. Third, while our direct exposures outside the Indian financial markets are relatively modest, financial market volatility and increased uncertainty may have a broader global economic impact that may in turn have a material adverse effect on our business, cash flows, financial condition and results of operations Investors should be aware that there is a recent history of financial crises and boom-bust cycles in multiple markets in both emerging and developed economies which leads to risks for all financial institutions, including the Bank. We remain subject to the indirect economic effect of any potential tightening in global credit conditions, some of which cannot be anticipated and the vast majority of which are not under our control. We also remain subject to counterparty risk arising from financial institutions that can fail or are otherwise unable to meet their obligations under their contractual commitment to us.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability in the global markets could have a negative influence on the Indian economy and on other economies in which we operate,

including the United Arab Emirates and Singapore. While legislators and financial regulators across the globe including in the United Arab Emirates, Singapore and other jurisdictions, including India, have implemented several measures designed to add stability to the financial markets, these may not have the intended stabilizing effects. Furthermore, in several parts of the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect the Indian economy. In the event that the current adverse conditions in the global credit markets continue or if there are any significant financial disruption, this could have an adverse effect on our business, cash flows, financial condition, results of operations and the trading price of the Bonds.

Any failure of a bank in India or one of our key overseas correspondent banks would materially and adversely affect our business.

Our business relies heavily on our overseas correspondent banks to facilitate our international transactions. In India, the banking industry is also inter-dependent to facilitate domestic transactions. There is no assurance that our overseas correspondent banks or our domestic banking partners will not fail or face financial problems. If any bank in India, especially a private bank, or any of our key overseas correspondent banks were to fail, this would materially and adversely affect our business, cash flows, financial condition, and results of operations.

Statistical and industry data in the General Information Document may be incomplete or unreliable.

The Bank has not independently verified third party statistical and industry data obtained from industry publications and other industry sources referred to in the General Information Documentand therefore, while the Bank believes such data to be true, it cannot assure you that such data is complete or reliable. Such data may also be produced on different bases from those used in the industry publications that the Bank has referred to. Accordingly, discussion on matters relating to India, its economy and the industries in which the Bank currently operates is subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable.

A downgrade in ratings of India, the Indian banking sector or of the Bank may affect the trading price of the Bonds.

The Bank's borrowing costs and the Bank's access to the debt capital markets depend significantly on the Bank's credit ratings and that of India. These ratings are assigned by rating agencies, which may reduce or withdraw their ratings or place the Bank on "credit watch" with negative implications at any time. Credit ratings are also important to the Bank when competing in certain markets and when seeking to engage in longer-term transactions, including over-the-counter derivatives. A reduction in the Bank's credit ratings could increase the Bank's borrowing costs and limit the Bank's access to the capital markets. This, in turn, could reduce the Bank's earnings and adversely affect the Bank's liquidity.

Recently, S&P maintained the Bank's credit rating to "BBB minus" while the outlook was upgraded to "positive" from "stable outlook". Further, Fitch Ratings Ltd. also maintained the Bank's rating to "BB plus" with "stable outlook" and Moody's maintained the Bank's ratings to "Baa3" with "stable outlook".

A downgrade in the Bank's credit rating could restrict the Bank's ability to borrow, assign loans or issue securities on acceptable terms, thereby raising the Bank's funding costs. In addition, the Bank may also be unable to raise funds on acceptable terms, or be able to raise sufficient funds, at a time when additional funding would be most needed.

Moreover, any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact the Bank's ability to raise additional financing and the interest rates and other commercial terms at which such financing is available. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside the Bank's control.

Risks Relating to India

The Bank's business is substantially affected by prevailing economic, political and others prevailing conditions in India, and a slowdown in economic growth in India could cause the Bank's business to suffer.

The vast majority of the Bank's business activities are conducted in India. Accordingly, the Bank's financial position and results of operations have been and will continue to be significantly affected by overall economic growth patterns in India.

The Indian economy's growth momentum moderated to a healthy 7% in FY23, slowing as the low pandemic base moderated, with sequential growth numbers ahead indicating some further moderation in line with global economic trends. The numbers still show good increases in fixed asset investment, seen as driving longer term growth trends. Improvement continued, with FY24, the growth at a robust 8.2% as per latest estimates being well above initial forecasts. The RBI estimates growth in FY25 at 7.2%. However, growth risks continue to emanate from global factors (including geopolitical tensions), the spatial and temporal distribution of the monsoon, and withdrawal of fiscal accommodation. Easing monetary conditions are likely to provide support to global growth. However, policy shifts in

terms of macroprudential norms, as well as shifts in the level of excess reserves in the system, can modulate these shifts.

Economic growth in India is influenced by, inter alia, inflation, interest rates, foreign trade and capital flows. The level of inflation or depreciation of the Indian rupee may limit monetary easing or cause monetary tightening by the RBI. Any increase in inflation, due to increases or volatility in domestic food prices or global prices of commodities, including crude oil, the impact of currency depreciation on the prices of imported commodities and additional pass-through of higher fuel prices to consumers, or otherwise, may result in a tightening of monetary policy. India has, in the past, experienced sustained periods of high inflation. A return to high rates of inflation with a resulting rise in interest rates, and any corresponding tightening of monetary policy may have an adverse effect on economic growth in India.

While the Bank's results may not necessarily track India's economic growth figures, the Indian economy's performance affects the environment in which the Bank operates. Any slowdown in economic growth in India could adversely affect the Bank's borrowers and contractual counterparties, decreasing the credit quality of the Bank's borrowers. A slowdown in economic growth in India could also result in lower demand for credit and other financial products and services and higher defaults among corporate, retail and rural borrowers. With the importance of retail loans to the Bank's business, any slowdown in the growth or negative growth of sectors such as housing and automobiles could adversely impact the Bank's performance.

Furthermore, in light of the increasing linkages of the Indian economy to other developed and emerging economies, the Indian economy is increasingly influenced by economic and market conditions in other countries and, as a result, a slowdown/recession in the economic growth of the United States and other countries in the developed and emerging global economy could have an adverse impact on economic growth in India. The current uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. Any such slowdown could adversely affect the Bank's business, including its ability to grow, the quality of its assets, its financial performance and the trading price of the Bonds. In addition, any impact of the continuing instability and volatility in the global financial markets could have a material adverse impact on the Bank's business.

Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets and countries where the Bank has established operations or any worldwide financial instability may cause volatility in Indian financial markets and adversely affect the Indian economy, directly or indirectly, such as through movements of exchange rates and interest rates in India. The occurrence of any financial disruptions may have an adverse effect on the Bank's cost of funding, loan portfolio, business, future financial performance and the trading price of the Bonds.

Developments in the Eurozone, including concerns regarding the rigorous re-imposition of fiscal rules, negotiations between the United Kingdom and European policymakers following the withdrawal of the United Kingdom from the European Union, the exit of any other country from the European Union, weakening economic conditions as well as concerns related to an early tightening of monetary policy across major economies, rising commodity prices and escalation of geopolitical disputes may lead to increased risk aversion and volatility in global capital markets.

Geopolitical conditions relating to the U.S. with allies and other powers, most notably China, continue to evolve. This may impact emerging markets, primarily in Asia, and could change value chain and trading relationships, as well as lead to higher risk premium.

These and other related events such as concerns over recession, inflation or deflation, energy costs, geopolitical issues, slowdown in economic growth in China and Renminbi management, commodity prices and the availability and cost of credit may have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the United States and global credit and financial markets. A lack of clarity over the ongoing process for managing the exit from extraordinary stimulus and uncertainties surrounding its economic impact could lead to a further slowdown and instability in financial markets. This and any prolonged financial crisis may have an adverse impact on the Indian economy, and in turn on our business, financial condition and results of operations.

In response to these and other developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on the Bank's cost of funding, loan portfolio, business, future financial performance and the trading price of the Bonds. Adverse economic developments overseas in countries where the Bank has operations could have a material adverse impact on the Bank and the trading price of the Bonds.

Increased volatility or inflation of commodity prices in India could adversely affect the Bank's business.

The price of Brent crude oil has traded in the range of USD 70-90/bbl over the last one year, despite geopolitical risks as Chinese demand has remained weak. Volatility in the price of crude oil could adversely affect the Indian economy and the Indian banking and financial system in particular, including through volatility in the rate of inflation and a higher trade deficit which could, in turn, adversely affect the Bank's business.

In recent months, consumer price inflation has risen again tracking elevated vegetable prices following poor spatial and temporal monsoon distribution, while core inflation has seen continued consolidation. The Consumer Price Index rose from 3.4% (average) in fiscal 2019 to 5.4% in fiscal 2024. The inflation in Q1FY25 has been at 4.9% although it is expected to come down with RBI's estimate at 4.5% for the full year. Wholesale inflation has picked up on low base of FY24. In the past there have been several periods of sharp increases in global crude oil prices since 2004 due to increased demand and speculation and pressure on production and refinery capacity, and political and military tensions in key oil-producing regions, among other factors. There has also been elevated food inflation, and elevated core inflation episodes. Any increased volatility in the rate of inflation domestically or in global commodity prices, in particular oil and steel prices, could adversely affect the Bank's borrowers and contractual counterparties. The Bank cannot predict the duration of these negative events and their ongoing impact on Indian economy.

As the Bank's business consists of sizable contributions from the retail and agricultural segments, any slowdown in the growth of the housing, automobile or agricultural sectors could increase the cost of servicing its non-Rupee-denominated debt, including the Bonds, and adversely impact the Bank's business, financial conditions and results of operations.

Trade deficits could have a negative effect on the Bank's business and the trading price of the Bonds.

India's trade relationships with other countries can influence Indian economic conditions. The merchandise trade deficit has reached U.S.$242.1 billion in fiscal year 2024 (as per provisional RBI data) translating to a current account deficit of 0.6% of GDP, compared with U.S.$265.3 billion in fiscal year 2023 (a current account deficit of USD 67 bn reaching around 2% of GDP).If India's current account deficits increase or become unmanageable, the Indian economy, and therefore the Bank's business, future financial performance and the trading price of the Bonds could be adversely affected.

A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on the Bank. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.

While India has been maintaining healthy reserves, a decline in India's foreign exchange reserves could result in reduced liquidity and higher interest rates in the Indian economy as well as an adverse effect on the valuation of the Rupee. Flows to foreign exchange reserves in India have been volatile in the past and may continue to be volatile in the future. Foreign exchange reserves at U.S.$ 667.4 billion at the time of writing (Jul 2024) have increased from lows of U.S.$ 525 billion in October 2022. Increase in reserves has been brought about by interest income on reserves, valuation gains intervention in FX markets.

Declines in foreign exchange reserves could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect the future financial performance of the Bank and the trading price of the Bonds.

The Bank is subject to risks relating to the stability of the Indian financial system.

The Bank is exposed to the risks of the Indian financial system, which in turn may be affected by financial difficulties and other problems faced by certain Indian financial institutions. As an emerging market economy, the Indian financial system faces risks not typically faced in developed countries, including the risk of deposit runs, notwithstanding the existence of a national deposit insurance scheme. Certain Indian financial institutions have experienced difficulties during past years. Some cooperative banks have also faced serious financial and liquidity crises. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect the Bank's business, future financial performance and the price of the Bonds.

The Bank has little or no control over any of these factors or trends and may be unable to anticipate changes in economic conditions. Adverse effects on the Indian banking system could impact the Bank's funding, profitability, asset quality or NPAs and adversely affect the Bank's business growth and as a result, impact future financial performance and the market price of the Bonds. In addition, any impact on the banking system as a result of the ongoing volatility in the financial markets, including the recent slowdown in the Chinese economy, could have a material adverse impact on the Bank's business.

Indian accounting principles differ from those which prospective investors may be familiar with in other countries. In addition, the effects of the planned convergence with, and adoption of, IFRS are uncertain.

The Bank's financial statements as of and for the years ended March 31 2022, 2023, and 2024 are prepared in accordance with Indian GAAP, and no attempt has been made to reconcile any of the information given in this General Information Document to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles with which prospective investors may be familiar in other countries, including the United States and the United Kingdom. In addition, there may be less publicly available information about Indian public companies, such as the Bank, than is regularly made available by public companies in such other countries. Public companies in India, including the Bank, have been required to prepare financial statements under Ind AS according to the implementation roadmap drawn up by the Indian Ministry of Corporate Affairs. The Bank may be adversely affected by this transition.

The Ministry of Corporate Affairs, in its press release dated January 18, 2016, issued a roadmap for implementation of Ind AS converged with IFRS for scheduled commercial banks, insurers, insurance companies and non-banking financial companies. This roadmap requires all financial institutions (including the Bank) to prepare Ind AS-based financial statements for the accounting periods beginning from April 1st 2018 onwards with comparatives for the periods ending March 31 2018 and thereafter. The RBI, by its circular dated February 11th, 2016, required all scheduled commercial banks to comply with Ind AS for financial statements for the periods stated above. However, the RBI on 5 April 2018 deferred the applicability of Ind AS by one year for commercial banks. Further, the RBI on March 22, 2019 deferred the implementation of Ind AS, until further notice.

The RBI does not permit banks to adopt Ind AS earlier than the official implementation timelines. However, the Bank's IT systems and other processes are already in the advanced stages of Ind AS implementation.

Ind AS 109 – Financial Instruments (a standard equivalent to International Financial Reporting Standard 9) would have a significant impact on the way financial assets and liabilities are classified and measured, resulting in volatility in profit or loss and equity. Ind AS will change, among other things, the Bank's methodology for estimating allowances for probable loan losses and for classifying and valuing its investment portfolio and its revenue recognition policy. There can be no assurance that the Bank's financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under Ind AS than under current Indian GAAP.

In the Bank's transition to Ind-AS reporting, the Bank may encounter difficulties in the ongoing process of implementing and enhancing its management information systems. Furthermore, there is no significant body of established practice on which to draw in forming judgements regarding the new system's implementation and application. There is also increasing competition for the small number of experienced accounting personnel familiar with Ind-AS accounting standards as more Indian companies begin to prepare Ind-AS financial statements. There can be no assurance that the Bank's adoption of Ind-AS will not adversely affect its reported results of operations or financial condition, and any failure to successfully adopt Ind-AS could adversely affect the Bank's business, financial condition and results of operations.

The Bank's business may be adversely affected by changes in competition laws in India.

The Competition Act, 2002, as amended from time to time (the **Competition Act**), was enacted for the purpose of preventing practices having an adverse effect on competition in India, and has mandated the Competition Commission of India to regulate such practices. Under the Competition Act, such practices include any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and may result in substantial penalties. Any agreement among competitors that directly or indirectly determines purchase or sale prices; directly or indirectly results in bid rigging or collusive bidding; limits or controls production, supply, markets, technical development, investment or the provision of services; or shares the market or source of production or provision of services by way of allocation of geographical area or types of goods or services or number of customers in the relevant market or any other similar way, is presumed to have an appreciable adverse effect on competition in the relevant market in India and is void. Furthermore, the Competition Act prohibits the abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and may be punished. If the Bank or any of its employees is penalized under the Competition Act, the Bank's business may be adversely affected.

If the Bank is affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act or any enforcement proceedings initiated by the Competition Commission of India or any other relevant authority under the Competition Act or any claim by any party under the Competition Act or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India, the Bank's business and financial performance may be materially and adversely affected.

The implementation of the General Anti-Avoidance Rules could adversely affect the Bank's business, future financial performance, and the trading price of the Bonds.

The General Anti-Avoidance Rules (**GAAR**) provisions became effective on April 1st 2017. GAAR codifies the principle of substance over form. Under the GAAR provisions, an arrangement the main purpose of which is to obtain a tax benefit and which lacks commercial substance will be considered as an "impermissible avoidance arrangement". In addition, the Bank has to establish that its transactions are not undertaken with the main objective of tax avoidance but are backed by commercial and economic substance.

As the provisions of GAAR are subjective in nature, its effect on the banking system cannot be determined as at the date of this General Information Document and therefore, there can be no assurance that the implementation of GAAR would not adversely affect the Bank's business, future financial performance and the trading price of the Bonds.

Natural calamities, terrorist attacks, civil disturbances, outbreaks of contagious diseases, power outages and other disruptions could have a negative impact on the Indian economy and could cause the Bank's business to suffer and the trading price of the Bonds to decrease.

India has experienced natural calamities such as earthquakes, floods and drought in the recent past, with the most recent example being the global outbreak of COVID-19 described above. The extent and severity of these natural disasters determine their impact on the Indian economy. For example, in fiscals 2015 and 2016, many parts of India received significantly less than normal rainfall, which significantly impacted the performance of the agricultural sector. An erratic monsoon season could also adversely affect sowing operations for certain crops and result in a decline in the growth rate of the agricultural sector. Prolonged spells of below-normal rainfall in the country or other natural calamities could have a negative impact on the Indian economy, adversely affecting the Bank's business and potentially causing the trading price of the Bonds to decrease. For example, recent landslide in the Indian state of Kerala led to the dislocation of the local population, which had have affected normal functioning of the branches located in that particular region.

In addition, influenza A H5N1 has had a profound effect on the poultry industry and Nipah virus encephalitis, is an emerging infectious disease of public health importance in Asia. India's southern state of Kerala was put under a lot of stress in May 2018 due to an outbreak of the Nipah virus. Asia is home to dynamic systems in which biological, social, ecological, and technological processes interconnect in ways that enable microbes to exploit new ecological niches. These processes include population growth and movement, urbanization, changes in food production, agriculture and land use, water and sanitation, and the effect of health systems through generations of drug resistance. There can be no assurance that the ongoing situation caused by the COVID-19 pandemic or a future outbreak of an infectious disease among humans or animals (if any) or any other serious public health concern will not have a material adverse effect on our business, financial condition and results of operations.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. In June 2020, the clash between China and Indian soldiers in the Galwan River Valley resulted in numerous fatalities, which led to increased tension between the two countries. Present relations between India and Pakistan continue to be fragile on the issues of terrorism, armaments and Kashmir. In April 2019, skirmishes along India's border with Pakistan and the downing of an Indian military jet fighter plane significantly escalated tensions between the two countries. India has also experienced terrorist attacks in some parts of the country. In November 2008, several coordinated shooting and bombing attacks occurred across Mumbai, India's financial capital. These attacks resulted in loss of life, property and business. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies, including the trading price of the Bonds.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. Certain countries in Southeast Asia have reported cases of bird-to-human transmission of avian and swine influenza, resulting in numerous human deaths. The World Health Organisation and other agencies have issued warnings on a potential avian or swine influenza pandemic if there is sustained human-to-human transmission. Future outbreaks of avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of avian or swine influenza or other contagious disease could have a material adverse effect on the Bank's business and the trading price of the Bonds.

Exchange rate risks and exchange controls

We will pay principal and interest on the Bonds in the currency specified in the relevant Pricing Supplement (the **Specified Currency**). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified

Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency equivalent yield on the Bonds, (ii) the Investor's Currency equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency equivalent market value of the Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Interest rate risks

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of them.

The credit ratings assigned to the Bonds may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Bonds. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

2. OTHER RISK FACTORS

As set out in the relevant Key Information Document.

3. LISTING OF NCDs

There is no guarantee that the Debentures issued pursuant to this Issue will be listed on the Stock Exchange in a timely manner, or at all. The Issuer intends to list the Debentures on the WDM segment of the Stock Exchange. In accordance with Indian law and practice, permissions for listing and trading of the Debentures issued pursuant to this Issue will not be granted until after the Debentures have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Debentures to be submitted. There could be a failure or delay in listing the Debentures on the Stock Exchange. Any failure or delay in obtaining the approval would restrict an investor's ability to trade in the Debentures.

4. REFUSAL IN LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD:

As of date, the Issuer has not been refused in listing of any security during the last 3 years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

5. LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON STOCK EXCHANGES:

The Issuer cannot provide any guarantee that the Debentures will be frequently traded on the Stock Exchange and that there would be any market for the Debentures. It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. Once the Debentures are listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

The Issuer may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement where permitted by law. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption of the Debentures.

6. IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS, ANY DEFAULT IN COMPLIANCE WITH THE MATERIAL COVENANTS SUCH AS CREATION OF SECURITY AS PER TERMS AGREED, DEFAULT IN PAYMENT OF INTEREST, DEFAULT IN REDEMPTION OR REPAYMENT, NON-CREATION OF DEBENTURE REDEMPTION RESERVE, DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

SECTION 2: DISCLOSURES UNDER SEBI NCS REGULATIONS

2.1 DETAILS OF PROMOTERS OF THE ISSUER:

The details of the Promoters of the Issuer are as follows:

(a) *Life Insurance Corporation of India (LIC)*

(i) Date of Incorporation: September 1, 1956

(ii) Age: NA

(iii) Registered Address: Yogakshema Building, Jeevan Bima Marg, P.O. Box No – 19953, Mumbai – 400 021

(iv) Educational Qualifications: NA

(v) Experience in the business or employment: NA

(vi) Positions/posts held in the past: NA

(vii) Directorships held: NA

(viii) Other ventures of the Promoter: NA

(ix) Special Achievements: NA

(x) Their business and financial activities: Insurance Company

(xi) Permanent Account Number: AAACL0582H

(xii) Other Details

CIN: Not Applicable

IRDAI Registration No.: 512

The Parliament of India passed the Life Insurance of India Act on June 19, 1956 creating LIC. Today, LIC is a leading life insurance company in India. LIC functions with 2048 branch offices, 113 divisional offices, 8 zonal offices, 1381 satellite offices and the Corporate office.

Declaration: The Issuer confirms that the Permanent Account Number and Bank Account Number(s) of the promoters and Permanent Account Number of directors shall be submitted to the stock exchanges on which the NCS are proposed to be listed, at the time of filing the draft Offer Document.

(b) Details of Promoter Holding in the Issuer as on June 30, 2024:

Sr No	Name of the shareholders	Total No of Equity Shares	No of shares in demat form	Total shareholding as % of total no of equity shares	No of Shares Pledged	% of Shares pledged with respect to shares owned.
1	**LIFE INSURANCE CORPORATION OF INDIA**	244860645	244860645	7.92	---	---

2.2 DETAILS OF CREDIT RATING ALONG WITH LATEST PRESS RELEASE OF THE CREDIT RATING AGENCY IN RELATION TO THE ISSUE AND DECLARATION THAT THE RATING IS VALID AS ON THE DATE OF ISSUANCE AND LISTING. SUCH PRESS RELEASE SHALL NOT BE OLDER THAN SIX MONTHS FROM THE DATE OF THE OPENING THE ISSUE.

The rating details in relation to each issuance of NCS shall be mentioned in relevant Key Information Document.

2.3 NAME(S) OF THE STOCK EXCHANGE(S) WHERE THE NON-CONVERTIBLE SECURITIES ARE PROPOSED TO BE LISTED AND THE DETAILS OF THEIR IN-PRINCIPLE APPROVAL FOR LISTING OBTAINED FROM THESE STOCK EXCHANGE(S).

Please refer to the relevant Key Information Document.

2.4 DETAILS OF DESIGNATED STOCK EXCHANGE.

Please refer to the relevant Key Information Document.

2.5 ISSUE SCHEDULE

Particulars	Date
Issue opening date	As per the relevant Key Information Document
Issue closing date	As per the relevant Key Information Document
Pay-in Date	As per the relevant Key Information Document
Deemed Date of Allotment	As per the relevant Key Information Document

2.6 NAME AND ADDRESS OF THE FOLLOWING:

Issuer	**Axis bank limited** Registered Address: "Trishul", Third Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006. Corporate Office: Axis Bank Limited, Axis House, P.B. Marg, Worli, Mumbai – 400025 Tel: +9179 – 66306161 (Registered) +91 - 22 -24252525 (Corporate) E-mail: alm@axisbank.com Website: **www.axisbank.com** **Company Secretary of the Issuer**: Mr. Sandeep Poddar Address: Axis Bank Limited 8th Floor, Axis House, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Tel: +91 - 22 -2425252 **Compliance Officer of the Issuer**: Mr. Sandeep Poddar Address: Axis Bank Limited 8th Floor, Axis House, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Tel: +91 - 22 -24252525 **Chief Financial Officer of the Issuer**: Mr. Puneet Sharma Address: Axis Bank Limited 8th Floor, Axis House, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Tel: +91 - 22 -24252525
Debenture Trustee	As per the relevant Key Information Document.
Credit Rating Agency	As per the relevant Key Information Document.
Registrar to the Issue	As per the relevant Key Information Document.
Legal Counsel of the holders of NCS	As per the relevant Key Information Document.
Arrangers	As per the relevant Key Information Document.
Guarantors, if any	As per the relevant Key Information Document.

2.7 ABOUT THE ISSUER

i. General Information

Name	:	AXIS BANK LIMITED
Registered Office of Issuer	:	"Trishul", 3rd Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006.
Corporate Office of Issuer	:	Axis House, Pandurang Budhkar Marg Worli, Mumbai – 400 025
Corporate Identity Number	:	L65110GJ1993PLC020769
Phone No.	:	+9179 – 66306161 (Registered) +91 - 22 -24252525 (Corporate)
Contact Person	:	Rituparna Banerjee
Email	:	alm@axisbank.com

ii. Overview and a brief summary of the business / activities of the Issuer.

(a) **Overview and brief summary of the business / activities of the Issuer**:

OVERVIEW:

The Bank is the third largest private sector bank in terms of total assets in India, offering a wide range of products and services to corporate and retail customers through a variety of delivery channels. The Bank commenced operations in April 1994 and over the last 30 years, has grown both in terms of the size of its asset base and its physical network of branches, extension counters and ATMs.

As of March 31, 2024, the Bank was 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 as of March 31, 2024 and March 31, 2023 were ₹14,77,209 crores and ₹13,17,326 crores respectively, and the Bank's net advances and deposits as at March 31, 2024 and March 31, 2023 amounted to ₹9,65,068 crores and ₹8,45,303 crores respectively, and as at March 31, 2024 and March 31, 2023 amounted to ₹10,68,641 crores and ₹9,46,945 crores respectively.

The Bank's primary business consists of commercial banking operations for Indian corporate and retail customers. The Bank provides a range of commercial banking products and services, including loan products, fee and commission-based products and services, deposit products and foreign exchange and derivatives products to India's leading corporations, middle market companies and small and medium enterprises. The Bank's retail operations primarily consist of retail lending, payments, deposit taking and distribution of third-party insurance and investment products. The Bank also offers agricultural and rural banking products.

The Bank delivers its products and services through a variety of channels, including bank branches, ATMs, call centres, the internet and mobile phones. As of March 31, 2024, the Bank had a network of 5,377 domestic branches and extension counters, 9,153 ATMs and 6,873 Recyclers distributed across 2,963 locations in India. As at March 31, 2023, the Bank had a network of 4,903 domestic branches and extension counters, 9,802 ATMs and 6,151 Recyclers distributed across 2,741 locations in India., In addition to the Bank's extensive branch and ATM network, the Bank also offers telephone banking in various cities, as well as Internet banking and mobile banking facilities. 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's foreign branches primarily offer corporate banking, trade finance and treasury and risk management services.

The Bank's principal business activities are divided into the following main business units:

- Retail Banking;

- Wholesale Banking; and
- Treasury.

The Bank's core income stream is comprised of interest income earned from its retail, corporate and SME loan portfolios, as well as from its money-market operations and investment portfolio. The Bank also earns fee and commission income from the processing of loans, documentary credits, bank guarantees, placements and syndication, service charges, cash management services, advisory services, depository services, capital market services, ATM interchange and cards, remittance, wealth management and sale of third-party products.

Since 2011, the Bank has experienced significant growth in its customer and geographical base, which expanded to approximately 3.2 crores savings customer accounts as at March 31, 2024. The Bank's total assets have increased from ₹13,17,326 crores as at March 31, 2023 to ₹14,77,209 crores as at March 31, 2024 with net retail advances (retail advances net of provisions) increasing from ₹487,571 crores as at March 31, 2023 to ₹5,83,265 crores as at March 31, 2024. Furthermore, total deposits increase from ₹9,46,945 crores as at March 31, 2023 and ₹10,68,641 crores as at March 31, 2024. As at March 31, 2023, the Bank had 9,802 ATMs and 6,151 cash deposit and withdrawal machines. As at March 31, 2024, the Bank had 9,153 ATMs and 6,873 cash deposit and withdrawal machines.

The Bank believes that it is now well-positioned to capitalize on future growth opportunities. The Bank believes that its strong liability profile, diversified and secured lending portfolio and strong credit underwriting and risk management practices will enable the Bank to withstand the during uncertain times and gather momentum to deliver performance on a sustainable and consistent basis.

Competitive Strengths

The Bank considers the following to be its principal competitive strengths:

Strong capital position

The Bank's total capital adequacy ratio as on March 31 2023 and March 31 2024 was 17.64% and 16.63% and CET-1 ratio was 14.02% and 13.74% respectively well above the regulatory requirements. The Bank believe it is in a strong capital position in the current uncertain times. The Bank has a healthy provision coverage ratio (PCR) of 79% as on March 31 2024.

Strong distribution network

The Bank has a nationwide distribution network with one of the largest number of branch outlets among private sector banks in India. As at March 31 2023, the Bank had a network of 4,903 branches & extension counters and 15,953 ATMs & cash recyclers spread across the country. As at March 31 2024, the Bank had a network of 5,377 branches & extension counters and 16,026 ATMs & cash recyclers spread across the country.

Through its extensive distribution network, the Bank offers a wide array of traditional asset and liability products and services to its customers and is continually working to offer additional products to meet the needs of its diverse customer base. The Bank's distribution network is further complemented by its digital platforms, including online and mobile banking solutions, which offer 24-hour access to customer accounts and the ability to conduct routine banking transactions, such as online bill payment and application for loans. The Bank believes this extensive nationwide network provides it with a strong sales platform, which enables the Bank to cross-sell its products and to deliver high-quality and convenient services to its customers.

Large customer base

The Bank has a large customer base of over 48 million spread across retail, corporates and SME. The Bank has been investing on building a strong customer focused franchise. The Bank believes, the customers choose its network because of its strong brand, the convenience of its branch locations, convenient access to ATMs and remote banking services, as well as diverse product offerings. The large customer base provides the Bank with opportunities to cross-sell various banking and financial products based on their needs and deepen the existing relationship. The Bank continues to drive the strategy of delivering granular growth and a clear focus on staying close to the needs and aspirations of its customers.

Strong digital presence

The Bank has set up Axis 2.0 – a fully digital bank within the Bank. The Bank continues to have strong digital presence with 30% market share in NEFT volume for FY24 and 8% market share in RTGS (value) for FY24. The Bank has witnessed improvement in digital adoption with 96% of financial transactions being done by individuals through digital channels in Q4 FY24. The Bank's mobile app is world's highest rated mobile banking app with a rating of 4.8 on the Play store and ~14 million mobile banking monthly active users in Mar'24. We aim to further grow our digital play through Neo - an integrated corporate digital bank platform offering an omni-channel experience for relevant journeys. The corporates will be offered the full breadth of digital solutions across the Bank's channels, ERP integration leveraging APIs as well as seamless banking on third party platforms. Neo has consistently won market recognition for customer experience and innovation which exemplifies the differentiation from peers that the bank has been able to demonstrate.

One Axis

The Bank has a unique opportunity to provide a complete range of solutions to corporates leveraging the corporate banking franchise and the strong capabilities of the subsidiaries. The Bank's One Axis strategy is yielding good results and its key subsidiaries continue to deliver steady performance. These co-ordinated efforts help in providing a differentiating value proposition and strengthening relationships with the clients.

Broad product offering to meet financial needs of customers

The Bank offers a wide range of products and services which cover the banking requirements of individuals as well as non-individual customer base through universal banking platform spanning across diverse business units and several specialized subsidiaries. The Bank has a comprehensive operational base and a large number of customer relationships. The wide range of solutions we offer are provided across its physical and digital network, meaning it can service customers across several market sectors which the Bank believes is a substantial competitive advantage. In addition, the Bank's products focus on superior service and execution which provides cross-selling opportunities leading to customer retention. By establishing itself as a one-stop financial centre for its customers under the Bank's "One Axis" vision, the Bank is able to employ an integrated approach towards providing a suite of products and services relevant to the customer. For example, the Bank is able to showcase and cross-sell its products and services across the retail and corporate verticals like savings accounts, term deposits, insurance, mutual fund investments, credit cards and wealth management services on the retail front, investment banking, capital markets services, foreign exchange and derivatives solutions, commercial banking services, such as working capital, term loans and bank guarantees, cash management and custodial services, correspondent banking services on the corporate front. The Bank sees this as a core strength enabling it to strengthen its existing customer relationship and to acquire new customers across various sectors.

Experienced management team

The Bank's senior management team comprise career banking professionals who have significant experience in the banking and financial services sector. The Bank believes the collective industry knowledge and leadership of its senior management team and their record of accomplishment in responding to challenging market conditions and achieving growth will enable the Bank to generate profitable growth in future years.

Over the last few years, the Bank has strengthened the leadership team across most functions with a clear focus on improving the Bank's performance. The Bank is led by a Managing Director and Chief Executive Officer and other experienced industry executives. In January 2019, Shri Amitabh Chaudhry joined the Bank as its Managing Director and Chief Executive Officer. Since his arrival, he has spearheaded a review of the Bank's policies and strategies that resulted in the implementation of the Bank's strategy, which is focused on growth, profitability and sustainability (GPS).

The Bank's current management team has strengths in key areas including retail, corporate and international banking, and is focused on delivering on the Bank's business strategies.

Strategies

The Bank's strategy is centred on three important vectors – Growth, Profitability and Sustainability and the Bank continues to be guided by the pillars of the aforesaid strategy.

The key elements of the Bank's business strategy are outlined below:

Growth – the Bank intends to continue its growth momentum by employing the following strategies:

- *Broaden the Bank's low-cost deposit base to grow deposits in line with loans* – the Bank aims to fund its loan growth objectives largely by growing granular CASA deposit base while bringing in stability in its current account deposits. Retail depositors in India are an important source of low-cost funding for the Bank, and the Bank believes that the Indian retail financial services market will continue to grow. The Bank therefore plans to continue expanding its retail banking business by growing its distribution network, increasing its customer base, diversifying its banking product mix, providing banking convenience to customers, leveraging and optimizing its digital and phone banking channels along with its physical distribution and offering differentiated products and solutions to meet the specific needs of particular customer demographics. The Bank is focused on growing retail term deposits in addition to current accounts and savings accounts. In FY24, the Bank embarked on a journey through 'Triumph 2.0' deposit mobilization program that is specifically focused on accelerating granular retail SA and individual term deposit franchise. The Bank has transformed core liability channel by making them self-sufficient in sourcing (increasing productivity and end-to-end lead management) and activated other parts of the bank (assets, cards, Bharat banking etc.) to garner deposits. Catering to its customers' needs, the Bank also offers various banking services through mobile applications and web portals. The Bank believes that such customer-specific orientation will result in an increase in retail deposits to the Bank, which will expand its pool of low-cost funding and improve share of LCR-accretive deposits.

- *Continue momentum in Bank's retail asset growth* – the Retail Banking business unit is expected to remain as a key driver of the Bank's overall growth strategy. The thrust of the lending business has been to grow the high RAROC business while maintaining portfolio quality and yields. The Bank intends to focus on existing customers as well as on obtaining new customers, by leveraging its digital lending platform as a channel to market its asset products. The Bank continues to invest in building risk management and analytical capabilities to mitigate risks, drive cross-selling opportunities and improve the profitability of its retail products. The Bank intends to have the right mix of secured and unsecured assets in its quest for increasing the market share. The Bank will use the following focus initiatives:

    - Making right choices on distribution channel
    - Extensive digitization of customer journeys and impactful transformations
    - Maintain strong risk & compliance culture and sustained governance
    - Leverage advanced analytics and universal underwriting to acquire more customers
    - Deepen existing partnerships and roll out new partnerships for acquiring new-to-bank applications
    - Drive deeper customer engagement with existing customers for effective cross-sell

- *Accelerate growth in the Bank's Wholesale Banking business unit* – the Bank's strategy will be to continue to deliver healthy profitable growth. The Bank intends to maintain its focus on corporate lending while also increasing this business unit's income by capturing a greater share of non-credit fee income. The corporate capex cycle and the investment cycle are picking up pace on the back of healthy corporate balance sheets. The Bank expects lending opportunities arising from capex/investments, infrastructure and government spending. The Bank intends to accelerate growth in its asset portfolio by focusing on growing its MSME, Mid-Corporate, MNC and Real Economy segments. The Bank continues to invest in digital solutions for corporate customers through its Neo offering in an effort to obtain a greater share of transaction banking business.

- *Digital Bank* – The Bank intends to remain focused on and intensify its efforts towards scaling-up its enterprise level digital capabilities to address changing customer needs, introducing new products and simplifying and improving customer experience. Digital strategy will continue to drive on the 5 priorities:

1. Build digital lending and liability propositions
    - Focus on NTB
    - Partnership led acquisition
2. Build on Mobile app - Open by Axis Bank: NTB acquisition, Fraud protect, Accessibility, Affluent App, etc.
3. Build "Open" by Axis brand
4. Become the leader in platform businesses by selectively focusing on priority platforms (based on impact potential and regulatory stance)
    - Account aggregator
    - Central Bank Digital Currency (CBDC)
    - Reserve Bank Innovation Hub (RBIH)
5. In addition, we will continue to scale up Neo offerings

- *Significantly scale-up the Bank's subsidiaries* – The Bank's subsidiaries are an important part of the Bank's overall growth strategy as they provide a wide range of products and services. A number of the Bank's subsidiaries, such as Axis Capital Limited, Axis Securities Limited, Axis Finance and Axis Mutual Fund, are well-positioned to capitalize on significant growth opportunities. While Axis group's subsidiaries have been performing well, currently, subsidiaries' contribution to the group revenue, profit and valuation is less than that of private peers. The Bank's aspiration is to grow the subsidiaries in a material way so that their contribution in the group's revenues increases.

- *Delivering solutions across the customer value chain under the "One Axis" vision* – The Group aims to become a 'one-stop shop' for the banking needs of Indian corporates across investment banking/ capital markets, commercial banking, and transaction banking, with linkages to retail bank. The Bank has developed a significant number of corporate and retail relationships throughout its years of operations, and it intends to continue leveraging those relationships by cross-selling products offered by other business units to those customers. The Bank also intends to further diversify revenue sources by expanding its product and offerings, particularly fee and commission-based offerings, as well as offering third party products, such as insurance, which it can market to existing and prospective customers.

Profitability – the Bank intends to implement a number of measures that it believes will both increase revenue derived from its existing businesses and reduce costs

- *Optimize the business mix to improve overall profitability* – the Bank intends to increasingly diversify revenue sources and overall revenue by expanding its product offerings, particularly fee- and commission-based offerings. The Bank is especially focused on core income streams such as net interest income and fee-based income. It expects to cross-sell other products and services to increase fee-based income from the Bank's corporate and retail banking businesses. The Bank will continue to broaden its skill base and expertise in financial product development. Finally, the Bank also aims to diversify its portfolio mix towards products offering higher risk-adjusted returns or/and basis our relative strengths & position. On the liability side, the Bank continues to focus on low cost deposits to reduce the funding cost and expand the Net Interest Margins (NIMs).

- *Improve operating efficiency to minimize costs* – the Bank believes it can further streamline its operations and processes and minimize costs in order to increase profitability. Such measures may include, for example, centralization of procurement and outsourcing and optimizing utilization of office space. In fact, the Bank's branches have increasingly featured smaller formats with enhanced productivity led by automation and digitization.

- *Sweat existing infrastructure* – maximize utilities derived from the Bank's already existing infrastructure in order to derive greater efficiencies and increase profitability.

- *Maintain control over credit costs* – The Bank believes that its asset quality issues have largely been addressed and credit costs have been brought down. The Bank will continue to work to maintain this.

Sustainability – sustainability forms the foundation of the Bank's strategy

- *Strengthen the Bank's core around technology, operations and process excellence* – the Bank intends to continue undertaking various technology-enabled strategies to strengthen the Bank's sustainable growth. It continues to focus on modernizing its core technology, increasing the efficiency of its operating processes and empowering customers, through the adoption of emerging technologies such as GenAI and Cloud..

- *Risk and compliance culture:* – The Bank works on the basis of its Risk Credo of "No Surprises, No Design Failures". The Bank will look to enhance and deploy best in class models / frameworks for key emerging risks and strategies. The Bank aims to use technologies and analytics capabilities in order to build best-in-class underwriting standards across wholesale and retail. The Bank has formulated a framework for assessment of compliance culture in the Bank which is monitored by the Board. The Bank has always emphasized on building a strong risk and compliance culture to support the sustainable achievement of strategy.

- *Be distinctive* – the Bank believes that in the Indian banking sector, there is opportunity for a bank to create a positioning of distinctiveness. The Bank wants to be distinctive in select areas for sustainable competitive advantage. The Bank has identified two areas where it will strive to build a position of distinctiveness. These two areas are (a) Customer Experience and (b) Bharat banking.

  (a) Customer Experience

  The Bank has embarked upon a distinctiveness program 'Sparsh' to drive customer obsession in the Bank. This journey is aimed to build customer experience as a true differentiator for the Bank with the core credo being to "delight customers and fulfill their dreams, through smart banking everyday." Sparsh aims to drive excellence in customer experience by focusing on recrafting customer journeys that are low on NPS and/or top complaint areas, culture transformation, granular measurement of relevant customer experience metrics, and building institutional capabilities and platforms which would help in the sustenance of this journey.

  (b) Bharat Banking

  Growth in consumption, along with changing trends, will present huge growth opportunities in rural and semi-urban India. Our strong infrastructure in rural and semi urban India positions us well to tap into it. Moreover, a strong Bharat play will help us in meeting Priority Sector Lending (PSL) commitments. Bank's focus will be to enable success of Bharat customers by offering best-in-class products, services and advisory. The Bank also intends to leverage its strong data analytics capability to underwrite and cross-sell products and redesign end-to-end customer journeys to deliver distinctiveness.

- *Execution Excellence* – A framework to drive Execution Excellence has been put in place which includes initiatives across 3 themes (platform, process and people) and flip the mix (rebalancing operations to tech headcount mix). The Bank will use the technology platform to track the completion and progress of multiple projects which can provide appropriate indicators to help in completion. The Bank has identified key high impact initiatives and measurable outcomes to drive execution excellence. The Bank will continue with the Annual Operating Plan review rigour with a clear focus on institutionalization and accountability.

Capital and Liquidity position

The Bank's average liquidity coverage ratio for the quarter ended March 31, 2024 and March 31, 2023, was 121.17% and 129.59%, respectively, which is well above the regulatory requirement. As at March 31 2024 and March 31, 2023, the Bank had excess SLR of ₹85,056 crores and ₹75,071 crores, which is well above the regulatory requirement. The Bank's capital adequacy ratio and CET-1 ratio were 16.63% (including profit) and 13.74%, (including profit) as at March 31, 2024 and stood at 17.64% with CET 1 ratio of 14.02% as at March 31, 2023.

The Bank believes that during periods of uncertainty, people generally tend to avoid higher risk assets and shift to safer ones such as bank deposits. The Bank further believes that depositors also shift to larger banks that are considered safer, better capitalized and better able to withstand economic shock. In line with this trend, the Bank has seen an increase in its average deposits during the year ended March 31, 2023. However, any failures at smaller private sector banks or large non-banking financial institutions could lead to risk aversion among depositors and creditors, creating

funding and liquidity challenges for smaller private banks with weaker franchises, which may also adversely affect the customer and creditor confidence in larger banks. Further, short term surpluses resulting from higher liquidity, may need to be invested in poor yielding securities, in an environment where riskier advances may be less attractive.

Provisions

As of March 31, 2024, the Bank had a provision coverage ratio (excluding technical write-offs) of 79% on NPAs. During the FY24, 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. The Bank's management has prudently elected to carry forward the aforesaid provision amount in its entirety, towards potential expected losses on certain standard advances and / or exposures. This prudent election was approved by the Board of Directors.

Stress testing

The Bank conducts stress testing on an annual basis as part of its ICAAP exercise as well as on a quarterly basis as part of internal management and Board reporting. The Bank continues to review and enhance its stress testing frameworks across various elements of risk - credit, trading, liquidity and operational risk

History and Corporate Information

The Bank was formerly known as UTI Bank Limited, having corporate identity number L65110GJ1993PLC020769, and obtained its certificate of incorporation on December 03rd, 1993 and its certificate of commencement of business on December 14th, 1993 under the Companies Act, 1956 from the Registrar of Companies, Gujarat Dadra and Nagar Haveli, India. The Bank was granted its banking license by RBI in February 1994. The Bank began operations by opening its first branch in Ahmedabad on April 02nd, 1994 and was one of the first private sector banks established under guidelines issued in 1993 by the RBI in line with the Government's policy to reform India's financial sector. In 2007, the Bank changed its name from "UTI Bank Limited" to "Axis Bank Limited", obtaining its fresh certificate of incorporation consequent upon change of name on July 30th 2007, from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, India.

Recent Investments

Protean eGov Technologies Limited ('Protean eGov')

Axis Bank divested a part of its stake in Protean eGov in November 2023. Protean eGov, an IT enabled solutions company, had its IPO in November 2023 in which some of its existing investors including Axis Bank divested parts of their holdings in the Company.

Max Life Insurance Limited ('Max Life')

Further to the acquisition of 12.99% stake in April 2021 by Axis Bank together with its subsidiaries Axis Capital Limited and Axis Securities Limited in Max Life Limited, Axis Bank has executed definitive agreements in August 2023 to infuse Rs. 1,612 crores in Max Life through preferential allotment resulting in Axis Bank's direct stake in Max Life increasing to 16.22% and the collective stake of Axis entities increasing to 19.02% subject to the terms and conditions set out in the definitive agreements and receipt of requisite regulatory approvals.

The Bank's Principal Activities

Overview

The Bank's principal business activities are divided into the following main business units:

- ***Retail Banking***: offers a variety of products and services in the domain of liabilities and assets and payments to retail customers. Retail Banking activities include liability products, card services, internet banking, mobile banking, ATM services, depository, wealth management services and NRI services Retail Lending constitutes lending to individuals and small businesses through the branch network and other delivery channels.

- ***Wholesale Banking***: The Bank's Wholesale Banking business unit offers various loan and fee-based products and services to large, mid-corporate and multi-national clients as well as small and medium enterprises (including micro, small and medium enterprises). These products and services include cash credit facilities, demand and short-term loans, project finance, export credit, factoring, supply chain financing, structured products, discounting of bills, documentary credits, guarantees, foreign exchange and derivative products, cash management services, capital market solutions, cross-border trade and correspondent banking services and tax payments. Liability products including current accounts, certificates of deposit and term deposits are also offered to corporate customers.

The Wholesale Banking segment is divided into two sub-groups:

- The Corporate sub-group (managed by the Wholesale Banking Coverage Group), which manages government, strategic, large, multi-national, mid-sized & Medium Enterprises corporate clients.

- The Small Enterprises group (managed by the Commercial Banking Coverage Group), which caters to SMEs (including micro, small and medium enterprises).

Supply Chain Finance (SCF) is under Wholesale Banking Product (WBP) and distributed by all Coverage segments.

- ***Treasury***: The Treasury business unit manages the funding position of the Bank and also manages and maintains its regulatory reserve requirements. This business unit invests in sovereign and corporate debt instruments and engages in proprietary trading in equity and fixed income securities, foreign exchange, currency futures and options. It also invests in commercial paper, mutual funds and floating rate instruments as part of the management of short-term surplus liquidity. In addition to proprietary trading and liquidity management, the Treasury also offers a wide range of treasury products and services to the Bank's corporate customers, including derivative instruments such as forward contracts, interest rate swaps, currency swaps and foreign currency options in addition to services such as loan and debt syndication and placement.

- The presentation of the Bank's business units as set forth above corresponds to the Bank's own internal organization of its operations, with each business unit comprising a distinct group of assets and operations engaged in providing products and services that are subject to their own distinct set of risks and returns. This presentation of the Bank's business units differs from that of the Bank's segments as prepared in accordance with the segment reporting guidelines issued by the RBI. The segment reporting guidelines issued by the RBI apply unilaterally across the financial sector in India for comparison purposes and are disclosed by the Bank for regulatory purposes. Accordingly, the term "business unit" refers to the Bank's own internal organization of its operations, while the term "segment" refers to the Bank's segment reporting for regulatory purposes.

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 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 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 strong data analytics to engage in meaningful conversations and provide the right proposition. The Bank has made strong performance in digitization of sales, service, and branch operations to offer hyper-personalized experience and simplified digital journeys.

The integration of the acquired Citi Bank's consumer businesses in India remains on track with business metrics trending in line with the Bank's expected outcomes. Through this acquisition, the Bank has gained access to the large and affluent customer franchise with a bouquet of fee-oriented and profitable business segments, that included a quality cards portfolio, an affluent wealth management clientele and meaningful retail granular deposits.

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 analytics and technological capabilities.

During the fiscal year 2024, the Retail segment contributed 76% of the Bank's deposits and 60% and 72% of the Bank's advances and fee income respectively .

Retail Deposits

The Bank remains focused on garnering stable and granular retail deposits to drive its balance sheet growth. Further, enhancing the quality of deposit franchise, especially via granular Individual deposits, has been a key objective for the Bank to support its asset growth. During the year, the Bank reported steady growth in its Current and Retail . During the year, the Bank reported steady growth in its Current and Retail Savings Accounts that together grew by 10% YOY. Within this, the Retail SA deposits grew by 6% and the CA deposits also grew by 17%, while the Retail term deposits grew by 11% (MDAB excluding structured deposit, excluding Citibank Deposits). The Bank added ~5.5 million new retail SA accounts during the year being highest ever for any year.

A key element of the Bank's retail deposits strategy has been the shift from a 'product centric' to a 'customer centric' approach with an objective to have sharper growth in deposits from existing to Bank (ETB) as well as new to Bank (NTB) customers. The Bank's micro market focused approach to address the specific needs of customers in a particular district leveraging its strong distribution reach and 'One Axis' approach, has seen strong progress in the last four years with 6% increase in the number of districts where its market share in deposits stood more than 5%

Premiumization of deposits franchise continues to be an important imperative for the Bank. During the year, the share of premium (Burgundy Private, Burgundy, Priority, Prestige & Prime NRI) SA segment to overall retail SA deposits is at 47.4% as on March 31st 2024. The acquisition of Citi's business had further aided the Bank's journey towards premiumization of deposit franchise with the addition of affluent Salary Account customer base.

For the Bharat Banking customers, a specially curated Savings account product 'Sampann' was launched in August 2023 to increase premium deposits in the Rural & Semi Urban branches. Sampann is equivalent to the Prestige program offering which caters to customers in the rural & semi-urban customer with offers like; complimentary Health care benefits, FAARMs app Agri benefit and discounts on Loan Processing Fees for Agri Loan, Gold Loan, Tractor Loan, the customer also gets a dedicated relationship manager.

The growth trajectory of retail term deposits continued to improve through the year as the Bank continued to focus on new individual customers leveraging its strong acquisition channels. This has been achieved through innovative offerings such as the industry-first full KYC digital term deposit, digital alliances, and a revamped mobile banking journey that allows for quick and easy FD booking. The Bank also launched a digital journey to source deposits from its existing non-CASA base. As a result, the percentage share of retail and small business customer deposits in total term deposits increased by 241 bps YOY in fiscal 2024.

The Bank continued to work towards leveraging its corporate lending relationships with top corporates to gain higher share in salary segment. During the year, the Bank redesigned its Corporate "Suvidha" Salary product proposition to win employer mindshare alongwith higher employee wallet share. The new corporate salary labels acquired grew by 12% with 7% growth in new salary accounts. To further strengthen engagement with salary customers, the bank is live with 250+ corporate salary micro-sites. These micro-sites provide as an engagement platform for salary customers and keep them informed about the latest product offerings, benefits, offers, digital journeys and can also enable seamless account opening.

The Bank extended VCIP digital savings account journey to all the non-branch banking channels to enable them as lead converters. As a next strategic step, the Bank has initiated building lean digital savings co-origination journeys for card and asset customers. Since non-branch banking channels present a huge opportunity to independently source incremental business of savings accounts, select channels were also enabled to open accounts that cannot be opened via VCIP through alternate BYOD platform.

During the year, the Bank launched digital savings account "Amaze", that offers customers plethora of benefits and annual rewards worth Rs. 11,000 for a monthly fee of Rs. 200 with flexibility to maintain minimum average monthly balance without worrying about additional charges, thereby redefining transparency in banking.

To serve the deposit 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. As on March 31 2024, the bank had a network of 5,705 banking outlets with 5,365 branches 12 extension counters, 143 specialized branches, 3 Digital Banking units and 182 Business Correspondent Banking Outlets BCBOs. The Bank's geographical reach in India now extends to 35 states and union territories and 693 districts. The Bank also has extensive network of 16,026 ATMs and Recyclers, which not only handled the cash deposits and withdrawals, but also served as self-service and fulfilment centres.

The Bank has been investing in alternate channels like Axis Virtual Centre (AVC) which digitally connects with customers to deliver superior customer experience and deepen the relationship. AVC operates in 6 centres with 1,590 Virtual Relationship Managers as on March 31 2024. AVC has invested in building robust processes and systems to provide services using digital mode and offers plethora of services like account opening through video KYC, relationship management across customer segments of Burgundy, Priority, Prestige, Liberty and Easy Access including payments assistance, retail loans, cards portfolio products and Investment products to both domestic and overseas customers.

During the year, the Bank further expanded its "hyper-personalisation" engine with over 125+ nudges to drive better customer engagement and improving product per customer through various digital mediums like SMS, Email, Mobile App, Internet banking, Website and WhatsApp. Furthermore, each of these nudges aid the customer to avail the services and products end to end on the platform itself without any physical intervention or visit to the branch.

Retail Forex and Remittance business

The Bank offers a range of forex and remittance products to its retail customers, which include forex cards, inward and outward wire transfers, remittance facilities through online portal as well as through collaboration with correspondent banks and exchange houses. The Bank's active customer base for retail forex products grew by 13% YOY with similar growth in retail forex volumes during fiscal 2024.

The Bank continues to be one of the largest players in prepaid forex card market with its flagship offering of multi-currency card that allows users to load 16 currency options in one card. Forex card digital issuance was enabled for NTB customers in fiscal 2024 along with an enhanced digital journey for existing customers. The digital adoption on forex cards has been consistently growing and more than 80% of the Bank's new forex cards are now being issued digitally.

On outward remittances, the Bank has developed digital solutions to partner with fintechs, edtechs, online stockbrokers and aggregators. The turnaround times on Remit Money platform, that enables the NRIs to remit money to India, has been improved from T+5 days to T+1 day for US corridor. During the year, the Bank also enabled fast and cost-effective inward remittances from Singapore leveraging the linkage between India's Unified Payments Interface (UPI) and Singapore's PayNow.

Third Party Distribution

The Bank is one of the leading distributors of third-party products including mutual fund schemes, life insurance, health insurance and other general insurance policies. The Bank offers comprehensive investment and protection solutions, to cater to the diverse needs of each customer segment, adopting tech-enabled delivery mechanisms across all customer touch points. During the year, Third Party Distribution business contributed significantly to Bank's retail fee income on back of its strong partnerships, contextual product launches, wide distribution strength and digital initiatives.

With a total mutual fund AUM of 84,593 crores, the Bank continues to be the third largest banking distributor in the industry and had 11.64 lakhs mutual fund customers as on March 31, 2024. The Bank through its dedicated in-house research desk, identifies the best mutual fund schemes based on qualitative and quantitative parameters. Currently, the Bank distributes mutual funds schemes of 22 major Asset Management Companies, through its diversified branch network and digital channels based on the customers' lifecycle and investment requirements. The Bank also offers various Alternate Investment Products to its customers from select product providers, as approved by SEBI.

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 ~4.3 million total customers for Axis Direct with 5.40 lakhs customers being added in fiscal 2024.

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 a year-on-year fee growth of 45% in life and 180% in non-life insurance.

The strategy of adopting an open architecture has enabled the Bank to strengthen the penetration in core channels and develop alternate new age avenues for offering a wide range of products to its customers.

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.

The Bank's branches distribute liability accounts, debit cards, travel cards and remittance cards, and have POS terminal machines and depository services, and sell third party products such as mutual funds and savings bonds issued by the Government. The Bank's loan centres distribute retail lending products such as mortgage loans, personal loans, vehicle loans and educational loans. The Bank is focused on providing each customer with its choice of channel for transactions and products to meet its financial needs and quality service. The Retail Banking business unit offers products and services in the following areas:

- Retail liabilities;
- Investment products;

- Retail lending (including retail agriculture lending) and payments; and
- Financial inclusion.

Retail Liabilities Products and Services

The following provides a discussion of the main retail liability products and services offered by the Bank's Retail Banking business unit:

- Mass Segment. Easy and Liberty segment aims to offer prompt and easily accessible banking services to customers in the mass segment through the Bank's network branches and extension counters, ATMs and cash deposit and withdrawal machines, internet banking, the Bank's call center, best-in-class mobile app, debit cards with high withdrawal limits and the Bank's "At par Chequebook" facility. As of March 31 2024, deposits under the two segments (Sal + Non-Sal) banking product totaled ₹97,933 crores constituting 45.9% of the Bank's total retail savings bank deposits, respectively

- Savings Bank Account for Trusts and NGOs. The Bank's Trust/NGO/Institutional Savings accounts are tailor made to suit the specific needs of these institutions. The Bank provides comprehensive financial solutions for this sector through its extensive network of branches and ATMs, digital banking, collection and payment services and other value-added services

- Salary Accounts. To offer complete banking solutions to salaried employees, the Bank introduced a comprehensive payroll product consisting of differential privileges and offers based on the net monthly salary of an employee. It allows the employer to manage salaries across various centres, with the employee benefiting from banking facilities including retail loans, a debit card and overdrafts, and privileges including concessional average balance requirements. As of March 31 2024, the payroll product portfolio totaled ₹47,109 crores

- Axis Bank Prestige Program. Segment created keeping in mind the urban emerging affluent segment of customers. The program offers personalized services through a dedicated Virtual Relationship manager accessible through a dedicated toll free number. Based on the customer profile, a flexi- balance maintenance criteria including CASA, Mutual Fund & term Deposit option given to the customer. In August'23 'Sampann Savings Account' was launched keeping the emerging affluent customers in the Rural and Semi-urban locations as part of the Bharat Banking initiative. As on March 31 2024, the Prestige segment accounted for Rs. 12,851 crores retail saving deposits.

- Axis Bank Priority Program. The "Priority" initiative targets an affluent customer base to meet such customers' banking and investment needs. The program offers personalized services, convenience, preferential pricing across various banking products and a dedicated relationship manager to meet customer's needs. As of March 31 2024, the Axis Bank Priority Program accounted for ₹42,787 crores in retail saving deposits, constituting 20.08% of the total retail savings bank deposits of the Bank.

- Burgundy by Axis Bank. Burgundy is the Bank's wealth management offering for high-net-worth individuals. Burgundy brings solutions offered by various groups within the Bank (including both retail and corporate divisions) under one integrated platform to comprehensively meet all banking requirements of the customers. Burgundy customers are provided a dedicated relationship manager who is backed by a team of experts, offers a range of customizable wealth management, personal banking, business, and lending solutions to its customers. The Bank launched the Burgundy Private proposition for high and ultra-high net-worth customer segments in December 2019. The Burgundy Private proposition leverages the strength of 'One Axis' and offers the combined expertise of the Bank and its subsidiaries to cater to the distinct and advanced wealth needs of this client segment. As of March 31 2024, asset under management for customers of Burgundy and Burgundy Private was ₹4.16 trillion

- Debit Cards. The Bank is one of the largest private sector bank issuers of debit cards in India in terms of overall amounts spent at point-of-sale terminals.

- Term Deposits. The Bank offers various types of deposits to suit different needs of customers across the segments described above. The product offerings comprise of Fixed Deposits (FD), Recurring Deposit, Express FD, Auto Fixed Deposit, Tax Saver FD and Fixed Deposit Plus

- **Investment Products**

  The following provides a discussion of the products and services of the Bank's retail investment products:

- ***Life Insurance.***

  The Bank has a corporate agency partnership with Max Life Insurance Company Limited, Life Insurance Corporation of India and Bajaj Allianz Life Insurance Company Limited for the sale of life insurance products. As per the corporate agency guidelines, the Bank's staff are eligible to solicit life insurance products post getting an SP license from IRDAI. The Bank's strategy of adopting an open architecture helped in increasing penetration and faster growth which was backed by strong product offerings and improvement in persistency. Digital initiatives continue to be a top priority for the bank that will help in streamlining the customer on-boarding process as well as enhancing the customer servicing experience.

  In fiscal 2024, the Bank earned fee income of ₹1,979.26 crores from its life insurance business as compared to ₹1,359.37 crores in fiscal 2023.

- ***Non-Life Insurance***. As a corporate agent of Niva Bupa Health Insurance Company Limited, ICICI Lombard General Insurance Company Limited, Aditya Birla Health Insurance Company Limited and Tata AIG General Insurance Company Limited, the Bank offers health, motor and other non-life insurance products to its customers. Introduction of new General and Health Insurance partners have enabled the bank to offer comprehensive product suite and bring in most suited products for its customers.

  In fiscal 2024, the Bank's non-life insurance business earned fee income of ₹383.97 crores as compared to ₹136.97 crores in fiscal 2023.

- ***Wealth Management.*** The Bank is a leading wealth management player in the industry and one of the largest distributors of mutual funds (MF), Portfolio Management Schemes (PMS) and Alternate Investment Fund (AIF) products in India, through its tie up and distribution arrangement with some of the leading product providers. The Bank distributes suitable schemes based on the requirements of its clients and the due diligence done by its in-house research team. The wealth management products are distributed through the Bank's branch network and its digital platforms (Internet Banking and Mobile App). The Bank earns fee income on the investment AUM. The Bank earned a fee income of ₹702.31 crores through the distribution of investment products in fiscal 2024 as compared to ₹585.65 crores in fiscal 2023.

- ***Equity Brokerage.*** The Bank offers equity brokerage & online trading services in collaboration with Axis Securities Limited, a wholly owned subsidiary of the Bank, under the name AxisDirect. AxisDirect offers a diverse range of products including equity, derivatives, currency & commodities trading, initial public offerings, mutual funds, exchange traded funds, and non-convertible debentures, among others. AxisDirect, a three-in-one investment account with online and phone trading capabilities, is available to both Resident and NRI customers. AxisDirect was launched in January 2011.

Retail Lending and Payments

The growth of retail and consumer lending in India is a consequence of growing affluence and changing consumer behaviour. Retail Lending is one of the Bank's core growth areas. The Bank's focused marketing approach, product innovation, risk management systems and competent back-office processes contribute to the strength of the Bank's retail lending strategy. The target markets identified for retail loans are salaried or self-employed professionals and other self-employed individuals, Hindu undivided families, trusts, firms, private limited and public limited companies.

The Bank offers a variety of retail credit products such as mortgage loans, automobile loans, commercial vehicle loans, personal loans, education loans, credit cards, loans against term deposits, loans against securities, small business banking loans and agriculture loans. The major components of the Bank's retail lending portfolio are home loans, loan against property, agriculture loans, personal loans and automobile finance.

The Small Business Banking division is dedicated to cater to the financing needs of micro-entrepreneurs and continues to be a growth engine for the Bank. The Retail Banking business unit's micro-entrepreneur customers are provided with secured and unsecured credit facilities in the form of fund-based as well non-fund-based limits that are tailored for their needs. Similarly, the Retail Banking business unit also offers a diverse range of template products targeted at agricultural loan customers that have not yet achieved sufficient scale to be covered by the Bank's SME business unit. These products include, for example, the Kisan Credit Card which provides farmers with credit facilities for their various needs, loans for farmers against pledges of gold ornaments, as well as a comprehensive scheme for warehouse receipt financing.

The Bank's net retail advances as at March 31 2024, March 31 2023 and March 31 2022 were ₹ 5,83,265 crores, ₹4,87,571crores and ₹4,00,142 crores, respectively, constituting 60.44%, 57.68%, and 56.52% respectively, of the Bank's net advances.

These loans are provided by the Bank directly through loan centres and branches. Loan centres serve as the focal point for marketing, distribution and servicing of retail loan products.

Retail Advances Portfolio by Category

The Bank's retail advances portfolio consists of schematic and non-schematic loans. As at March 31, 2024, the portfolio mainly consisted of mortgage loans, personal loans, automobile loans, gold loans, agriculture loans, and non-schematic loans (comprising credit cards, loans against deposits and loans against securities, among others). The Bank's retail advances portfolio also includes loans acquired through portfolio buyouts.

The Bank's home and mortgage finance business involves extending long-term secured housing and commercial property loans to individuals and companies for the purchase, construction and extension of residential and commercial premises. As at March 31, 2024, the Bank's total home and mortgage finance portfolio was predominantly comprised of floating rate loans. Personal loans are unsecured loans provided to customers for various purposes, such as medical expenses and social obligations, and are generally repayable over the term of four years. Automobile finance, which includes financing four-wheelers, commercial vehicles, and construction equipment, involves providing consumer credit for an average period of three to five years to acquire a new or used vehicle. Automobile loans are secured by a lien on the purchased asset. The Bank has developed relationships with several established non-banking financial companies in India, providing both direct automobile finance (to individual borrowers) as well as indirect automobile finance (portfolio buy-outs).

The Bank's portfolio of credit card offerings includes featured cards, co-branded cards and premium cards. Based on RBI data, in terms of total credit cards in force, the Bank's credit card business had a 12.3%, 14.2% and 14.0% market share of the Indian credit card market in fiscal years 2022, 2023 and 2024 respectively.

The Bank believes there are significant opportunities to grow its personal loans and credit card portfolio by cross-selling to the existing customer base of partner technology companies. The Bank launched a co-branded credit card with a large e-commerce company based in India. The Bank sees this co-branded credit card as a means to tap into this partner e-commerce company's large customer base. Among its main features, this credit card is issued electronically and ready for use instantly following credit approval and provides cashback on spending at partner merchants as well as other spending categories with no upper limit on cashback earned, promotional welcome bonuses, complimentary lounge access and fuel surcharge waiver. Holders of this credit card are able to electronically monitor cashback earned, request credit limit increases, convert purchases to equated monthly instalments, apply for instant loans, block or replace their credit cards, or view their latest bills.

The Bank's total net retail advances portfolio by category is set forth below for the periods indicated:

Product	As at March, 31 2022 (Audited)	As at March, 31 2023 (Audited)	As at March 31, 2024 (Audited)
Automobile loans	44,420.54	52,277.75	58,746.65
Mortgage loans	145,113.53	1,59,630.32	1,70,317.28
Loans against property	40,491.77	48,517.37	59,255.32
Personal loans	45,242.29	54,561.01	71,592.29
Retail agriculture loans	56,331.63	70,917.79	91,865.55
Education loans	1,699.63	2,228.54	3,266.04
Gold loans	1,838.46	1,689.43	2,142.92
Small business loans	28,617.15	42,981.57	57,218.55
Credit card loans	16,097.90	31,683.84	41,323.73
Other retail loans[(1)]	20,288.70	23,083.41	27,536.38
Total	**4,00,141.60**	**4,87,571.03**	**5,83,264.71**

(1) Other retail loans primarily include business equipment loans, loans against deposit and other non-schematic loans

March 31, 2024	YOY Growth
Product	
Automobile loans	12.37%
Mortgage loans	6.69%
Loans against property	22.13%
Personal loans	31.22%
Retail agriculture loans	29.54%
Education loans	46.56%
Gold loans	26.84%
Small business loans	33.12%
Credit card loans	30.43%
Other retail loans[(1)]	19.29%
Total	**19.63%**

(1) Other retail loans primarily include business equipment loans, loans against deposit and other non-schematic loans.

The Bank expects personal loans and small business loans to be the main sources of growth in the Bank's retail loans portfolio in the near term.

Credit Evaluation: Retail Loans

All prospective borrowers are granted loans only if they pass the credit evaluation process. The Bank has detailed product lending parameters and has devised a credit-scoring sheet for all major products. For a loan to be approved, a minimum cut-off score must be achieved by a borrower. This credit rating mechanism is periodically updated and reviewed. The Bank has devised a separate risk evaluation model for agricultural loans with an objective to measure and mitigate the risk involved in financing this sector.

Other Products and Services

Other products and services offered by the Retail Banking business unit include debit cards, meal cards, gift cards, rewards cards, Smart Pay cards, Meal cards, credit cards, card acceptance services and loans against gold.

The following provides a discussion of the other products and services of the Bank's Retail Banking business unit.

- ***Merchant acquiring***. Under its merchant acquiring business, the Bank focuses on strengthening its relationship with its merchant partners to open up avenues of cross selling the Bank's transactional products. The Bank generated total revenue of ₹277.33 crores in fiscal year 2022 and ₹410.33 crores in fiscal year 2023 and ₹347.80 crores in fiscal year 2024 from its merchant acquiring business.

- ***Non-Resident Retail Products and Services.*** The Bank offers a wide suite of banking and investment products under its NRI Services brand for Indians living and working overseas. NRIs may, for example, choose to open an account or invest in deposits, secondary market or mutual funds. The Bank also offers a range of other services to NRI customers under the NRI Burgundy and NRI Priority program. Key products include savings and term deposits, non-resident foreign currency term deposits, resident foreign currency accounts for returning NRIs and a host of investment products such as life and general insurance, mutual funds and bonds, as permitted by the relevant regulators. The Bank also offers loan and overdraft facilities to NRI customers against their term deposits with the Bank. The Bank offers portfolio investment scheme services across all its branches.

- ***Retail Remittances***. The Bank provides multiple inward remittance solutions to customers based on target customer profile and geography. Remit Money is the Bank's online remittance platform, which is available to NRI customers in the United States of America, United Kingdom, Canada, Australia, Singapore, Switzerland, South Africa, Hong Kong and the UAE. Customers can log on to the platform and remit money from their overseas bank account to any bank account in India conveniently.

- ***Retail Forex***. The products offered under the retail forex sector include forex cards and outward wire transfers.

Retail Fees

Fee income for the Retail Banking business unit is generated from ATM transactions, cards, safe deposit lockers, service charges on deposit transactions, processing fees from retail loans as well as fees earned from third party product sales. Fee income from the Bank's retail operations have grown between fiscal years 2022 2023 and 2024.

The table below sets forth the distribution of fee income from the Bank's retail operations for the periods indicated:

(₹ in crores)

Fee Income from Retail Operations	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31,2023	For the year ended March 31, 2024
Card fees	2,243.10	2,821.72	3,922.81	5,820.56
Non-card fees	4,429.82	5,501.59	6,751.66	8,675.20
Out of which				
MF and insurance distribution fees (including distribution fees relating to bonds, gold coins etc.)	1,447.62	1,862.25	2,095.47	3,076.88
Other retail fees (including foreign exchange service fees)	2,982.20	3,639.34	4,656.19	5,598.32
Total fee income from retail operations	**6,672.92**	**8,323.31**	**10,674.47**	**14,495.76**

Total fee income from the Bank's retail operations accounted for 17.21%, 18.07%, and 20.04% of total operating revenue of the Bank (which represents the aggregate of net interest income and other income for the relevant period) for fiscal years 2022, 2023 and 2024 respectively, and 64.02%, 67.31%, and 71.56%of the Bank's total fee income for fiscal years 2022, 2023 and 2024.

Retail Banking Strategy

1. Focus on granular CASA-TD deposits to aid LCR positive deposit growth.

CASA-TD deposits growth continues to be the core focus for the bank. For FY24, the Bank continued to focus on CASA digitization. Our efforts in building digital platforms coupled with the experience of product innovations has helped us reach customers in varied geographies.

The focus for FY25 is on leveraging individual term deposits through various initiatives such as new journeys for FD booking, newer products and leveraging operating rhythm of frontline sales. With the focus on driving digital deposits, a new journey for creation of FD for standalone customers (not having a CASA relationship with the bank) was introduced through video KYC.

The efforts are aligned towards reducing cost of funds and increasing share of LCR accretive deposits. Additionally special rate bucket for capital market deposits was introduced to improve profitability of the product. Also, bank has introduced Non-Callable FD booking for amount 3 -5 Crs at competitive pricing as compared to callable deposits.

2. Client growth

For FY24, the Bank opened over 55 lakh Retail Savings accounts, which is a 18% growth over FY23 sourcing volume.

The client growth was supported through measures on introduction of new products, improvement in acquisition quality and setting cadence for the sales channel.

3. Acquisition Quality, Right Fit and Onboarding Experience

Customer Centricity continues to be the emphasis of all our initiatives, and we constantly strive to advance this concept. During the year, a customer centric structured NTB sales management framework was introduced consisting of several initiatives that focus on improving customer experience across various life cycle stages. Below are the key pillars:

- A centralized Market Scoping system in CRM was implemented which serves as a repository for all prospects and opportunities, equipping branches with relevant details to provide personalized solutions to customers.

- An on-boarding framework was launched to provide the right welcome experience to NTB customers. The plan comprises a system driven approach to ensure effective early month on book onboarding & engagement by senior branch resources across 2 defined interventions in the first 30 days which focuses on providing key account details and benefits, Profile Verification for risk mitigation and Digital Activation.

4. Customer-centric product propositions

- The focus for FY25 is to target the Silver Economy with a proposition focused on Retirement Planning thereby attracting a wide range of customers whom we can help and handhold during the retirement corpus building phase with an array of products from the Axis Group and deliver on the “One Axis” proposition to customers.

- Sampann Savings account, a premium product is being crafted specifically for Rural and Semi-urban customers. With its unique composition of features such as cash back debit card, processing fee waiver on various loan products, comprehensive tele health consultation package with hospi cash cover and discounts on agri tech services, makes it one of the best-in-class propositions in industry today.

5. Premiumization & Granular Growth

Premiumization of deposits will continue to be the focus. Increase of Burgundy & Priority share in the overall acquisitions through Market scoping to tap into every relevant market and bring premium customers to the forefront will continue to be driven aggressively

- Burgundy Promise - The industry first initiative which aims at a faster resolution of Burgundy service requests within 6 hours along with a real time tracking mechanism available at customer’s fingertips. Customers would be credited with 1,000 EDGE REWARD Points if the resolution takes longer than promised.

- Burgundy 'Circle of Trust' - For Burgundy customers to experience holistic banking at its best, a dedicated team of experts work with them to achieve their wealth goals.

- With the changing customer needs and socio-economic landscape, Burgundy will relook at how it creates, co-creates, and captures value for its target customer groups with its core product value propositions leading to new and improved banking and wealth management experiences.

- Development of robust performance reporting of customer's wealth with relevant metrics and insights, building interactive and rationalized One Glance Statement for simplification, customer 360 view on tax filing with migration of relevant statements* & certificates at a single location on Internet and Mobile Banking platforms for easier access.

*Statements & Certificates are subject to availability within Axis Bank internal system framework

- 'Do It Yourself' and Deemed Migration journeys on the Mobile App will be aggressively leveraged and will continue to be one of the driving factors to ensure right customer – right segment fitment.

- To drive Premiumization of deposits, the Bank will focus on acquisition of Burgundy Private, Burgundy and Priority customers. To this effect, there has been a tiered incentive structure that has been launched for the Liabilities Sales Channel which will help drive the right behaviors thereby providing an impetus to sourcing of Premium segment accounts.

- 'SIDDHI' app has been scaled up by extending them to BROs, after being rolled out to all liability RMs.

Wholesale Banking

The Bank's Wholesale Banking business unit offers various loan and fee-based products and services to large, mid-corporate and multi-national clients as well as small and medium enterprises (including micro, small and medium enterprises). These products and services include cash credit facilities, demand and short-term loans, project finance, export credit, factoring, supply chain financing, structured products, discounting of bills, documentary credits, guarantees, foreign exchange and derivative products, cash management services, capital market solutions, cross-border trade and correspondent banking services and tax payments. Liability products including current accounts, certificates of deposit and term deposits are also offered to corporate customers.

The Wholesale Banking segment is divided into two sub-groups:

- The Corporate sub-group (managed by the Wholesale Banking Coverage Group), which manages government, strategic, large, multi-national, mid-sized & Medium Enterprises corporate clients.

- The Small Enterprises group (managed by the Commercial Banking Coverage Group), which caters to SMEs (including micro, small and medium enterprises).

  Supply Chain Finance (SCF) is under Wholesale Banking Product (WBP) and distributed by all Coverage segments.

Corporate Sub-group (managed by Wholesale Banking Coverage)

The Corporate sub-group of the Bank's Wholesale Banking business unit comprises loans and fee-based products and services that the Bank offers to government, strategic, large, multi-national, mid-sized & Medium Enterprises corporate clients.

The Corporate sub-group focuses on procuring low-cost funds by offering a range of current account products and transactional banking solutions across all business sectors such as corporates, institutions, central and State Governments and small and retail business customers. The Bank's current account products provide flexibility to its customers to choose from a range of products depending on their average balance requirements. In addition to traditional channels such as the Bank's branches and ATMs, customers can access and conduct transactions through the Bank's internet banking platform. Customers can also access their account information through the phone banking and mobile banking facilities offered by the Bank.

In an effort to create an integrated corporate banking franchise, the Bank reorganized the coverage structure of its corporate sub-group in 2023-24, as follows:

- **Conglomerates & Large Corporates (C&LC):** Specific Identified Corporate Groups that are of strategic importance to the Bank. All corporates with turnover of more than INR 1000 crores and not a part of MC/ MNC except for "Specified Geographies".

- **Mid-Corporates & Medium Enterprise Group**: covering all corporate clients with turnover between ₹ 250 crores and ₹ 1,000 crores; and Medium Enterprise Group covering clients with turnover between ₹ 75 crores and ₹ 250 crores.

- **Focused Segmental Coverage**: covering strategic clients, Government-owned entities, multi-national companies, banking & financial services companies.

Coverage Segment	Details of Relationship handled
Conglomerates & Large Corporates (C&LC)	• Pre-selected corporate groups that are of strategic importance to the bank and Corp. with turnover of more than INR 1,000 crs. and not a part of MC/ MNC except for "Specified Geographies'"
Real Economy Group (REG)	• Fin. Sponsors and Indian corporates engaged in the construction, ownership and management of Infrastructure and Real Estate.
Mid Corporates (MC)	• All corporates with turnover of more than INR 250 crores and up to INR 1,000 crores which are not part of C&LC/PSU/MNC except for "Specified Geographies'"
Medium Enterprise Group (MEG)	• Sales > Rs 75 crores to Rs 250 crores is now a part of Mid corporate
Multi National Corporates, New Economy Group & Financial Sponsors Group (MNC, NEG & FS)	• Multi-National Companies with foreign holding of more than 50% or majority shareholding by a foreign entity, New Economic Group Companies and companies in the IT & Pharmaceuticals sector.
Financial Institutions Group & PSUs (FIG & PSUs)	• All banking and financial services companies including Private Equity investors, Venture Capital investors, Mutual funds, Insurance companies and capital market intermediaries, both onshore and offshore, except select exclusions that are part of GCG, C&LC, MNC or MC.
Government Coverage Group (GCG)	• All corporates which are majorly owned by the Government, Govt. Departments, Govt of India Undertakings, Federations, Corporations etc.
Structured Assets Group (SAG)	• NPA Book • Identified Companies/ groups which are in eminent stress and need resolution.

Commercial Banking Coverage

The Bank's Commercial Banking Coverage Group has significant Micro, Small & Medium Enterprises portfolio for the bank. The unit offer products including working capital finance and term loans, as well as other banking services like cash management and foreign exchange which are tailored to the requirements of small and medium enterprises (including micro, small and medium enterprises). The wide range of customized products offered by the Bank seeks to provide SME customers with adequate finance which is well-suited for their business needs. The business unit offers a wide range of both template and non-template products, including term loans and working capital finance, non-fund-based facilities tailored to the specific requirements of clients.

The business unit is of strategic importance to the Bank as it generates higher yields and helps to diversify risks.

Loans to SMEs (including SME agricultural loans) amounted to ₹75,223 crores and ₹89,398 crores as at March 31 2022 and March 31 2023 respectively, constituting 10.63% and 10.58% of the Bank's total loan portfolio as at March 31 2022 and March 31 2023, respectively. As at March 31 2024, the same stood at ₹104,718 crores constituting 10.85% of the Bank's total loan portfolio.

The Bank makes use of business analytics to identify potential borrowers across various sectors and has various early warning systems in place which help the Bank to take corrective actions when necessary. The asset quality in the SME segment has remained stable with strong focus on sourcing high rated customers.

In order to enable stronger, faster and leaner processes to streamline the customer experience for onboarding, deepening and cross-sell, the Bank is in the process of preparing a loan onboarding and approval system with the objective of implementing better controls on TATs, building better underwriting capability based on analytical feed and creating a digital workflow for risk mitigation.

The Bank has embarked on a tech-driven transformation project on SFDC platform with an objective to re-imagine the end-to-end customer journeys, simplify the processes, improve sales productivity and empowering our salesforce with the data & analytics.

These capabilities will allow us to build more templated products that can provide the benefits of lower TAT, fewer documents, and predictable outcomes for the borrower. The implementation of this digitization initiative has helped us unlock the salesforce productivity significantly resulting into effective sales process, digitized reviews & planning and enriching value through customer interaction repository.

Products and Services

A broad classification of products and services offered by the Bank's Wholesale Banking business unit to its corporate and SME clients (including corporate agriculture clients), is set forth below.

- *Fund-based products.* Loans and advances for working capital, corporate finance and project finance.
- *Non-fund-based products.* Non-funded advances such as documentary credits, standby letters of credit and guarantees.
- *Liability products and fee related services.* Non-retail term deposits and current accounts.
- *Fee-based services.* Including fund transfers, cash management services, collection of Government taxes, trade services.

These products and services are delivered to customers through the Bank's network of branches, correspondent banking networks, telephone banking, mobile banking and the internet.

Fund-Based Products

Fund-based limits are generally granted by way of overdrafts, cash credit, demand loans, medium-and long-term loans and discounting of bills. Generally, the type of facility to be granted is determined based on factors such as the loan purpose, the security offered, the size of the advance, repayment terms, risk profile and the requirements of the customer.

The RBI requires all Indian banks to classify their credit transactions in accordance with their level of risk, and the criteria the Bank uses to classify loans in its portfolio correspond to those established by the RBI. All of the Bank's wholesale banking business customers receive a risk classification, and each loan granted to each client also receives a risk classification, depending on the risk level of the transaction and the amount the Bank receives as collateral. Classifications are determined by the loan type and amount of collateral to be received and spread to be applied. All transactions are confirmed by the Bank's back-office, which confirms the limits and receipt of all relevant documentation. The Bank uses credit and behaviour scoring models to determine the volume of credit that it will grant and to establish its credit limits. The Bank's credit policy is implemented through its system, providing for individual analysis based on the client's profile and allowing for the differentiation of interest rates, based on the client's credit risk profile. The Bank's credit policy and scoring models are reviewed periodically, based on estimated performance and non-performance credit indicators.

Set out below are internal ratings distribution of the standard corporate exposure as at the dates indicated.

	Rating Distribution Value	**As at March 31, 2022**	**As at March 31, 2023**	**As at March 31, 2024**
		% of total	**% of total**	**% of total**
1	AAA	27	29	27
2	AA[(1)]	37	38	40
3	A[(2)]	23	22	22
4	BBB[(3)]	9	10	10
5	BB and below	3	1	1
	Total	**100**	**100**	**100**

(1) Includes AA+, AA and AA-.
(2) Includes A+, A and A-.

(1) Includes BBB+, BBB and BBB-.

In fiscal years 2022 2023, and 2024 approximately 92%, 89% and 88% of new loans in the corporate book were to companies rated A- and above.

The total aggregate amount of the standard Corporate sub-group's loans rated BB and below totalled to ₹2,978 crores as at March 31, 2024 as compared to ₹3,478 crores as at March 31, 2023.

The four industry groups with the highest representation in the standard Corporate sub-group's loans rated BB and below are power (representing 32.41% of the Corporate sub-group's loans rated BB and below as at March 31, 2024), infrastructure and construction (representing 13.51% of the Corporate sub-group's loans rated BB and below as at March 31 2024), Food processing (representing 10.37% of the Corporate sub-group's loans rated BB and below as at March 31, 2024) and real estate (representing 7.20% of the Corporate sub-group's loans rated BB and below as at March 31, 2024).

As a percentage of gross customer assets (which is defined as gross advances and gross credit substitutes), the pool of the standard Corporate sub-group's outstanding loans rated BB and below represented 0.75% and 0.38% as at March 31, 2022 and March 31, 2023, as compared to 0.28% as at March 31, 2024. As a percentage of the Corporate sub-group's total outstanding loans, the pool of the Corporate sub-group's loans rated BB and below represented 2.50% and 1.31% as at March 31, 2022 and March 31, 2023, as compared to 1.07% as at March 31, 2024.

The Bank believes that its SME loan portfolio is well diversified, which results in decreased concentration risk. Set forth below is the internal ratings distribution of the standard SME exposure as at the dates indicated.

	Rating Distribution Value	As at March 31, 2022	As at March 31, 2023	As at March 31, 2024
		% of total	% of total	% of total
1	SME1	12	11	10
2	SME2	22	22	19
3	SME3	53	48	45
4	SME4	9	14	17
5	SME5 -7	4	6	8
	Total	**100**	**100**	**100**

The following provides a discussion of the products and services of the Wholesale Banking business unit's fund-based products.

Working Capital Finance. Cash credit, working capital demand loans and overdraft facilities are funded facilities, usually secured by current assets such as inventory and receivables. These facilities are generally extended for a period of one year. In almost all cases, facilities are subject to an annual review and are repayable on demand. Interest is collected on a monthly basis, based on daily outstanding amounts. Bill discounting involves discounting negotiable instruments, which are generally issued for trade receivables. These can also be re-discounted with other banks and financial institutions, if required.

Term Loans. Term loans are offered to customers based on the Bank's appraisal of the quality of management, industry, prospects, business model and financial strength of the firm. This financing is provided by way of term loans of various tenors. These corporate financing term loans, which the Bank offers to companies in the manufacturing, service and infrastructure sectors by way of medium- and long-term loans. The Bank also offers asset-based lending such as receivables financing and customized corporate finance products to meet specific customer needs.

Non-Fund-Based Products

The following provides a description of the products and services of the Wholesale Banking business unit's non-fund-based products.

- Acceptances, Endorsements and Other Obligations. The Bank provides documentary credits to customers to meet their working capital requirements as well as for capital equipment purchases. Documentary credits are approved together with a working capital assessment or a project finance assessment. Typically, a working capital line can be drawn down on a revolving basis over the term of the facility. Customers pay fees for drawdowns of the acceptances, endorsements and other obligations, and the Bank may require additional collateral by way of a cash margin. The percentage of any such margin is determined according to the Bank's perception of the transaction's risk. As at March 31, 2024, the Bank's acceptances, endorsements and other obligations portfolio amounted to ₹59,087 crores, compared with ₹52,361 crores as at March 31, 2023.

- Guarantees. Guarantees, which also include standby letters of credit, can be drawn down in a revolving manner over the life of the facility. Guarantees are also assessed during the course of working capital requirements. Guarantees are issued for various purposes such as bid bonds, performance guarantees on behalf of borrowers for execution of contracts, deferral or exemption from payment of statutory duties against performance obligations, advance payments, release of retention monies and other purposes. The tenor of guarantees is generally 36 months or less depending on the underlying obligations being guaranteed, although certain guarantees with a longer term may be approved. As with documentary credits, the Bank sometimes obtains additional collateral by way of a cash margin which, in the case of certain types of guarantees, may be as much as 100%. As at March 31, 2024, the Bank's outstanding guarantees amounted to ₹128,127 crores compared with ₹102,363 crores as at March 31, 2023.

Liability Products and Fee-Related Services

The following provides a discussion of the liability products and fee-related services offered by the Wholesale Banking business unit.

- Current Accounts and Term Deposits. As at March 31, 2022 and March 31, 2023, the non-retail current account deposit balance with the Bank totaled ₹1,27,557 crores and ₹1,49,120 crores respectively, compared with ₹1,57,268 crores as at March 31, 2024. As at March 31, 2022 and March 31, 2023, the non-retail term deposit balance with the Bank totaled ₹1,65,354 crores and ₹1,96,703 crores, compared with ₹2,53,618 crores as at March 31, 2024.

- Transaction Banking. The Wholesale Banking business unit's transaction banking services are offered across both the Corporate and SME sub-groups. These services comprise transactional banking activities such as collection and payments solutions, trade services, foreign exchange remittances and capital market solutions.

The major revenue streams for these transaction banking services are derived from current account float balances and fee income. Total revenue for the Wholesale Banking business unit's transaction banking services totaled ₹2,610 crores,₹2,967 crores, and ₹3,313 for fiscal years 2022, 2023 and 2024 respectively..

Fee-Based Services

The Bank offers a variety of fee-based services, including cash management services, collection of commercial taxes, trade services, remittances, collections and loan syndication. In addition to these traditional fee-generating products and services, the Bank also offers tailor-made products on a fee-basis to address specific corporate customer needs through a structured products group.

The following provides a discussion of the products and services of the Wholesale Banking business unit's fee-based products.

- **Cash Management.** In the cash management services business, the Bank focuses on offering customized services to its customers to cater to specific corporate requirements and improve the existing product line to offer enhanced features to the customers, such as collection, payments, commercial cards and remittance services with a focus on improving clients' cash flows. These solutions leverage the Bank's extensive branch network and robust technology to provide an ideal blend of structured monthly information systems and faster fund movement, so that customers are able to enhance their fund management capabilities. The Bank is also focusing on host-to-host & API integration for both collections and payments, such as IT integration between corporates and the Bank for seamless transactions and information flow. Bank has focused its approach on enhancing customer experience through API Banking and created a API Developer portal for clients.

- **Trade, Forex and Derivatives**. Under the trade, forex and derivative business, the Bank offers complete trade & supply chain finance and foreign exchange business solutions through its branches across the country. The Bank also provides structured hedging solutions to all client sectors of the Bank. The Bank also has a team of experts, across the country, who provide solution to clients for their domestic & cross border trade requirements.

- **Custodial and Capital Market Services**. Bank is offering Custodial services to various segments like Foreign Portfolio Investment (FPI); Foreign Venture Capital Investment (FVCI); Foreign Direct Investment (FDI); Alternative Investment Funds (AIF); Portfolio Managers (PMS); Insurance companies; Mutual funds. Under Custody, bank offers clearing & settlements of trades for various types of investments (Equity, Debt, Derivatives etc.) and also offer Fund accounting services (PMS & AIF) through automated/robust systems. Under Capital Market services bank is offering fund based and non-fund-based credit facilities, Clearing bank services, Professional Clearing Member Services (PCM), NCL custodian services. Also, in addition to above services, we also Act Banker to the issue for IPO's, QIP's etc and offer Capital Account Services namely Foreign Investments(FI), Overseas Investments(OI) and External Commercial Borrowings(ECB).

- **Correspondent Banking and Payments** Correspondent Banking maintains Nostro and Vostro relationships of banks across various geographies. The Bank enters into correspondent banking relationship to grow cross border business and offer more options to customers for inward and outward payments. The Bank offers products and services to customers such as retail/non-retail remittances, cheque clearing, trade finance and treasury payments.

- **Government Services**. The Bank has been authorized by RBI and the Government to handle various Government banking transactions, which includes the following services: collection of direct taxes, GST, Customs Duty Payment, and Railway eFreight charges on the Government's behalf; disbursement of pensions to central civil service retirees as well as defense department retirees; and banking services for the Ministry of Urban Development, Ministry of Housing and Poverty Alleviation, Controller General of Accounts, Ministry of Finance and Institute of Government Accounts and Finance. Bank is integrated with PFMS to cater to Plan and Non Plan payments of Govt of India, all Tax and non-Tax receipts. Bank is integrated with GeM, facilitating cashless, paperless and transparent payment system on the portal for online procurement of goods and services required by various government organisations and PSUs. Bank has been appointed as Trustee Bank under NPS by PFRDA.

- **Corporate Digital Transformation**: The Bank has embarked upon a wholesale digital transformation agenda aimed at becoming the banker of choice for its customers. A detailed diagnostic was undertaken to create a roadmap that enables Axis to leapfrog competition and offer best-in-class customer experience.

- Client-centric design grounded in rich customer insights

- Become nation's leading API-driven wholesale bank

- Help customers to integrate their physical and financial value chains

- Enable multi-product, multi-channel linkage both internally and with customers

- Power paperless transactions leveraging smart documentation

- Become easiest bank to do business across segments

The delivery will be focused on the entire spectrum of wholesale digital offerings across entity sizes (small businesses to large corporates), user personas (data entry users to authorizers to CXOs) and digital maturity levels. The Bank will offer the choice ranging from Corporate Internet Banking and mobile app, Host to Host integration using SFTP, APIs as well as partnerships with multiple platforms. We have a distinct set of solutions targeting business banking needs of small businesses to large corporates, financial institutions and governmental customers. We have built out new web and mobile interfaces separately for smaller and more complicated businesses. Our MSME offering, Neo for Business, caters to the beyond banking financial needs as well.

While focused on building a digital first platform grounds up, we are also exploring various partnership opportunities with fintechs to augment our existing customer offering, co-create platforms and strengthen the Axis franchise. The build is following the agile development principles and we will continue to launch newer and enhanced offerings continuously through the course of the year.

Fee income generated by the Bank's Wholesale Banking business unit is a significant revenue stream for the Bank. The table below sets forth the distribution of fee income from the Bank's Wholesale Banking operations for the periods indicated:

(₹ in crores)

Fee income from Wholesale Banking operations	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2024
Corporate sub-group fees	2,716.12	2,801.46	3,092.28
SME sub-group fees	497.92	569.98	611.51
Transaction banking fees	1,463.35	1,812.54	2,056.35
Total fee income from Wholesale Banking operations	**4,677.39**	**5,183.98**	**5,760.14**

Fee income derived from the Corporate sub-group accounted for 5.62%, 4.74%, and 4.27% of total operating revenue of the Bank (which represents the aggregate of net interest income and other income for the relevant period) for fiscal years 2022, 2023 and 2024 respectively, and 10.35%, 9.20%, and 7.89% of the Bank's total fee income for fiscal years 2022, 2023 and 2024. Fee income from the Bank's SME sub-group accounted for 1.03%, 0.96%, and 0.85% of total operating revenue of the Bank (which represents the aggregate of net interest income and other income for the relevant period) for fiscal years 2022, 2023, and 2024 respectively, and 3.83%, 3.59%, and 3.02% of the Bank's total fee income for fiscal years 2022, 2023, and 2024.

Credit Selection Strategy

The Bank has framed its risk appetite and internal processes with the objective of increasing the credit quality of its new lending business. The Bank's strategic focus in recent years has been towards building a higher rated lending book, increase the share of working capital loans and reducing the concentration risk.

The Bank's criteria for acceptability of credit include:

- An acceptable internal /external credit rating;
- Strong cash flows;
- Satisfactory quality of management in terms of past track record of performance, competence, professionalism, integrity and corporate governance practices;
- Sustainability of business model in the long term;
- Likely market share
- Likely future leader in emerging businesses;
- Acceptable underlying security and credit enhancement measures;
- Probability of credit rating enhancement in the medium term;
- Appropriate pricing and acceptable rate of return on capital; and
- Opportunities for boosting return on capital from ancillary businesses.

The credit selection strategy and pricing policy used in the SME sub-group follow substantially the same procedures as those used for the Corporate sub-group.

The Bank uses an early warning signals tool which helps it identify unfavourable sectional trends early in the cycle and take corrective action if necessary. The Bank uses its internal credit rating model, which utilizes a combination of quantitative and

qualitative input to arrive at a view of the risk profile of the SME counterparty and assigns an internal rating grade corresponding to a distinct possibility of default over a period. It has also adopted a practical approach to increase the SME portfolio by focusing primarily on better-rated SME accounts. Business analytics is being used to identify potential borrowers across various sectors.

Pricing Policy

The Bank prices its credit products based on its assessment of the risk profile of borrowers, largely based on:

- internal/external credit rating of customers;
- tenor of the loan;
- the specific structure of the product (such as embedded options);
- available collateral and credit enhancement;
- overall relationship value; and
- market conditions.

Treasury

The Treasury manages the funding position of the Bank and also manages and maintains its regulatory reserve requirements. As part of liquidity management, the Treasury invests in sovereign and corporate debt instruments, commercial paper, mutual funds and floating rate instruments. The Treasury also undertakes proprietary trading in equity, fixed income securities, foreign exchange, currency futures and options. Apart from proprietary trading, the Treasury also offers a wide range of treasury products and services to customers, including derivative instruments such as forward contracts, interest rate swaps, currency swaps, foreign currency options and remittances, as well as services such as loan and debt syndication and placement.

The Treasury business unit also generates fee income. Fee income from the Treasury business unit's treasury and DCM services was ₹224 crores, ₹188 and ₹239 crores for fiscal years 2022 2023, and 2024 respectively.

Funding and Asset Liability Management

The Treasury manages short-term liquidity through short-term borrowings such as overnight inter-bank borrowings, repo, re-discounting bills and through other money market operations. The ALM group within Treasury manages the regulatory requirements of Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR) and Liquidity Coverage Ratio (LCR). 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 group is responsible for overall liquidity management of the domestic book and longer term liquidity management of the overseas branches across geographies. The Bank raises foreign currency borrowings from local banks and foreign counterparties. The Bank also raises retail foreign currency deposits from NRIs at rates regulated by the RBI.

The table below sets out the deposits position of the Bank as at specified dates.

	As at March 31, 2022	As at March 31, 2023	As at March 31, 2024
Savings bank deposits	242,449	297,416	302,132
Demand deposits	127,557	149,120	157,268
Term deposits	451,966	500,409	609,241
Total deposits	**821,972**	**946,945**	**10,68,641**

The Treasury ensures day-to-day funding for branch operations and asset build-up. Since the CRR balances earn no interest from the RBI, the funding (ALM) desk also ensures that only optimal CRR balances are maintained and that additional surpluses are deployed in the form of short-term investments in commercial paper, certificates of deposit or debt (Liquid) schemes of mutual funds.

The Treasury measures and monitors the spreads of the Bank. Yields on assets and cost of funds are monitored on an ongoing basis. Maturity profiles of new deposits are adjusted to ensure that the Bank reaches its targeted spreads and that its liquidity profile remains comfortable.

The asset liability management group considers suitable hedging options for items on the balance sheet at appropriate times to protect or increase the Bank's spreads.

Trading Operations

The Treasury manages integrated trading operations in foreign exchange and domestic money markets. It is responsible for maintaining regulatory reserves and using the trading portfolio to earn profits through exchange income and capital gains.

The investment policy is designed to address the following:

- compliance with regulatory requirements;
- guidelines for taking exposure in various debt instruments; and
- risk mitigation.

The Treasury maintains the RBI-mandated SLR requirements in the form of investments in Government bonds and treasury bills. This portfolio is actively managed and churned and, depending on an internal view of interest rates, surpluses are maintained in the trading book. The Treasury uses these surpluses to take advantage of favourable movements in interest rates to book capital gains on the investment book. In accordance with the RBI guidelines, investments are categorized as "Held for Trading", "Available for Sale" and "Held to Maturity".

The size of the Bank's equity portfolio is restricted by a ceiling imposed by the RBI on the capital market exposure of banks to 40% of their net worth as at March 31 of the previous year. The Bank's aggregate limit for exposure to the capital markets in fiscal 2024 was ₹47,157 crores (40% of its net worth as at March 31, 2023, as adjusted for subsequent capital injection). The Bank's exposure to the capital markets (as defined by the RBI) as at March 31, 2024 was ₹27,741 crores.

In general, the Bank pursues a strategy of active management of its equity portfolio to maximize its return on investments. To ensure compliance with the SEBI insider trading regulations, all dealings in equity investments in listed companies are undertaken by the equity-trading desk, which is securely segregated from the Bank's other business groups.

The Treasury also offers investment options to retail and institutional investors and servicing support through all branches of the Bank. In this regard, the Bank facilitates the holding of Government securities. Commission and trading profits are earned through these transactions.

Foreign Exchange and Derivatives

The trading desk deals in several major currencies and manages the Bank's exposure through foreign exchange and money market instruments and derivatives within the guidelines and limits stipulated by the RBI and management. Appropriate internal limits for counterparty and currency exposure are in place. The Bank is a market maker in the spot and forward exchange markets, swaps and options.

The Bank offers both off-the-shelf and specifically structured products to its customers to meet funding and risk management requirements in foreign currencies.

The Bank offers forward contracts to customers to hedge against exchange risk on foreign currency receivables and payables, usually of up to one year. The Bank also acts as market maker in interest rate and currency swaps for proprietary trading and customer hedging. Commission and exchange income is earned from such transactions. As at March 31, 2023, the Bank had ₹12,27,784 crores in outstanding forward exchange and derivatives contracts compared with ₹16,61,577 crores as at March 31, 2024.

Profit on exchange/derivatives transactions (net) increase from ₹1,802 crores in fiscal year 2023 to ₹1,935 crores in fiscal 2024.

Debt Capital Markets (DCM)

The Bank continues to remain a dominant player in the debt capital market sector as per League table ranking. In fiscal years 2023 and 2024, the Bank acted as arranger for ₹ 2,65,798.05 crores and ₹ 2,77,365.18 crores, respectively. As on June 30th, 2024 (1st quarter); the Bank was associated with total issues of ₹ 48,457.75 crores for various PSUs and Corporates.

In fiscal 23, the Bank won ASSOCHAM's Issuer Investment Banker (Merchant Banker of the Year) award. In fiscal 2022 the Bank won IFR Asia's Asian Bank of the Year and India Bond House award and in fiscal 2021, the Bank was awarded "Best DCM House" in India by Finance Asia. Also, employees of the Bank's sales and trading teams were included in the list of Asia's best local currency bond individuals in research, sales and trading for 2020 in "The 2020 Asian Local Currency Bond Benchmark Review" undertaken by "Asset Benchmark Research". The Bank is a significant player in the international debt capital markets business covering U.S.$ and EUR-denominated bonds, masala bonds and green bonds among others. The Bank believes that its DCM business' prominent position makes it well-placed to take advantage of profitable opportunities in India's growing corporate bond markets. While the Bank continues to handle the debt syndication activities described above, the investment banking activities relating to equity capital markets, mergers and acquisitions, and private equity advisory business are now conducted by the Bank's wholly owned subsidiary, ACL.

Overseas Operations

As on March 31, 2024, 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's foreign branches primarily offer corporate banking, trade finance and treasury and risk management services. The total assets (net of inter branch adjustments) at the Bank's overseas branches amounted to ₹51,542.99 crores, which constituted 3.49% of the Bank's total assets as at March 31, 2024.

Financial Inclusion

The RBI has mandated banks in India to have a financial inclusion plan for the expansion of banking services to rural and unbanked centers and to customers who currently do not have access to banking services. Apart from a regulatory requirement and a corporate social responsibility initiative, the Bank regards the financial inclusion sector as a strategic opportunity to expand its reach into the unbanked rural market and underserved sectors of the urban market.

The Bank utilizes the services of business correspondents in select areas to expand its reach in areas unserved or underserved by the banking industry. The Bank has also taken several initiatives to implement financial awareness program for the underprivileged sections throughout India, comprising of trainings, workshops and awareness campaigns.

As on March 31st, 2024 the Bank had opened approximately 0.65 crores basic savings accounts PAN India and had a network of 77,060 customer service points in rural locations. The Bank is equipped to handle interoperable transactions on the Aadhaar Enabled Payment System, an electronic system in India that enables financial transactions based on customers' Government-issued Aadhaar identification numbers. This, in turn, has empowered the Aadhaar enabled customers of the Bank to transact at other banks' Aadhaar enabled business correspondent outlets and vice versa. In FY'23-24, the Bank processed nearly 35.12 lakh transactions on the Aadhaar Enabled Payment System amounting to ₹908.32 crores.

Priority Sector Lending

Commercial banks in India, including the Bank, are required by the RBI to lend 40% of their adjusted net bank credit of the previous year to specified sectors known as "priority sectors", subject to certain exemptions permitted by the RBI from time to time. Priority sector advances include loans to the agriculture sector, micro and small enterprises, financial inclusion sector, microfinance loans, loans to certain sectors deemed "weaker" by the RBI, housing and education finance up to certain ceilings, and loans to fund the purchase of eligible assets and investments in eligible securitized assets. Deposits with NABARD on account of shortfall in priority sector business targets are eligible for priority sector lending.

As March 31, 2024, the Bank had a total priority sector lending portfolio of ₹3,50,219 crores. The following is a breakdown of the Bank's priority sector lending position as at the dates indicated.

(₹ in crores)

	As at March 31, 2022	As at March 31, 2023	As at March 31, 2024
Agricultural advances [(1)]	125,501.10	1,33,226.98	1,50,465.00
Micro and small enterprises [(2)]	140,165.47	1,32,263.77	1,71,624.09
Other priority sector lending [(3)]	33,675.07	34,813.32	28,130.10
Total	**299,341.64**	**3,00,304.07**	**3,50,219.19**

(1) Agriculture advances includes deposits with NABARD and PSLCs purchased.
(2) Micro and small enterprises advances include deposits with Small Industries Development Bank of India (**SIDBI**) and MUDRA. It also includes PSLC purchased.
(3) Other priority sector lending includes deposits with NHB and PSLC purchased.

To encourage banks to extend long-term loans to the infrastructure sector, Indian banks are allowed to issue infrastructure bonds and provided a relaxation in cases of priority sector lending by way of allowing banks to claim for a deduction in adjusted net bank credits.

Agriculture Lending

The RBI requires the Bank to lend 18% of its adjusted net bank credit of the previous year to the agricultural sector.

In recent year's Bank has recalibrated it's approach to Rural Agri Market and created a specialized division as Bharat Banking to focus on Agricultural loan and Rural lending customers. The Bharat Banking division is catering to agricultural community by offering customized products suited to the requirements of retail farmers as well as Agri corporates. The Bank's strategy in agricultural lending is based on identifying opportunities in the entire agricultural value chain, focus on diversification, and creating partnerships opportunities with like-minded companies in the agricultural sector, microfinance and other rural institutions and non-governmental organizations that have close links to the agricultural sector. Beyond retail lending to farmer community, Bank has also grown its agricultural lending business by offering suitable products to various members in the supply chain in the agriculture business (such as warehouses and cold storage units) and leveraging the Bank's technology platform to distribute its products and services conveniently and cost-effectively in rural areas. The Bank offers schemes for financing the agricultural value chain participants such as Agri-processing units and agricultural service providers.

In order to provide a strategic focus on agricultural lending, the Bank has adopted an area-centric approach to agricultural lending, specifically in areas which the Bank considers agriculture-intensive and where we have identified potential for the Bank's agriculture finance. This initiative is aimed to help the Bank in scaling up its direct lending services at multi-fold level.

The Bharat Banking team has identified areas of intervention and is creating capabilities and network to serve larger and deeper Agri-markets by developing customized products/ programs catering to such credit approaches.

Delivery Channels

The Bank distributes its products and services through various access points ranging from traditional bank branches to ATMs, call centers for telephone banking, mobile banking and the Internet. The Bank's channel migration effort is aimed at reducing costs while enhancing customer satisfaction levels by providing customers access to their accounts at all times.

Branch Network

The Bank has a well-distributed branch presence across several of India's regions and market sectors. As on March 31st 2024, the bank had a network of 5705 banking outlets with 5365 branches 12 extension counters, 143 specialized branches, and 182 BCBOs and 3 Digital Banking Units (DBU) as compared to 5548 branches and extension counters as at December 31st, 2023.

The Bank has opened 475 new branches and extension counters in fiscal 2024.

Branch premises are generally leased. Back-office operations are centralized at a central processing unit in Mumbai, allowing the Bank's branch network to focus on business acquisition and expanding customer relationships. From a monitoring perspective, the Bank has divided its franchise of branches into 37 Circle Offices and eight regional offices, which are administrative units that controls a cluster of branches, in order to provide for adequate supervision across various levels.

The following table sets forth the number of the Bank's branches (excluding extension centers) in India, classified by category based on the India 2011 census, as at March 31st'24.

Category	Number of Branches	Percentage of Branches
Metro	1537	28.63%
Urban	1255	23.38%
Semi-urban	1610	29.99%
Rural	963	17.94%
Total	**5365**	**100%**

The following table sets forth the number of the Bank's branches in India, classified by geographical distribution (based on RBI classification), as at March 31st'24.

Category	Number of Branches	Percentage of Branches
Northern	1399	26.08%
Eastern	822	15.32%
Western	1004	18.71%
Southern	1250	23.30%
Central	890	16.59%
Total	**5365**	**100%**

Cashless and Digital Platforms

The Bank's distribution network is further complemented by its digital platforms, including online and mobile banking solutions, among others, which offer 24-hour access to customer accounts and the ability to conduct routine banking transactions, such as online bill payment and application for lines of credit.

Increased availability of internet access and broadband connectivity across India requires a comprehensive digital strategy to proactively develop new methods of connecting with customers. In response to these trends, the Bank has made substantial investments in its technology platforms.

Mobile Banking

The Bank's mobile banking channel has emerged as a convenient option for customers to access their account information anytime. Through the Open by Axis application, customers can use their accounts to pay bills, transfer funds, recharge prepaid mobile phones, create and liquidate deposits, log requests for cheque books, stop cheque, change card PINs, among other services. Open application is available for retail saving accounts, current accounts, NRI savings accounts, credit cards, forex and loan customers.

As at March 31st 2024, Open by Axis application had 4.8 rating out of 5 on both Google Play Store and Apple App Store.

Cashless and Digital Payments

The Bank offers various cashless and digital payment services to its customers and remains committed towards promoting a less-cash focused, digital economy in India. The Bank believes that its recent investments in technology and data analytics have allowed it to build and sustain a strong market position across many digital and cashless payments spaces in India.

In the digital-first era, our pioneering initiatives like 'NEO' are catalysing transformative change, redefining banking experiences for customers. Through end-to-end digital journeys and innovative solutions, the Bank is driving impressive growth in digital adoption and engagement. From instant digital onboarding to seamless lending journeys and beyond, the Bank's commitment to continuous innovation ensures cutting-edge services that prioritise customer needs and convenience.

In FY24 we made strong progress towards our aspiration of becoming India's best Digital Wholesale Bank with the roll-out of our digital properties – 'NEO for Business' and 'NEO for Corporates'. During the year, we launched NEO for Business, a first-of-a-kind mobile first transaction banking platform, specially curated for the MSMEs' banking and beyond banking needs. The proposition has seen strong acceptance, with over 60K customers onboarded in the six months since launch.

Our path-breaking digital banking platform 'NEO by Axis Bank' continued to demonstrate a strong product market fit. With over 1,800 corporates integrated on APIs, there has been ~6x growth in transaction volumes, over 4x growth in transaction throughput and 2x growth in the linked CA balances in the last 12 months. Our Corporate Developer Portal now offers over 125 Open Banking APIs that allow seamless end-to-end digital onboarding tailored to clients' specific businesses. We also launched 'NEO for Corporates', a cloud-based digital banking solution that provides a unified platform across payments, trade, forex, and more. This integrated platform will significantly increase ease of doing business for large corporates while enabling us to scale products rapidly. With a full rollout of NEO, Axis remains on track to becoming the Operational Bank of choice for our Wholesale Banking clients.

In fiscal year 2022, the Bank introduced the Industry first feature loaded Debit Card along with Video KYC based savings accounts. The E-Debit Card allows customers to start transacting immediately after opening the account and carries spend linked benefits. In FY24, with continued focus on increasing penetration of Contactless payments, the Bank also launched another product in its Wearable suite - Axis Bank Active Watch - a smartwatch cum Debit Card, for making payments truly on-the-go and convenient for its customers. Axis Bank Debit Cards are also enabled on multiple PSPs (ex. Google Pay, Samsung Pay, etc.) for device tokenization, that helps customers make Debit Card contactless payments via their Android Mobile Phone on POS machines.

The bank has also completed CITI integration successfully in July 2024 and migrated the 2 Mn base of customers to Axis Bank.

The bank has also launched industry first Numberless credit card Co-brand partnership with Social Worth (Axis Bank Fibe Credit Card- RuPay).

The Bank maintained its positioning as one of the largest players in the UPI space with a market share of 26% as Payer PSP during the fiscal year 2024. The Bank now has partnerships with all the major third-party UPI apps in the ecosystem (including Google Pay, PhonePe & Paytm) with more than 93.8 crores customer UPI ID's registered as on March 31, 2024.

The Bank's initiatives on the digital front have been widely recognized. The bank was awarded the "Best Bank Award for Innovation" in the Business Today - KPMG India's Best Bank Awards. Similarly, the Bank was awarded the "Best Digital Bank" by publications like Asiamoney and Financial Express. The bank has also been awarded Assocham Annual BFSI Lending Award for Best Digital Initiatives and Infosys Finacle Awards for NEO API Banking Suite.

Internet Banking Services

The Bank provides Retail Internet Banking platform to its customers which offers various features and services. Through the platform, customers can view accounts, statements, loans, credit and debit cards, forex prepaid cards, demat details and can utilize services such as cross-border remittances, fund transfers, bill payments, initial public offering (IPO) applications and mutual fund applications. In addition, the Bank offers an online direct debit facility to customers for purchase of products and services through a host of online merchants in the e-commerce space. Customers can also use this platform to pay their taxes, including goods and services tax, directly from their bank account.

With the objective of increasing the digitization of services, the internet banking channel also offers instant credit card, instant personal loan, mutual funds buy and sell, IPO purchase and book locker functionalities. Digitization of services for cost savings is an important focus area for the Bank. Internet banking services allow customers to update their personal profile details, change purchase limits of cards, set internet banking transaction limit, access online tax filing certificates, order cheque book and check status of clearing instruments, thereby reducing the need to visit a branch for day to day banking requirements and fill physical forms for services. With features that are easily accessible and categorized, Axis internet banking portal is aimed at making day to day banking experience convenient for customers of any age group.

Internet banking services are provided only in respect of existing customer accounts for which the necessary identity documentation has been obtained prior to providing the customer with a user identity and password to access its account online. The Bank has in place a two-factor authentication system for transactions. As an additional control feature, the Bank has also implemented a risk-based (adaptive) authentication system for all retail Internet banking users.

Retail Internet Banking has seen customer centric initiatives and uptake of new technologies this past year. Host of banking services have been made available for IB users for better experience. Internet banking has also moved to a new platform with upgraded technology stack on March 02nd, 2021.

The Bank's internet banking platform has received the following awards:

- Best Banking Technology at The Internet & Mobile Association of India Digital Awards, 2020
- Best Use of Data & Analytics for Business Outcome amongst large banks by the Indian Bank's Association in 2019

Conversational Banking (Chat Bot)

Axis Aha! is an AI-powered conversational banking channel which can respond to voice or text inputs and determine the intent of the user in a fraction of a second. Axis Aha! is designed to enhance online customer experience, resolve customer queries, assist with service requests and transactions such as account balance, cheque book requests, card blocking requests, managing debit card limits, paying credit card bills and check available limits.

WhatsApp banking was made available to customers beginning in January 2021 to service customers' banking needs. This provides a faster, more convenient platform for customers to interact with Bank. Currently there are 25+ live services and also supports FAQs.

Credit Ratings

The following table sets forth, as at March 31, 2024, the details of the Bank's domestic and international credit ratings by the indicated ratings agencies:

Rating Agency	Long term rating	Outlook
S&P Ratings	BBB-	Positive
Moody's	Baa3	Stable
Fitch	BB+	Stable
CRISIL	AAA/AA+	Stable
CARE	AAA	Stable
ICRA	AAA/AA+	Stable
India Ratings	AAA/AA+	Stable

Competition

The Bank faces strong competition in all of its principal lines of business. The Bank's primary competitors are large public sector banks, other private sector banks, foreign banks and, in some product areas, development financial institutions.

Recently, non-bank financial companies, particularly international technology companies including large e-commerce players, have been increasing their presence in the financial sector and offering payment platforms and select services.

Consolidation in the Indian banking industry may increase competitive pressures experienced by the Bank. For example, in one of the largest consolidations in the Indian banking industry, the SBI merged with its five associate banks and the Bharatiya Mahila Bank, which merger became effective from April 1st 2017. In fiscal year 2019, the Government announced the merger of three other public sector banks, Bank of Baroda, Vijaya Bank and Dena Bank, effective from April 01, 2019. In fiscal year 2020, the Government announced several additional mergers of public banks: Canara Bank's merger with Syndicate Bank; United Bank of India's merger with Oriental Bank of Commerce and Punjab National Bank; Andhra Bank's merger with Corporation Bank and Union Bank of India; and Allahabad Bank's merger with Indian Bank. Following these mergers, the number of public sector banks is expected to be 12, down from 27 in fiscal year 2022.

New banks in the private sector have also increased competitive pressures. Two new private sector banks were set up and began banking operations in fiscal year 2016. Ten small finance banks and seven payments banks have recently begun operations. The RBI has granted licenses to entities, which includes large telecom companies and pre-paid wallet providers, to establish payments banks. The RBI has also granted licenses for the establishment of small finance banks, which include micro-finance non-banking finance companies. The RBI has released a discussion paper on licensing of wholesale and long-term finance banks that will largely lend to infrastructure and core industries. A discussion paper on licensing of other differentiated banks such as custodian banks has also been indicated. The RBI has released guidelines with respect to a continuous licensing policy for universal banks as compared to the earlier practice of intermittently issuing licenses and has demonstrated an intention to allow small finance banks to apply for universal banking license under this framework, which may result in greater competitive pressure. The RBI has also indicated that it plans to give greater access to foreign banks in the Indian market.

The Bank's corporate banking products and services face competition from a number of banks and financial institutions. Public sector banks, which pose major competition to the Bank, have a significant history of operations. These competitors have, over time, built extensive branch networks, providing them with the advantage of a low-cost deposit base, and enabling them to lend at competitive rates. In addition, the extensive geographic reach of many of these institutions enables product delivery in remote parts of the country. The Bank seeks to compete with these banks through faster response to customer requirements, quality of service, a fast-growing inter-connected branch network and technology-enabled delivery capabilities.

In retail banking, the Bank's principal competitors are the large public sector banks, which have much larger deposit bases and branch networks, as well as aggressive new private sector banks and foreign banks. The retail savings deposit share of foreign

banks in India is quite small in comparison to the public sector banks, and has declined in the last five years, which the Bank's management attributes principally to competition from new private sector banks. However, some foreign banks have a significant presence among NRIs and also compete for non-branch-based products such as auto loans.

Customer Base

The Bank's customer base is comprised of large and mid-sized corporates, SMEs and individuals, and is highly fragmented. Although the Bank has an extensive customer base, it has a relatively high concentration of loans to certain borrowers, borrower groups and industry sectors.

The Bank calculates the level of its exposure to any industry or customer in accordance with the guidelines established by the RBI. The Bank's loan portfolio and non-performing asset portfolio have a high concentration in certain industries, the most significant of which are Banking and Finance, Trade, Infrastructure (excl Power), Engineering and NBFCs industry representing 6.63%, 3.96%, 3.86%, 3.31%, and 2.87% respectively, of the Bank's gross fund-based loans outstanding and credit substitutes as of March 31, 2024. As of March 31, 2024, aggregate credit exposure (including derivative exposure) to the Bank's 20 largest borrowers (fund and non-fund based) amounted to ₹1,26,510 crores, representing 73.18% of the Bank's total capital (comprising Tier I capital and Tier II capital).

Seasonality

The Bank typically does not experience, and in the last three financial years has not experienced, any significant seasonality in its business.

Employees

The Bank believes that employees are its most important asset. The Bank is an equal opportunity employer and is committed to hiring, developing and promoting individuals who best meet the requirements of available positions, possess the required competencies, experience and qualifications to carry out assigned tasks, and have the potential for growth within the organization.

The Bank had 1,04,332 employees as at March 31, 2024 compared with 91,898 employees as at March 31, 2023.

Set out below is a breakdown of the number of employees of the Bank between corporate headquarters, corporate office verticals, Circle offices and branches:

As at March 31

	2019	2020	2021	2022	2023	2024
Corporate Headquarters	5,629	6,483	7,449	9,275	10,371	11,873
Corporate Office Verticals	15,048	15,691	19,032	21,531	25,297	32,097
Circle Offices	2,235	2,247	2,057	2,150	2,145	2,408
Branch	38,821	49,565	49,621	52,724	53,947	57,821
Overseas	207	154	148	135	138	133
Grand Total	**61,940**	**74,140**	**78,307**	**85,815**	**91,898**	**1,04,332**

ESG and Corporate Social Responsibility

As one of India's largest private sector banks, the Bank is firmly aligned to the global sustainable development agenda underscored by the Sustainable Development Goals and India's commitments under the Paris Agreement.

The Bank's ESG agenda is guided by its purpose statement 'Banking that leads to a more inclusive and equitable economy, thriving community and a healthier planet'.

In 2021, the Bank became the first Indian bank to establish a standalone ESG Committee at the Board level. Guided by the Committee, the Bank is driving a multi-pronged ESG strategy focused on its business activities, risk management, human capital management, business operations and community impact. The Bank has also taken pertinent ESG-aligned commitments and continues to focus on driving deeper ESG integration across each aspect of the organization. The Bank is represented on key thought leadership and policy advocacy platforms focused on driving the ESG and climate action agenda in India, including at IBA, FICCI, CII, among others.

The Bank is committed to playing an active role in building an inclusive and resilient Indian society. Guided by the CSR Committee of the Board, the Bank is implementing impactful CSR (Corporate Social Responsibility) initiatives focused on bringing meaningful socio-economic change in the lives of marginalized and vulnerable communities and protect India's rich biodiversity. The Bank's CSR programs span the entire country, especially focusing on India's North-east and the interiors of Eastern and Central India. Its programs are implemented through the Axis Bank Foundation as well as experienced and reputed implementation partners, across the themes of Lives and Livelihoods, Financial Inclusion and Financial Literacy, Education, Environment, and Healthcare.

The Bank has been included in the FTSE4Good Emerging Index for the eighth consecutive year in 2024. In addition, the Bank is rated 'A' by MSCI ESG Ratings and has a Score of 'C' in the CDP in 2023. The Bank was placed above the 80th percentile among global banks in the S&P DJSI in 2023 and has a Sustainalytics ESG Risk Rating of 19.9. The Bank is a constituent of leading domestic ESG indices including the MSCI India ESG Leaders Index and the Nifty 100 ESG Sector Leaders Index.

Information Technology

The Bank's Information Technology (IT) strategy remains guided by its vision of being a customer-centric organization with a robust, state of the art technology platform to achieve its growth, profitability, and sustainability objectives. The Bank continues to focus on the six key imperatives that include, 1) End-to-end customer journey digitization, 2) Accelerating delivery, 3) Modernizing the core to deliver profitable growth, 4) Fix the basics to build a sustainable franchise, 5) Talent and culture, and 6) Risk and governance.

The Bank has been focusing heavily on expanding its technology capabilities. Over the past 3 years, the investment in the IT operations has increased by ~150% while the IT workforce has increased by ~100%. The Bank's Information Technology (IT) department manages all banking applications through a talented 2000+ member IT team having strong domain capabilities in banking, treasury, channels, payments and collections, along with technical capabilities. The IT operations are managed through a cross-functional team involving functional and technical experts.

During the year FY24, the IT team continued execution of 30+ key initiatives to facilitate its journey towards driving sustainable growth, improving customer experience with the help of digital banking, leveraging payments business capability, sustained focus on analytics, and providing self-assisted capability to customers. The Bank retained strong position in digital banking with the Axis mobile app being world's highest rated mobile banking app on Google Play store and iOS with a consistent rating of 4.8 and 14 million+ monthly active users. As of June 2024, ~11 million non-Axis Bank customers are using Axis Mobile and Axis Pay Apps. The Bank continues to add to its 250+ services portfolio on digital channels, eliminating the need to visit branches for basic servicing. Axis Bank is committed to make retail internet banking platform more inclusive with multilingual feature; Bank support website now available in 9 Indian languages.

The Bank remains committed to its open ecosystem proposition with its focused API strategy and has 500+ gateway external partners. The Bank has adopted 'Next Gen integration' by deploying more than 440+ Retail and Corporate APIs on its Developer portal. The Bank continues to roll out new APIs to enable digital customer journeys and partner on-boarding leading to reduced time to market.

The Bank continued its journey towards Hollowing-the-Core to become future-ready with a modernized Core. The Bank became first amongst peers to create a separate UPI instance for P2M elite merchants and gained leadership position in UPI Payer PSP category. Additionally, Hollowing-the-Core initiatives are undertaken on areas such as General Ledger, Lending, Inquiring, BNPL, and Account Opening to increase capacity and improve performance of the core systems.

The Bank is the first amongst peers to create 3 Cloud landing zones (AWS, Azure and GCP) to support its multi-cloud strategy and has an architectural Cloud-first, Cloud-native approach. The rapid pace of cloud adoption, driven by a dedicated Cloud COE (Centre of Excellence), has helped the Bank to drive business innovation at a faster pace. Using automation and SOPs, the Bank reduced its infrastructure provisioning TAT by ~90% compared to comparable on-premises solutions. The Bank has 140+ critical applications on Cloud as of March 2024. Axis Bank is the first Indian Bank to be ISO certified for its AWS and Azure Cloud security. The Bank is investing in Hyper automation using Infra-as-a-Code capabilities and enhancing application observability through Cloud based SRE capabilities. As of June 2024, Axis Bank has achieved a best in class 99.5% CIS Score (Center of Internet Security).

Additionally, the Bank continues to build capabilities in emerging technologies of AI, ML, Automation, and Data Analytics. The Bank has 3600+ RPA bots in action and is targeting best in class efficiency for RPA, Voice, and IOCR. The Bank has continued to introduce, and scale new products driven by its zero-based redesign philosophy. The redesigned customer centric journeys enable minimum to no data entry with automated underwriting. Additionally, the Bank is exploring business use cases for Generative AI within its ecosystem and evaluating multiple workstreams for experiments on GPT usage. Axis Bank rolled out Gen AI based chatbot - Adi for ~60,000 users across branches, for enhanced customer service efficiency and personalized banking experiences. Additionally, Axis Bank is the first Indian Bank to roll out Microsoft Gen AI based Co-pilot.

Data Centre and Disaster Recovery Site

The Bank has two primary data centers located in Mumbai (co-located) and Bengaluru (owned). Both data centers have n+1 redundant architecture for power and cooling distribution. Business applications are strategically spread between the two data centers for active setup at one DC and resiliency at other DC. Both data centers are in different seismic zones and are connected through a redundant wide-area network which is connected to all branches and office locations. Additionally, the Bank has set up a refreshed Near DR (Disaster Recovery) for Critical Apps with Improved Infra availability at 99.99% at its Bengaluru Data Center location. The Bank regularly conducts disaster recovery drills for critical applications to ensure continuity readiness in the event of disaster. Bank has enhanced resiliency of critical applications with automation tools that provide real-time visibility on DR readiness and DR operations. Axis Bank has enhanced the working duration from DR Site during DR Drills to 5+ working days (for both Standalone and Cluster DR Drills) – over and above regulatory guidance of >24 hours.

During FY25, the Bank will continue to build on the initial success of the transformation journey undertaken to make the IT team future ready. The transformation program will build the foundation for becoming best-in-class across key areas. The transformation program focuses on achieving 4 key outcomes - a) deliver tech products faster, b) enable critical capabilities, c) improve resilience, and d) optimize expenditure across engineering excellence, channel architecture, integration, automation, infrastructure etc.

Information Security

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, ISO27001:2022, PCI DSS Ver4.0, etc. Axis Bank is first Indian commercial Bank to be certified ISO27017 Cloud Security Standard and ISO27034 Application Security Standard in addition to the ISO27001:2022 Standards.

The Bank's Information & Cyber Security Governance Framework is in place at executive level with an Information System Security Committee (ISSC) 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 timely contain and respond any suspicious activity;
- is compliant to ISO27001, ISO27017 & ISO27034 standard and PCI DSS standard. The Bank conducts various assessment 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.;
- has a strong layered cyber security defence through latest security technologies, skilled workforce, and cyber resilient processes to protect its crown jewels from intrusion by malicious actors; and
- has a 24 x 7 Security Operation Center (SOC) to keep vigil over the Bank's digital assets and coordinates with RBI, CERT-IN, NCIIPC, NPCI etc. for implementation of their recommendation to strengthen its defence against cyber-attacks.

Intellectual Property

The Bank utilizes a number of different forms of intellectual property in its business including its AXIS BANK brand and the names of the various products it provides to its customers. The Bank has made applications for registration of its AXIS BANK brand name and certain other trademarks, including words and logos with the relevant trademarks' registry in different jurisdictions where the Bank has operational presence and in some jurisdictions the Bank has completed the formalities of registration, while few of the applications are currently pending.

Insurance

The Bank maintains its own insurance policies and has coverage that it deems appropriate and customary for a bank of its size and nature.

The Bank's insurance policies include a Banker's Indemnity insurance policy, which is a comprehensive insurance policy that offers coverage for various forms of risks. Some of the items covered under this insurance policy include:

(a) money (cash and precious metals) on premises and in vaults of agencies.

(b) money (cash and precious metals) in transit.

(c) cash in onsite ATMs/dispensers owned by the Bank.

(d) losses from external/internal fraud.

(e) losses from transactions through mobile banking.

(f) electronic banking transactions; and

(g) electronic crime.

(h) any loss due to human error (of employees)

(i) terrorism

In addition to the above coverage, below are the other covers taken by the bank:

Fixed Assets/Contents – It covers all the fixed assets of the bank against losses due to Fire, Burglary, AOG and Allied peril.

Currency Chest - This policy covers Cash kept in Currency Chest for any losses due to Fire, AOG perils, Robbery, Burglary.

Special Contingency Policy- This is an All-Risk policy which insures Pledged gold kept across all branches for gold loan business, this policy covers losses pertaining to Burglary, robbery, Fire, AOG perils, Dishonesty of employees, Gold in Transit etc.

Professional Indemnity - Covers professional liability claims for financial loss to the customer due to negligence, error or omission on the part of the Bank in rendering professional services while acting as a custodian of NSE Clearing Limited (NCL) in India , Settlement Banker for all the Exchanges and Clearing Corporations in all segments, Professional Clearing Member Activities and Trading Cum Clearing Member Activities in Equity Derivatives, Currency Derivatives and, Commodity Derivatives and Capital Market (Equity) Segment in India and losses incurred due to default of clients under any Derivatives and Capital Market (Equity) Segment

Director's & Officers – This policy covers liability of Directors & Officers and other key management members of the Bank as well as its subsidiaries for any claims or allegations made against them for a wrongful act done by them during their tenure as the directors or Officers during the discharge of their duties as the directors or officers.

Properties

The Bank's registered office is located at "Trishul", Third Floor, Opposite Samartheshwar Temple, Near Law Garden, Ellisbridge, Ahmedabad 380 006, Gujarat, India and its telephone number is +91(0)79-2640-9322. The Bank's corporate office is located at Axis House, Pandurang Budhkar Marg, Worli, Mumbai 400 025, India.

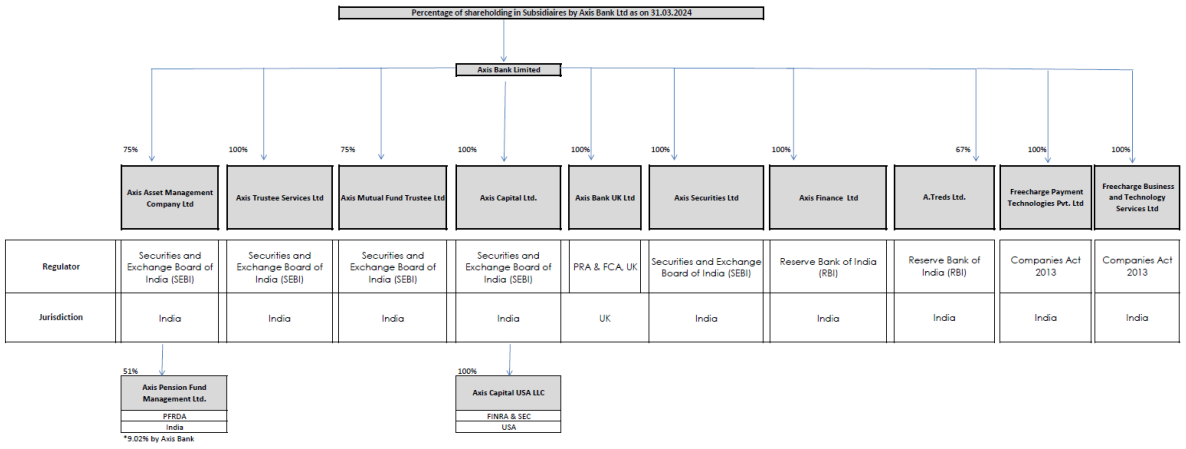
The following table sets forth the gross book value of the properties owned by the Bank:

	Gross Book Value
Property	As at March 31, 2024
	(in ₹ crores)
Premises for business offices	2,022.15
Total	2,022.15

Apart from the above properties, all other properties used by the Bank and its branches, offices and offsite ATM centers are leased. As of March 31, 2024, the Bank had a domestic network of 5,377 branches including extension counters, 9,153ATMs and 6,873 cash deposit and withdrawal machines spread across India.

(a) **Structure of the Group**:

Corporate Structure of the Issuer:



Note: 1) Axis Bank Limited has purchased stake in Max Life Insurance Company Limited (Max Life), making it an Associate Company w.e.f 6th April 2021. Axis Bank Limited , along with its subsidiaries Axis Capital Limited and Axis Securities Limited (together "Axis Entities"), completed the stake acquisition in Max Life resulting in the total ownership by Axis Entities of 12.99% (Axis Bank 9.99%, Axis Capital 2.00%, Axis Securities 1.00%). Further, 14,25,79,161 shares were allotted to Axis Bank Limited on preferential basis on 17th April 2024. Accordinlgy the revised shareholing of Axis Bank Limited along with its subsidiaries Axis Capital Limited and Axis Securities Limited (together "Axis Entities") in Max Life is 19.01% which is the total ownership by Axis Entities. (Axis Bank 16.22 %, Axis Capital 1.86% Axis Securities 0.93%)

2) Axis Pension Fund Management Ltd., subsidiary company of Axis Asset Management Ltd. and step down subsidiary of Axis Bank Ltd., was incorporated on 17th May 2022. It's total paid-up capital is Rs. 80 Crores. Axis AMC and Axis Bank hold 51.00% and 9.02% of its paid-up capital respectively.

3) Freecharge Business and Technology Services Limited, a new subsidiary company of Axis Bank Limited, is incorporated w.e.f 16th March 2024.

(b) **Overview and brief summary of the business / activities of the subsidiaries of the Issuer**:

The Bank has 10 subsidiaries namely, Axis Capital Ltd. (ACL), Axis Securities Ltd. (ASL), Axis Trustee Services Ltd. (ATSL), Axis Asset Management Company Ltd. (AAMC), Axis Mutual Fund Trustee Ltd. (AMFT), Axis Finance Ltd. (AFL), A.TREDS Ltd.(ATL), Axis Bank UK Ltd. (ABUK), Freecharge Payment Technologies Private Ltd. (FPTPL) and Freecharge Business and Technology Services Ltd (FBTSL).

Step-down subsidiaries -

Axis Capital USA LLC (subsidiary of Axis Capital Ltd.)

Axis Pension Fund Management Ltd. (subsidiary of Axis Asset Management Company Ltd.)

1. Axis Capital Ltd. (formerly Axis Securities and Sales Ltd.) (ACL)

ACL was incorporated in India as a wholly owned subsidiary of the Bank (formerly UBL Sales Limited) on December 6th , 2005 and received its certificate of commencement of business on 2nd May 2006. Certain businesses of M/s. Enam Securities Pvt. Ltd. were merged with Axis Capital Ltd. as part of a scheme and the following companies became direct subsidiaries of ACL:

- Axis Securities Ltd. (formerly Enam Securities Direct Pvt. Ltd.)
- Axis Finance Ltd. (formerly Enam Finance Pvt. Ltd.)
- Axis Securities Europe Ltd. (formerly Enam Securities Europe Ltd.)
- Enam International Ltd., UAE (voluntarily dissolved with effect from August 24th, 2014)

Axis Securities Ltd., Axis Finance Ltd. and Axis Securities Europe Ltd. subsequently became direct subsidiaries of the Bank in line with the RBI directives. Enam International Ltd., (UAE) was voluntarily dissolved with effect from August 24th 2014.

Axis Capital Limited offers comprehensive and integrated financing solutions & advisory encompassing a high-quality product includes ECM, PE, M&A, Structured Finance, and Institutional Equities includes research to corporate access, cash, derivatives and electronic trading.

The paid-up capital of ACL is Rs.73.50 crores. The net profit of ACL for the year ended March 31st 2024 was RS· 150.42 crores. As on 31.03.2024 Axis Capital has 6 branches.

2. Axis Securities Ltd. (formerly Enam Securities Direct Pvt. Ltd.) (ASL)

ASL was incorporated in India on July 21st 2006.

ASL is a wholly owned subsidiary of the Bank and is in the business of retail broking. ASL offers investment solutions to retail investors like trading in equity and derivatives, IPO, Mutual Fund, SIP, ETF, NCDs, Bonds, Company FD and tax saving solution etc. through AXIS DIRECT platform.

The paid-up capital of ASL is Rs.144.50 crores. The net profit of ASL for the year ended March 31st 2024 was Rs. 300.96 crores. As on 31.03.2024, Axis Securities has 35 branches.

3. Axis Trustee Services Ltd. (ATSL)

ATSL was incorporated in India as a wholly owned subsidiary of the Bank on 16th May 2008 and received its certificate of commencement on September 30th, 2008. ATSL is in the business of trusteeship services. It offers Trusteeship services and agency & administration services to corporate clients.

The paid-up capital of ATSL is Rs.1.50 crores. ATSL reported a net profit of Rs.24.66 crores for the year ended March 31st 2024. Apart from Ruby Towers, Dadar, ATSL has presence in Delhi, Gujrat Gift City, Bangalore, Chennai and Kolkata.

4. Axis Asset Management Company Ltd. (AAMC)

AAMC was incorporated on January 13th 2009 and received its certificate of commencement on 4th March 2009. AAMC is in the business of asset and wealth management.

In September 2012, the Bank entered into a strategic partnership with Schroders Plc. Through this partnership, Schroder Investment Management (Singapore) Ltd. (SIMSL), through its wholly owned subsidiary, Schroder Singapore Holdings Private Ltd. (SSHPL), acquired 25 per cent of the total issued and paid-up equity share capital plus one equity share in AAMC.

AAMC is registered with the SEBI to act as an Investment Manager for Axis Mutual Fund (the Fund). AAMC manages the investment portfolio of the schemes launched by the Fund and provides administrative services to the Fund.

AAMC is registered with the SEBI as a Portfolio Manager and provide Portfolio Management services (PMS). AAMC is also registered under SEBI (Alternative Investment Funds) Regulations and is providing an investment management services to scheme's launch under Alternative Investment Funds (AIF). Axis AMC (IFSC Branch) is registered with International Financial Services Centres Authority ('IFSCA') as Registered Fund Management Entity (Retail) (FME) under IFSCA (Fund Management) Regulation 2022. Axis AMC has not commenced operations at this location yet. As on 31.03.2024 3, AMC has 82 branches.

The paid-up capital of AAMC is Rs.210.11 crores. AAMC reported a net profit of Rs. 414.04 crores for the year ended March 31st 2024.

5. Axis Mutual Fund Trustee Ltd. (AMFT)

AMFT was incorporated on January 02nd, 2009 and received its certificate of commencement on 4th March 2009.

In September 2012, the Bank entered into a strategic partnership with Schroders Plc. Through this partnership, SIMSL, through its wholly owned subsidiary, SSHPL acquired 25 per cent of the total issued and paid-up equity share capital plus one equity share in AMFT.

AMFT is acting as a trustee to Axis Mutual Fund.

The paid-up capital of AMFT is Rs.0.05 crores. The Company reported a net profit is Rs.0.17 crores for the year ended March 31st 2024.

6. Axis Finance Ltd (AFL)

AFL was incorporated in India as a wholly-owned subsidiary of the Bank on April 27th 1995. It is a non-deposit accepting non-banking finance company (NBFC) regulated by the RBI.

AFL provides wholesale and retail lending solutions to corporate and retail customers. On the retail front, AFL offers products such as Loan against Property, Business Loan, Consumer Finance, Personal Loan and Loan against Securities. On the wholesale front, the products offered are Special Situations Funding, Structured Financing and Real-Estate Financing requirements.Total number of branches as on 31.03.2024 of AFL are 54 .

During the year ended March 31st 2021, Axis Private Equity Ltd., a wholly owned subsidiary, has merged with AFL.

The paid-up capital of AFL is Rs. Rs. 627.06 crores. AFL reported a net profit of Rs. 610.37 crores for the year ended March 31st 2024.

7. A.TREDS Ltd. (ATL)

ATL is a joint venture between the Bank and Mjunction Services Ltd. It was set up on 23rd May 2016. The Bank and Mjunction Services Ltd. each hold 67 per cent. and 33 per cent., of the share capital, respectively. ATL undertakes the activities and operations related to the trade receivable discounting system. ATL owns and operates "Invoicemart" a digital platform which connects MSME suppliers and corporate buyers to multiple financier. This platform enables sellers to get working capital quickly by selling their invoices to financiers. ATL has only 1 branch, in Thane.

The paid-up capital of ATL is Rs.65 crore. ATL reported a net profit of Rs. 17.81 crores for the year ended March 31st 2024.

8. Axis Bank UK Ltd. (ABUK)

ABUK is a wholly owned overseas subsidiary of the Bank and undertakes the activities of banking. . It was incorporated on 7th March 2011 in the United Kingdom and commenced its operations on April 19th 2013 upon receipt of approval from the PRA .

ABUK has a paid-up capital of US$ 55 million (Rs.458.73 crores) as on March 31st 2024. The subsidiary is currently under closure mode.

9. Freecharge Payment Technologies Private Limited (FPTPL)

Freecharge Payment Technologies Private Ltd. was acquired by the Bank (from Jasper Infotech Private Ltd.) on October 6th 2017, post receiving approval from RBI. Freecharge is now a wholly owned subsidiary of the Bank.

FPTPL operates payment system for prepaid payment instrument ("PPI") services, mobile wallets and also acts as merchant aggregator for online and offline merchant transactions and facilitates mobile recharge, Fastag recharge, DTH recharge, Data card recharge, pay mobile bills, utility bills, data cards etc. FPTPL acts as a business Correspondent and Technology Service Provider to Bank. As on 31.03.2024, Freecharge has 50 branches / offices including Registered and Corporate office.

During the year ended March 31st 2021, Accelyst Solution Private Ltd., a wholly owned subsidiary, has merged with Freecharge.

Freecharge has paid-up capital of Rs. 1,763.70 crores. The reported net profit was Rs. 78.86 crores for the year ended March 31st 2024.

10. Freecharge Business and Technology Services Ltd. (FBTSL)

A new company named 'Freecharge Business and Technology Service Limited' was incorporated on March 16, 2024 to exclusively act as business correspondent and technological service provider to the Bank. No capital was infused by the Bank as on March 31, 2024.

As on date, the total paid-up capital of FBTSL is Rs. 40 crores.

11. Axis Capital USA, LLC (Step down subsidiary of Axis Bank Ltd. and subsidiary of Axis Capital Ltd.) (ACUL)

ACUL was incorporated in Delaware on August 2nd 2017. It is a wholly owned subsidiary of Axis Capital Ltd. ACUL is a broker-dealer registered with Securities and Exchange Commission (SEC) and a member of Financial Industry Regulatory Authority (FINRA).

ACUL has paid-up capital of US$ 0.71 million (Rs. 5.79 crores).

12. Axis Pension Fund Management Limited (Step down subsidiary of Axis Bank Ltd. and subsidiary of Axis Asset Management Company Ltd.) (APFML)

Axis Pension Fund Management Limited (APFML) was incorporated on 17th May 2022 to undertake pension fund management business under the National Pension System.

APFML received its Certificate of Registration from Pension Fund Regulatory and Development Authority as a Pension Fund on July 1st , 2022 and Certificate of Commencement of Business on September 20th, 2022. It commenced its operations effective from October 21st, 2022. As on December 31, 2023, it has total Assets Under Management of Rs. 1,170 Crores.

Total paid-up capital of APFML is Rs. 80 crores. Axis AMC and Axis Bank hold 51.00% and 9.02% respectively of the paid-up capital of APFML. Other shareholders Havells Group and Manipal Group (through their entities) hold 19.99% each of the paid-up capital of APFML.

(c) **Details of the branches or units where the Issuer caries on its business activities, if any**:

The Issuer's corporate office and registered office is situated at Mumbai and Ahmedabad respectively.

The Bank has a well-distributed branch presence across several of India's regions and market sectors. ***As on March 31st 2024, the bank had a network of 5705 banking outlets with 5365 branches 12 extension counters, 143 specialized branches, and 182 BCBOs and 3 Digital Banking Units (DBU) as compared to 5548 branches and extension counters*** as at December 31st, 2023.

The Bank has opened 475 new branches and extension counters in fiscal 2024.

Branch premises are generally leased. Back-office operations are centralized at a central processing unit in Mumbai, allowing the Bank's branch network to focus on business acquisition and expanding customer relationships. From a monitoring perspective, the Bank has divided its franchise of branches into 37 Circle Offices and eight regional offices, which are administrative units that controls a cluster of branches, in order to provide for adequate supervision across various levels.

The following table sets forth the number of the Bank's branches (excluding extension centers) in India, classified by category based on the India 2011 census, as at March 31st'24.

Category	Number of Branches	Percentage of Branches
Metro	1537	28.63%
Urban	1255	23.38%
Semi-urban	1610	29.99%
Rural	963	17.94%
Total	**5365**	**100%**

The following table sets forth the number of the Bank's branches in India, classified by geographical distribution (based on RBI classification), as at March 31st'24.

Category	Number of Branches	Percentage of Branches
Northern	1399	26.08%
Eastern	822	15.32%
Western	1004	18.71%
Southern	1250	23.30%
Central	890	16.59%
Total	**5365**	**100%**

(d) **Project cost and means of financing, in case of funding of new projects**

As per the relevant Key Information Document.

2.8 EXPENSES OF THE ISSUE

As per the relevant Key Information Document.

2.9 FINANCIAL INFORMATION:

i. Audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) for a period of three completed years: The financial statements of the Issuer for the financial years ending 2022, 2023 and 2024 have been audited and certified by the Statutory Auditor(s) of the Issuer and accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc., are annexed herein as **Annexure A** (*Audited Financial Statements for the Last Three Financial Years, i.e. FY 2022, FY 2023 and FY 2024*). Each of the Statutory Auditor(s) holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

ii. **Key Operational and Financial Parameters on a consolidated and standalone basis:**

Consolidated Financial:

The consolidated 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.

The key operational parameters as indicated in below table for March 31, 2024, have been extracted from the audited financial statements for the year ended March 31, 2024 while March 31, 2023 numbers have been extracted from the comparative numbers as presented in the audited financial statements for the year ended March 31, 2024 and March 31, 2022 numbers have been extracted from the comparative numbers as presented in the audited financial statements for the year ended March 31, 2023.

(Rs. in crores)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Balance Sheet			
Property, Plant and Equipment	5,837.56	4,852.58	4,679.12
Financial assets[1]	14,48,180.40	12,65,190.30	11,12,327.78
Non-financial Assets excluding property, plant and equipment	NA	NA	NA
Total assets[2]	**15,18,238.53**	**13,44,417.96**	**11,95,779.15**
Financial Liabilities			
-Derivative financial instruments	NA	NA	NA
-Trade Payables	NA	NA	NA
-Debt Securities[3]	23,122.68	24,259.07	27,986.02
-Borrowings (other than Debt Securities)	1,76,492.57	1,53,444.30	1,49,664.59

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
-Deposits[4]	10,67,102.40	9,45,824.72	8,21,164.80
-Subordinated liabilities[5]	28,584.30	28,510.20	22,127.55
-Lease liabilities	NA	NA	NA
-Other financial liabilities	NA	NA	NA
Non-Financial Liabilities			
-Current tax liabilities (net)	NA	NA	NA
-Provisions	NA	NA	NA
-Deferred tax liabilities (net)	NA	NA	NA
-Other non-financial liabilities	NA	NA	NA
Equity (Equity share capital and other equity)[6]	1,57,023.53	1,29,781.71	118,260.66
Non-controlling interest	499.44	393.39	261.35
Total equity and liabilities[7]	**15,18,238.53**	**13,44,417.96**	**11,95,779.15**
Profit and Loss			
Total revenue from operations	112,759.05	87,448.37	68,846.06
Other income	25,230.31	18,348.93	17,268.13
Total Income	**1,37,989.36**	**1,05,797.30**	**86,114.19**
Total Expenses	**1,11,565.82**	**94,944.64**	**71,949.84**
Profit after taxation ("PAT")	**26,423.54**	**10,852.66**	**14,164.35**
Minority Interest	(106.05)	(100.06)	(87.60)
Share of Associate	68.71	65.85	42.54
Profit after taxation ("PAT")	**26,386.20**	**10,818.45**	**14,119.29**
Other comprehensive income	NA	NA	NA
Total Comprehensive Income	NA	NA	NA
Earnings per equity share: (a) basic; and (b) diluted	 85.62 85.01	 35.20 35.04	 46.04 45.91
Cash Flow			
Net cash generated from operating activities	(5,554.67)	22,074.78	28,137.30
Net cash used in / generated from investing activities	(9,088.16)	(32,694.38)	(27,232.10)
Net cash used in financing activities	22,341.25	6,640.54	47,894.08
Effect of exchange fluctuation translation reserve	86.83	343.48	119.87
Cash and cash equivalents at the beginning of the year	1,08,707.93	112,343.51	63,424.36
Cash and cash equivalents at the end of the year	1,16,493.18	1,08,707.93	112,343.51
Additional information			
Net worth	1,49,650.59	1,21,993.21	110,043.93
Cash and Cash Equivalents	1,16,493.18	1,08,707.93	112,343.51
Loans	9,99,333.48	8,68,387.54	7,25,376.14
Total Debt (Borrowing) (A)	2,28,199.55	2,06,213.57	199,778.16
Total Assets (B)	15,18,238.53	13,44,417.96	11,95,779.15
Total Debts to Total assets (%) (C=A/B)	15.03%	15.34%	16.71%
Interest Income	1,12,759.05	87,448.37	68,846.06
Interest Expense	61,390.74	43,389.15	34,922.66
Impairment on Financial Instruments	NA	NA	NA
Bad debts to loans	NA	NA	NA

1. Represents 'Cash in hand and balances with Reserve Bank of India', 'Balances with other bank and money at call and short notice', 'Investments' and 'Advances' as per audited consolidated financial statements.
2. Includes 'Other assets' and 'Goodwill on consolidation' as per audited consolidated financial statements.
3. Represents long term borrowings raised by issuing Infrastructure bonds and Medium Term Notes, other than capital instruments.
4. Represents 'Deposits' as per audited consolidated financial statements.
5. Includes capital instruments under 'Borrowings' as per the audited consolidated financial statements.
6. Represents total of 'Capital', 'Employees stock options outstanding' and 'Reserve and surplus' as per audited consolidated financial statements.
7. Includes 'Other liabilities' as per audited consolidated financial statements.

Standalone Financials:

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.

The key operational parameters as indicated in below table for March 31, 2024, have been extracted from the audited financial statements for the year ended March 31, 2024 while March 31, 2023 numbers have been extracted from the comparative numbers as presented in the audited financial statements for the year ended March 31, 2024 and March 31, 2022 numbers have been extracted from the comparative numbers as presented in the audited financial statements for the year ended March 31, 2023.

(Rs. in crores)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Balance Sheet			
Property, Plant and Equipment	5,684.58	4,733.85	4,572.35
Financial Assets[1]	14,11,050.02	12,40,528.48	10,94,530.92
Non-financial Assets excluding property , plant and equipment	NA	NA	NA
Total Assets[2]	**14,77,208.60**	**13,17,325.53**	**11,75,428.75**
Financial Liabilities			
-Derivative financial instruments	NA	NA	NA
-Trade Payables	NA	NA	NA
-Debt Securities[3]	23,122.68	24,259.07	27,986.02
-Borrowings (other than Debt Securities)	1,45,104.77	1,33,530.77	1,35,020.29
-Subordinated liabilities[4]	28,584.30	28,510.20	22,127.55
-Other financial liabilities[5]	10,68,641.39	9,46,945.21	8,21,971.55
Non-Financial Liabilities			
-Current tax liabilities (net)	NA	NA	NA
-Provisions	NA	NA	NA
-Deferred tax liabilities (net)	NA	NA	NA
-Other non-financial liabilities	NA	NA	NA
Equity (Equity share capital and other equity)[6]	1,51,061.58	1,25,416.65	115,174.06
Total equity and liabilities[7]	**14,77,208.60**	**13,17,325.53**	**11,75,428.75**
Profit and Loss			
Revenue from operations	1,09,368.63	85,163.77	67,376.83
Other income	22,441.96	16,143.42	15,220.54
Total Income	**1,31,810.59**	**1,01,307.19**	**82,597.37**
Total Expense	**1,06,949.16**	**91,727.51**	**69,571.89**
Profit after taxation ("PAT")	24,861.43	9,579.68	13,025.48
Other comprehensive income	NA	NA	NA
Total comprehensive income	NA	NA	NA
Earnings per equity share: (a) basic; and (b) diluted	 80.67 80.10	 31.17 31.02	 42.48 42.35
Cashflow			
Net cash flow generated from operating activities	6,460.68	26,902.11	33,951.27
Net cash used in / generated from investing activities	(9,257.96)	(33,022.00)	(27,351.63)
Net cash used in financing activities	10,760.94	1,239.33	42,537.75
Effect of exchange fluctuation translation reserve	79.92	304.24	119.92
Cash and cash equivalents (at the beginning of the year)	1,06,410.81	110,987.13	61,729.82
Cash and cash equivalents (at the end of the year)	1,14,454.39	1,06,410.81	110,987.13
Additional Information			
Net worth	1,44,069.47	1,17,893.38	107,194.56
Cash and Cash Equivalents	1,14,454.39	1,06,410.81	110,987.13
Loans	9,65,068.38	8,45,302.84	7,07,946.59
Loans (Principal Amount)			
Total Debt (Borrowing) (A)	1,96,811.75	1,86,300.04	185,133.86

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Total Assets (B)	14,77,208.60	13,17,325.53	11,75,428.75
Total Debts to Total assets (%) (C=A/B)	13.32%	14.14%	15.75%
Interest Income	1,09,368.63	85,163.77	67,376.83
Interest Expense	59,474.15	42,218.02	34,244.61
Impairment on Financial Instruments	NA	NA	NA
Bad Debts to Loans	NA	NA	NA
% Stage 3 Loans on Loans(Principal Amount)	NA	NA	NA
% Net Stage 3 Loans on Loans (Principal Amount)	NA	NA	NA
Gross NPA (%)*	1.43	2.02	2.82
Net NPA (%)*	0.31	0.39	0.73
Capital Adequacy ratios (%)	16.63	17.64	18.54
Tier I Capital Adequacy Ratio (%)	14.20	14.57	16.34
Tier II Capital Adequacy Ratio (%)	2.43	3.07	2.20

* As per RBI regulations

1. Represents 'Cash in hand and balances with Reserve Bank of India', 'Balances with other bank and money at call and short notice', 'Investments' and 'Advances' as per audited standalone financial statements.
2. Includes 'Other assets' as per audited standalone financial statements.
3. Represents long term borrowings raised by issuing Infrastructure bonds and Medium Term Notes, other than capital instruments
4. Includes capital instruments under 'Borrowings' as per the audited standalone financial statements.
5. Represents 'Deposits' as per audited standalone financial statements.
6. Represents total of 'Capital', 'Employees stock options outstanding' and 'Reserve and surplus' as per audited standalone financial statements.
7. Includes 'Other liabilities' as per audited standalone financial statements.

iii. **Debt: Equity Ratio of the Issuer (both on a standalone and consolidated basis):-**

Please refer to the relevant Key Information Document.

iv. **Details of any other contingent liabilities of the Issuer including amount and nature of liability:**

Please see **Annexure F**.

v. **The amount of corporate guarantee or letter of comfort issued by the Issuer along with details of the counterparty (viz. Name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued:**

2. The Issuer has not issued any corporate guarantee or letter of comfort in favour of any counterparty including its subsidiaries, joint venture entities, group companies etc.

2.10 BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION GIVING DETAILS OF ITS FOLLOWING ACTIVITIES:

(a) **Details of Share Capital as on June 30, 2024:**

Share Capital	Amount in Rupees
Authorized Share Capital (4,250,000,000 shares of Rs. 2/- each)	8,500,000,000
Issued, Subscribed and Paid-up Share Capital (3,09,02,46,466 shares of Rs. 2/- each)	6,18,04,92,932

(b) **Changes in its capital structure as at last quarter end, for the preceding three financial years and current financial year:**

There has been no change in the capital structure (Authorized Capital) of the Bank during the last three financial years and during the current financial year.

(c) **Details of the equity share capital for the preceding three financial years and current financial year as on the date of the General Information Document:-**

Date of Allotment	No of Equity Shares (After Sub Division Face Value Rs. 2/- earlier it was Rs. 10/-)	Issue Price (Rs) - Original	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
					No of equity shares	Equity Share Capital (Rs)	Equity Share Premium (in Rs/Share)	
08-Dec-93	50	10	Cash	Initial Capital	50	100	0	
08-Dec-93	50	10	Cash	Initial Capital	100	200	0	
08-Dec-93	50	10	Cash	Initial Capital	150	300	0	
08-Dec-93	50	10	Cash	Initial Capital	200	400	0	
08-Dec-93	50	10	Cash	Initial Capital	250	500	0	
08-Dec-93	50	10	Cash	Initial Capital	300	600	0	
08-Dec-93	50	10	Cash	Initial Capital	350	700	0	
02-Apr-94	50,00,00,000	10	Cash	Preferential Allotment	50,00,00,350	100,00,00,700	0	
28-Sep-94	3,75,00,000	10	Cash	Preferential Allotment	53,75,00,350	107,50,00,700	0	
28-Sep-94	75,00,000	10	Cash	Preferential Allotment	54,50,00,350	109,00,00,700	0	
28-Sep-94	75,00,000	10	Cash	Preferential Allotment	55,25,00,350	110,50,00,700	0	
26-Oct-94	75,00,000	10	Cash	Preferential Allotment	56,00,00,350	112,00,00,700	0	
26-Oct-94	75,00,000	10	Cash	Preferential Allotment	56,75,00,350	113,50,00,700	0	
26-Oct-94	75,00,000	10	Cash	Preferential Allotment	57,50,00,350	115,00,00,700	0	
23-Oct-98	8,45,15,500	21	Cash	Initial Public Offer – IPO	65,95,15,850	131,90,31,700	11	
31-Dec-01	23,17,50,000	34	Cash	Preferential Allotment	89,12,65,850	178,25,31,700	24	
28-Mar-02	5,78,93,800	39.04	Cash	Preferential Allotment	94,91,59,650	189,83,19,300	29.04	
30-Mar-02	99,04,700	39.04	Cash	Preferential Allotment	95,90,64,350	191,81,28,700	29.04	
28-Mar-03	19,18,14,170	42.75	Cash	Preferential Allotment	115,08,78,520	230,17,57,040	32.75	
21-Mar-05	20,24,51,500	256.65	Cash	GDR Issue	135,33,30,020	270,66,60,040	246.7	
25-Apr-05	1,50,03,500	256.65	Cash	GDR Issue	136,83,33,520	273,66,67,040	246.7	
27-Jul-07	14,13,24,670	620	Cash	QIP Issue	150,96,58,190	301,93,16,380	610	
27-Jul-07	7,06,62,330	620	Cash	GDR Issue	158,03,20,520	316,06,41,040	610	
27-Jul-07	15,34,75,645	620	Cash	Preferential Allotment	173,37,96,165	346,75,92,330	610	
24-Sep-09	16,52,22,500	906.7	Cash	QIP Issue	189,90,18,665	379,80,37,330	896.7	
24-Sep-09	2,52,77,500	906.7	Cash	GDR Issue	192,42,96,165	384,85,92,330	896.7	
24-Sep-09	1,98,83,160	906.7	Cash	Preferential Allotment	194,41,79,325	388,83,58,650	896.7	
20-Oct-12	6,04,50,000	5 equity shares of Axis Bank Ltd. for every 1 share of Enam Securities Pvt. Ltd. (ESPL)	Non-Cash (Equity Shares)	Allotted pursuant to the Scheme of Arrangement among Enam Securities Private Limited and Axis Bank Limited and Axis Securities and Sales Limited and their respective shareholders and creditors	200,46,29,325	400,92,58,650	-	
04-Feb-13	2,91,89,725	1390	Cash	Preferential Allotment	203,38,19,050	406,76,38,100	1380	
04-Feb-13	17,00,00,000	1390	Cash	QIP Issue	220,38,19,050	440,76,38,100	1380	

Date of Allotment	No of Equity Shares (After Sub Division Face Value Rs. 2/- earlier it was Rs. 10/-)	Issue Price (Rs) - Original	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
					No of equity shares	Equity Share Capital (Rs)	Equity Share Premium (in Rs/Share)	
18-Dec-17	16,53,28,892	525	Cash	Preferential Allotment	236,91,47,942	473,82,95,884	-	
29-May-19	4,53,57,385	565.00	Cash	Conversion of warrants issued on preferential basis	241,45,05,327	482,90,10,654	563.00	
26-Sep-19	19,87,28,139	629.00	Cash	QIP Issue	261,32,33,466	522,64,66,932	627.00	
11-Aug-20	23,80,38,560	420.10	Cash	QIP Issue	285,12,72,026	570,25,44,052	418.10	
On Various Dates*	23,89,74,440	-	Cash	Allotment under ESOP till 30-06-2024	3,09,02,46,466	618,04,92,932	-	

Note-

1. The shareholders of the Bank at the 20th Annual General Meeting held on June 27, 2014, had approved the sub-division (split) of one equity share of the Bank from nominal value of Rs. 10/- each into five equity shares of nominal value of Rs. 2/- each. The record date for the said sub-division was July 30, 2014.
2. The Board of Directors at its meeting held on December 8, 2022, approved grant of fresh 5,00,00,000 units to the eligible employees of the Bank, under the Axis Bank Limited – Employee Stock Unit Scheme – 2022 ("Scheme"). The shareholders vide postal ballot approved the same on January 16, 2023.

ESOP details are as under:

Date of allotment (Calendar Year wise)	No of Equity Shares (After Subdivision Face Value RS. 2/-)	Consideration (Cash, other than cash, etc.)	Nature of Allotment
2003	41,28,850	Cash	Allotment of shares under ESOP
2004	90,90,130	Cash	Allotment of shares under ESOP
2005	1,13,02,500	Cash	Allotment of shares under ESOP
2006	1,31,13,365	Cash	Allotment of shares under ESOP
2007	1,54,10,975	Cash	Allotment of shares under ESOP
2008	80,37,660	Cash	Allotment of shares under ESOP
2009	1,29,01,015	Cash	Allotment of shares under ESOP
2010	3,13,38,780	Cash	Allotment of shares under ESOP
2011	1,33,71,400	Cash	Allotment of shares under ESOP
2012	1,24,54,165	Cash	Allotment of shares under ESOP
2013	1,13,93,460	Cash	Allotment of shares under ESOP
2014	1,69,07,523	Cash	Allotment of shares under ESOP
2015	1,59,57,557	Cash	Allotment of shares under ESOP
2016	1,21,57,413	Cash	Allotment of shares under ESOP
2017	74,11,607	Cash	Allotment of shares under ESOP
2018	57,85,429	Cash	Allotment of shares under ESOP
2019	57,57,668	Cash	Allotment of shares under ESOP
2020	36,73,559	Cash	Allotment of shares under ESOP
2021	61,96,676	Cash	Allotment of shares under ESOP
2022	72,95,160	Cash	Allotment of shares under ESOP
2023	90,62,139	Cash	Allotment of shares under ESOP
Jan to June 2024	62,27,409	Cash	Allotment of shares under ESOP
Total	**23,89,74,440**		

(d) **Details of any acquisition of or amalgamation with any entity in the preceding one year:**

Nil

(e) **Details of any reorganization or reconstruction in the preceding one year:** Nil

(f) **Details of the Shareholding of the Issuer as at latest quarter end, i.e. June 30 ,2024, as per the format specified under the listing regulations:**

Please refer to Annexure H in relation to the same.

(g) **List of top 10 holders of equity shares of the Issuer as on the latest quarter end, i.e. June 30 ,2024:**

Sr. No.	Name of the Shareholder	Total no. of equity shares	No. of shares in demat form	Total Shareholding as % of total no of equity shares
1	Life Insurance Corporation of India	24,48,60,645	2,44,86,0645	7.92
2	The Bank of New York Mellon	14,21,69,540	1,42,169,540	4.60
3	HDFC through its various mutual fund schemes	11,89,47,000	11,89,47,000	3.85
4	SBI through its various mutual fund schemes	11,81,35,814	11,81,35,814	3.82
5	ICICI Prudential through its various mutual fund schemes	9,49,94,359	9,49,94,359	3.07
6	Dodge and Cox International Stock Fund	6,85,57,850	6,85,57,850	2.22
7	NPS TRUST through its various schemes	6,57,86,524	6,57,86,524	2.13
8	Nippon through its various mutual fund schemes	5,81,25,994	5,81,25,994	1.88
9	Government of Singapore	5,53,06,399	5,53,06,399	1.79
10	Government Pension Fund Global	5,03,76,380	5,03,76,380	1.63

2.11 FOLLOWING DETAILS REGARDING THE DIRECTORS OF THE ISSUER:

i. **Details of the current directors of the Issuer as on the date of this General Information Document:**

Sr. No	Name, Designation and DIN of Director	Age	Address	Date of appointment	Details of other Directorships of the Board of Directors as on Date of Issue	Whether wilful defaulter (Yes / No)
1.	N. S. Vishwanathan Independent Director & Non-Executive (Part-Time) Chairman DIN: 09568559	66 years	C-811, Raja Aristos, Doddakammanahalli Road, Off Bannerghatta Road, Bangalore 560076	30-05-2023 as an Independent Director 27-10-2023 as Non-Executive (Part-Time) Chairman (refer note no.2 &3)	i. Acuite Ratings and Research Limited, Non-Executive Chairman of the Board ii. National E-Governance Services Limited, Additional Director	No
2.	Amitabh Chaudhry Managing Director & CEO DIN: 00531120	60 years	Flat No. 2002, 20th Floor, B Wing, Three Sixty West, Annie Besant Road and Sadanand Hasu Tandel Marg, Worli, Mumbai 400025.	01.01.2019	i. Axis Capital Limited, Chairman and Director. ii. Axis Finance Limited, Chairman and Director. iii. Axis Asset Management Company Limited, Chairman and Director.	No
3.	Girish Paranjpe Independent Non-Executive Director DIN: 02172725	66 years	Villa 141, Phase 1, Adarsh Palmmeadows, Ramagondanahall, Whitefield, Bangalore-560 066.	2.11.2018	i. IBS Software Pte Limited, Singapore, Director ii. Modenik Lifestyle Private Limited , Director (Formerly known as Dixcy Textiles Pvt Ltd.), Director iii. CRISIL Limited, Director iv. CRISIL Irevna UK Limited, Director v. Max Life Insurance Company Limited, Director	No

Sr. No	Name, Designation and DIN of Director	Age	Address	Date of appointment	Details of other Directorships of the Board of Directors as on Date of Issue	Whether wilful defaulter (Yes / No)
4.	Meena Ganesh Independent non – executive Director DIN: 00528252	60 years	No. 76, 1st Cross Defence Colony, Indira Nagar, Bangalore North, Bengaluru – 560038	01.08.2020	i. CRM Holdings Private Limited, Director & Shareholder ii. Healthvista India Limited, Managing Director & Shareholder iii. Portea Medical Private Limited, Director iv. Ezeesmart Education Private Limited, Director & Shareholder v. Takecare Technology Private Limited, Director vi. Qtrove Services Private Limited, Director vii. Curated Marketplaces Private Limited, Director & Shareholder viii. Rocket Logistics Private Limited, Director ix. Pfizer Limited, Director x. Hitachi Energy India Limited, Director	No
5.	G. Padmanabhan Independent non – executive Director DIN: 7130908	69 years	Flat 503, Seaside, Prabhanagar, P Balu Marg, Prabhadevi, Mumbai 400025	28.10.2020	i. Haldyn Glass Limited, Director ii. India International Bullion Exchange IFSC Ltd, Public Interest Director	No
6.	Prof. S. Mahendra Dev Independent non – executive Director DIN: 06519869	66 years	Villa # 20, Prime Alpenia, Shankarpalli Road, Mokila, Telangana - 501503	14.06.2021	-	No
7.	P N Prasad Independent Director DIN: 07430506	64 years	Flat No: 501, 5th Floor XVI Avenue Mangaldeep CHS 16th Road, Khar West Mumbai - 400 052. Maharashtra.	20.10.2022	i. National E-Governance Services Limited, Independent Director ii. Styrenix Performance Materials Limited, Director iii. Insolvency Professional Agency of Institute of Cost Accountants of India, Independent Director iv. RDC Concrete (India) Limited	No

Sr. No	Name, Designation and DIN of Director	Age	Address	Date of appointment	Details of other Directorships of the Board of Directors as on Date of Issue	Whether wilful defaulter (Yes / No)
8.	CH S S Mallikarjunarao Independent Director DIN: 07667641	62 years	5-12-72/2, Laxmipuri, High Tension Lane Road, Sainikpuri, Hyderabad - 500094	01-02-2023	.Indian Financial Technology and Allied Services, Director	No
9.	Pranam Wahi DIN - 00031914	66 years	K-901, Central Park 1, Sector 42, DLF- Colf Course Road, Gurgaon, Haryana - 122009	15-02-2024	DCM Shriram Limited	No
10.	Mini Ipe Nominee Director - LIC DIN – 07791184	61 years	Flat No 6, Oval View, Maharshi Karve Road, Opp Oval Maidan, Churchgate, Mumbai 400021	29-07-2023	-	No
11.	Rajiv Anand Deputy Managing Director DIN: 02541753	58 years	D 2203 Vivarea, Sane Guruji Marg, Saatrasta, Near Jacob Circle, Mahalaxmi Mumbai 400011.	04.08.2016	i. Axis Bank UK Limited, Director ii. Max Life Insurance Company Limited, Director and Chairman iii. Bombay Chamber of Commerce and Industry, Director	No
12.	Subrat Mohanty Executive Director DIN – 08679444	48 years	Villa 36, Prestige Bougainvillea, ECC Road, Whitefield, Bengaluru, Karnataka – 560066	17-08-2023	i. Max Life Insurance Company Limited, Director ii. Freecharge Payment Technologies Private Limited, Director iii. Freecharge Business and Technology Services Limited, Director iv. Axis Securities Limited, Director	No
13.	Munish Sharda Executive Director DIN - 06796060	53 years	B 2701, Lodha Bellissimo, Lower Parel, Mumbai - 400011	27-02-2024	A. Treds Limited, Director	No

Notes:

1. The above details are in relation to body corporates in which directorships are held. It does not include trusts, LLPs, associations, clubs, advisory boards, governing council and society.
2. The Board of Directors of the Bank at its Meeting held on May 30, 2023, appointed N. S. Vishwanathan, as Additional Independent Director of the Bank w.e.f. May 30, 2023, up to May 29, 2027 (both days inclusive). The said appointment was approved by shareholders at its AGM held on July 28, 2023.
3. The Board of Directors of the Bank at its Meeting held on June 16, 2023 approved the appointment of N. S. Vishwanathan (DIN: 09568559), Independent Director as the Non-Executive (Part-time) Chairman of the Bank for a period of three years subject to approval of the shareholders of the Bank and the Reserve Bank of India. The said appointment was approved by shareholders at its AGM held on July 28, 2023. RBI vide its letter dated July 26, 2023 has also approved the said appointment. The said appointment is effective from October 27, 2023.
4. The Board of Directors of the Bank at its meeting held on July 27, 2023 approved appointment of Mini Ipe as Nominee Director (LIC), liable to retire by rotation for a period of three years, with effect from 29 July, 2023 upto 28 July, 2026 (both days inclusive). The shareholders of the Bank approved the said appointment vide postal ballot on October 26, 2023.

5. The Board of Directors of the Bank at its meeting held on April 28, 2023 approved appointment of Subrat Mohanty as Executive Director of the Bank, liable to retire by rotation, for a period of three years with effect from August 17, 2023 upto August 16, 2026 (both days inclusive). The said appointment was approved by the members of the Bank at the AGM held on July 28, 2023. RBI vide its letter dated August 17, 2023 has also approved the said appointment.
6. The Board of Directors of the Bank on October 26, 2023 had approved the appointment of Munish Sharda as Executive Director of the Bank effective from November 1, 2023 or the date of approval of his appointment by RBI, whichever is later, subject to the approval of Reserve Bank of India, for a period of three years with effect from the effective date. The shareholders of the Bank approved the said appointment vide postal ballot on December 1, 2023. RBI vide its letter dated February 27, 2024 has also approved the said appointment w.e.f. February 27, 2024.
7. The Board of Directors of the Bank vide their circular resolution passed on February 14, 2024, appointed Pranam Wahi as an additional independent director of the Bank for a period of four years with effect from February 15, 2024 up to February 14, 2028 (both days inclusive), subject to approval of shareholders.

* Issuer to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any. **None.**

ii. Details of change in directors in the preceding three financial years and current financial year:

Sr. No.	Name of Director & Designation	DIN	Date of Appointment	Date of Cessation	Date of Resignation, if applicable
1.	Pralay Mondal Executive Director (Retail Director)	00117994	August 1, 2019	NA	September 14, 2020
2.	Rohit Bhagat Independent Director	02968574	January 16, 2013	NA	Close of business hours on January 15, 2021
3.	B. Baburao Nominee Director – Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)	00425793	January 19, 2016	January 22, 2021	NA
4.	Prof. S. Mahendra Dev Independent Director	06519869	June 14, 2021.	NA	NA
5.	Stephen Pagliuca Nominee-Entities affiliated to BAIN Capital (Equity Investor)	07995547	December 19, 2017	NA	Close of business hours on December 18, 2021
6.	Rajesh Dahiya Executive Director (Corporate Centre)	07508488	August 4, 2016	NA	Close of business hours on December 31, 2021.
7.	Amitabh Chaudhry Managing Director & CEO	00531120	Appointed w.e.f. January 1, 2019 Re-appointed w.e.f. January 1, 2022.	NA	NA
8.	Rajiv Anand Deputy Managing Director	02541753	Appointed as Executive Directors (Retail Banking) w.e.f. August 4, 2016 Re-designated as Executive Directors (Wholesale Banking) w.e.f. December 21, 2018 Re-designated as Deputy Managing Director w.e.f. December 27, 2021. Re-appointed w.e.f. August 4, 2022	NA	NA

Sr. No.	Name of Director & Designation	DIN	Date of Appointment	Date of Cessation	Date of Resignation, if applicable
9.	P N Prasad Independent Director	07430506	October 20, 2022.	NA	NA
10.	Girish Paranjpe Independent Director	02172725	Appointed w.e.f. November 2, 2018 Re-appointed w.e.f. November 2, 2022.	NA	NA
11.	CH S. S. Mallikarjunarao Independent Director	07667641	February 1, 2023.	NA	NA
12.	S. Vishvanathan Independent Director	02255828	February 11, 2015	NA	Close of business hours on February 10, 2023.
13.	Vasantha Govindan Nominee Director – Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)	02230959	January 27, 2021	NA	March 27, 2023
14.	T.C. Suseel Kumar Non-Executive (Nominee) Director	06453310	July 1, 2020	July 29, 2023	NA
15.	Mini Ipe Non - Executive Director (Nominee of LIC)	07791184	July 29, 2023	NA	NA
16.	Manoj Kohli Independent Director	00162071	June 17, 2022	August 11, 2023	NA
17.	Subrat Mohanty Executive Director	08679444	August 17, 2023	NA	NA
18.	Rakesh Makhija Independent Director and Part-Time Chairman	00117692	Appointed w.e.f. October 27, 2015 Re-appointed w.e.f. October 27, 2020. Re-appointed w.e.f. July 18, 2022.	NA	Close of business hours of October 26, 2023.
19.	N.S. Vishwanathan Independent Director and Part-Time Chairman	09568559	Appointed as Independent Director w.e.f. May 30, 2023 Appointed as Part-Time Chairman w.e.f. October 27, 2023.	NA	NA
20.	Ashish Kotecha Non-Executive (Nominee Director) affiliated to BAIN Capital [Equity Investor]	02384614	Appointed w.e.f. November 1, 2020	NA	Close of business hours on December 14, 2023
21.	Ketaki Bhagwati Independent	07367868	Appointed w.e.f. January 19, 2016	NA	Close of business hours on January 18, 2024

Sr. No.	Name of Director & Designation	DIN	Date of Appointment	Date of Cessation	Date of Resignation, if applicable
	Director		Reappointed w.e.f. January 19, 2021		
22.	Pranam Wahi Independent Director	00031914	February 15, 2024.	NA	NA
23.	Munish Sharda Executive Director	06796060	February 27, 2024	NA	NA
24.	Meena Ganesh Independent Director	00528252	Appointed w.e.f. August 1, 2020 Re-appointed w.e.f. August 1, 2024	NA	NA
25.	G. Padmanabhan Independent Director	7130908	Appointed w.e.f. October 28, 2020 Re-appointed w.e.f. October 28, 2024	NA	NA

iii. Details of directors' remuneration, and such particulars of the nature and extent of their interests in the Issuer (during the current year and preceding 3 (three) financial years):-

(a) Remuneration payable or paid to a director by the Issuer, its subsidiary or associate company;

Please refer to **Annexure C**.

(b) Shareholding of the director in the Issuer, its subsidiaries and associate companies on a fully diluted basis:

Shareholding of Directors in the Bank as on June 30, 2024

Name	Shareholding in the Bank as on 31.03.2024 (No. of Shares)
Girish Paranjpe – Independent Director	0
Meena Ganesh - Independent Director	0
G. Padmanabhan - Independent Director	0
Prof. S. Mahendra Dev - Independent Director	0
P N Prasad - Independent Director	130
CH SS Mallikarjunarao - Independent Director	20
N.S. Vishwanathan - Independent Director	0
Pranam Wahi - Independent Director	0
Mini Ipe – Nominee Director	0
Amitabh Chaudhry - MD & CEO	0
Rajiv Anand – DMD	5,89,010
Subrat Mohanty – ED	770
Munish Sharda – ED	0

Shareholding of Directors of the Bank in subsidiaries as on June 30, 2024:

Rajiv Anand, Deputy Managing Director, Subrat Mohanty, Executive Director and Munish Sharda, Executive Director of the Bank hold shares in the subsidiaries of the Bank in capacity of a nominee of the Bank. None of the other directors hold shares in the subsidiaries of the Bank.

The shareholding details are as under:

Name of Subsidiary	Shareholding in subsidiaries as on 30.06.2024		
	Rajiv Anand	Subrat Mohanty	Munish Sharda
Axis Finance Ltd.	11	10	-
A. Treds Ltd.	10	10	-
Axis Securities Ltd.	10	-	10
Freecharge Payment Technologies Pvt. Ltd.	27	-	27
Axis Trustee Services Ltd.	10	-	10

Name of Subsidiary	Shareholding in subsidiaries as on 30.06.2024		
	Rajiv Anand	Subrat Mohanty	Munish Sharda
Axis Capital Ltd.	10	10	-
Axis Assets Management Company Ltd.	10	-	10
Axis Mutual Fund Trustee Ltd.	10	10	-
Axis Pension Fund Management Limited	-	10	-
Freecharge Business and Technology Services Ltd.	10	10	10

For the details of the shareholding pattern of the Issuer, please refer to **Section 2.9 (f)** above.

(a) Appointment of any relatives to an office or place of profit of the Issuer, its subsidiary or associate company:

There is no appointment of relatives to an office or place of profit of the issuer, its subsidiary or associate company

(b) Full particulars of the nature and extent of interest, if any, of every director:

I. in the promotion of the Issuer;

Nil

II. in any immoveable property acquired by the Issuer in the 2 (two) years preceding the date of the issue document or any immoveable property proposed to be acquired by it

Nil

III. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the Issuer shall be disclosed.

Nil

iv. Contribution being made by the directors as part of the offer or separately in furtherance of such objects.

As per the relevant Key Information Document.

2.12 ANY FINANCIAL OR OTHER MATERIAL INTEREST OF THE DIRECTORS, PROMOTERS, KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT IN THE OFFER AND THE EFFECT OF SUCH INTEREST IN SO FAR AS IT IS DIFFERENT FROM THE INTERESTS OF OTHER PERSONS.

As per the relevant Key Information Document.

2.13 FOLLOWING DETAILS REGARDING THE AUDITORS OF THE ISSUER:

i. Details of the auditor of the Issuer:

Name	Address	Auditor since
M M Nissim & Co LLP. Chartered Accountants	Barodawala Mansion, B-Wing, 3rd Floor, 81, Dr. Annie Besant Road, Worli, Mumbai 400 018, INDIA	26/07/2024
KKC & Associates LLP. Chartered Accountants	Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013., INDIA	26/07/2024

ii. Details of change in auditor for preceding three financial years and current financial year:

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
M. P. Chitale & CO. Chartered Accountants	First Floor, Hamam House, Ambalal Doshi Marg, Fort, Mumbai -400 001 INDIA	30/07/2021	26/07/2024	NA

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
CNK Associates LLP. Chartered Accountants	3rd Floor, Mistry Bhavan, Dinshaw Vachha Road, Churchgate, Mumbai-400021, INDIA	30/07/2021	26/07/2024	NA

2.14 DETAILS OF FOLLOWING LIABILITIES OF THE ISSUER AS AT THE END OF THE PRECEDING QUARTER (I.E. JUNE 30th 2024), OR IF AVAILABLE, A LATER DATE:-

i. Details of outstanding secured loan facilities:-

Name of the Lender	Type of Facility	Amt Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
Bank has not availed any secured loan facility except borrowings transactions under liquidity adjustment facility and marginal standing facility							

ii. Details of outstanding unsecured loan facilities as on June 30th 2024:

Name of the Lender	Type of Facility	Principal Amount outstanding (Rs)	Original Amount Sanctioned (Rs)	Repayment Date / Schedule
EXMREF-EXIM REFINANCE	Refinance	35,000,000,000	35,000,000,000	30-12-24
EXMREF-EXIM REFINANCE	Refinance	25,000,000,000	25,000,000,000	22-03-25
EXMREF-EXIM REFINANCE	Refinance	10,000,000,000	10,000,000,000	28-06-25
MUDREF-MUDRA REFINANCE	Refinance	2,200,000,000	1,460,000,000	01-01-26
MUDREF-MUDRA REFINANCE	Refinance	1,200,000,000	800,000,000	01-02-26
MUDREF-MUDRA REFINANCE	Refinance	20,000,000,000	20,000,000,000	01-01-25
MUDREF-MUDRA REFINANCE	Refinance	12,000,000,000	12,000,000,000	01-09-24
MUDREF-MUDRA REFINANCE	Refinance	3,000,000,000	3,000,000,000	01-09-24
MUDREF-MUDRA REFINANCE	Refinance	12,000,000,000	12,000,000,000	24-11-26
NABREF-NABARD REFINANCE	Refinance	50,000,000,000	14,000,000,000	31-12-24
NABREF-NABARD REFINANCE	Refinance	50,000,000,000	14,000,000,000	31-12-24
NABREF-NABARD REFINANCE	Refinance	16,900,000,000	6,145,200,000	31-05-25
NABREF-NABARD REFINANCE	Refinance	16,000,000,000	8,000,000,000	31-07-25
NABREF-NABARD REFINANCE	Refinance	16,000,000,000	2,750,000,000	31-07-24
NABREF-NABARD REFINANCE	Refinance	44,600,000,000	26,100,000,000	31-03-26
NABREF-NABARD REFINANCE	Refinance	16,000,000,000	9,600,000,000	31-10-25
NABREF-NABARD REFINANCE	Refinance	70,000,000,000	42,000,000,000	31-10-25
NABREF-NABARD REFINANCE	Refinance	55,000,000,000	33,000,000,000	31-12-25
NABREF-NABARD REFINANCE	Refinance	9,800,000,000	5,800,000,000	31-12-25
NABREF-NABARD REFINANCE	Refinance	60,250,000,000	40,166,600,000	31-05-25
NABREF-NABARD REFINANCE	Refinance	53,000,000,000	45,428,500,000	30-09-25
NABREF-NABARD REFINANCE	Refinance	35,000,000,000	29,166,700,000	31-08-25
NABREF-NABARD REFINANCE	Refinance	35,000,000,000	35,000,000,000	31-12-25
NHBREF-NHB REFINANCE	Refinance	20,000,000,000	17,948,716,000	31-03-33
NHBREF-NHB REFINANCE	Refinance	20,000,000,000	17,948,716,000	31-03-33
SIDREF-SIDBI REFINANCE	Refinance	12,000,000,000	1,001,100,000	10-09-24
SIDREF-SIDBI REFINANCE	Refinance	20,260,000,000	2,250,400,000	10-10-24
SIDREF-SIDBI REFINANCE	Refinance	14,740,000,000	2,048,600,000	09-11-24
SIDREF-SIDBI REFINANCE	Refinance	7,500,000,000	1,285,300,000	10-12-24
SIDREF-SIDBI REFINANCE	Refinance	32,000,000,000	10,667,000,000	10-03-25
SIDREF-SIDBI REFINANCE	Refinance	33,000,000,000	11,000,400,000	10-03-25
SIDREF-SIDBI REFINANCE	Refinance	1,695,900,000	308,100,000	10-12-24
SIDREF-SIDBI REFINANCE	Refinance	3,004,100,000	617,300,000	10-01-25
SIDREF-SIDBI REFINANCE	Refinance	3,000,000,000	795,000,000	10-03-25
SIDREF-SIDBI REFINANCE	Refinance	22,000,000,000	7,333,600,000	10-05-25
SIDREF-SIDBI REFINANCE	Refinance	2,500,000,000	786,400,000	10-05-25
SIDREF-SIDBI REFINANCE	Refinance	50,000,000,000	33,333,300,000	29-07-25
SIDREF-SIDBI REFINANCE	Refinance	10,000,000,000	4,166,200,000	10-09-25
SIDREF-SIDBI REFINANCE	Refinance	50,000,000,000	33,333,300,000	30-09-25
SIDREF-SIDBI REFINANCE	Refinance	50,000,000,000	33,333,300,000	31-10-25
SIDREF-SIDBI REFINANCE	Refinance	13,000,000,000	5,943,400,000	10-10-25
SIDREF-SIDBI REFINANCE	Refinance	7,000,000,000	3,200,000,000	10-10-25
SIDREF-SIDBI REFINANCE	Refinance	10,000,000,000	10,000,000,000	22-12-25

Name of the Lender	Type of Facility	Principal Amount outstanding (Rs)	Original Amount Sanctioned (Rs)	Repayment Date / Schedule
SIDREF-SIDBI REFINANCE	Refinance	18,800,000,000	9,400,400,000	10-12-25
SIDREF-SIDBI REFINANCE	Refinance	1,060,000,000	530,800,000	10-12-25
SIDREF-SIDBI REFINANCE	Refinance	50,000,000,000	50,000,000,000	27-01-26
SIDREF-SIDBI REFINANCE	Refinance	10,648,300,000	5,637,100,000	10-12-25
SIDREF-SIDBI REFINANCE	Refinance	9,351,700,000	5,076,500,000	10-01-26
SIDREF-SIDBI REFINANCE	Refinance	30,000,000,000	30,000,000,000	13-03-26
SIDREF-SIDBI REFINANCE	Refinance	2,150,000,000	1,202,000,000	10-01-26
SIDREF-SIDBI REFINANCE	Refinance	8,258,500,000	4,639,000,000	10-02-26
SIDREF-SIDBI REFINANCE	Refinance	1,000,000,000	599,600,000	10-03-26
SIDREF-SIDBI REFINANCE	Refinance	40,000,000,000	40,000,000,000	30-09-24
SIDREF-SIDBI REFINANCE	Refinance	50,000,000,000	50,000,000,000	14-08-26
SIDREF-SIDBI REFINANCE	Refinance	14,000,000,000	14,000,000,000	22-08-26
SIDREF-SIDBI REFINANCE	Refinance	950,000,000	679,000,000	10-07-26
SIDREF-SIDBI REFINANCE	Refinance	20,000,000,000	20,000,000,000	11-09-24
SIDREF-SIDBI REFINANCE	Refinance	20,000,000,000	20,000,000,000	11-03-25
SIDREF-SIDBI REFINANCE	Refinance	30,000,000,000	30,000,000,000	11-09-26
SIDREF-SIDBI REFINANCE	Refinance	50,000,000,000	50,000,000,000	20-10-26
SIDREF-SIDBI REFINANCE	Refinance	50,000,000,000	50,000,000,000	23-11-26
SIDREF-SIDBI REFINANCE	Refinance	21,700,000,000	21,700,000,000	24-11-26
SIDREF-SIDBI REFINANCE	Refinance	500,000,000	500,000,000	24-11-26
SIDREF-SIDBI REFINANCE	Refinance	15,000,000,000	15,000,000,000	24-11-26
SIDREF-SIDBI REFINANCE	Refinance	460,000,000	460,000,000	15-01-27
SIDREF-SIDBI REFINANCE	Refinance	25,000,000,000	25,000,000,000	05-02-25
SIDREF-SIDBI REFINANCE	Refinance	7,520,000,000	7,520,000,000	01-03-27
SIDREF-SIDBI REFINANCE	Refinance	20,000,000,000	20,000,000,000	28-06-27
SIDREF-SIDBI REFINANCE	Refinance	30,000,000,000	30,000,000,000	28-06-25
Total		**1,556,048,500,000**	**1,129,661,532,000**	

iii. Details of outstanding non-convertible securities as on June 30, 2024:

Series	ISIN	Tenor/ Period of maturity (in years)	Coupon	Outstanding amount (Rs)	Allotment Date	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security
Sr 1 Infra	INE238A08351	10	8.85	57,05,00,00,000	05/12/2014	05/12/2024	CRISIL AAA ICRA AAA	Unsecured	NA
22	INE238A08369	10	8.45	8,50,00,00,000	12/02/2015	12/02/2025	CRISIL AAA CARE AAA ICRA AAA	Unsecured	NA
23	INE238A08377	10	8.5	15,00,00,00,000	30/09/2015	30/09/2025	CRISIL AAA CARE AAA ICRA AAA	Unsecured	NA
Sr 2 Infra	INE238A08385	10	8.25	30,00,00,00,000	30/10/2015	30/10/2025	CRISIL AAA CARE AAA ICRA AAA	Unsecured	NA
24	INE238A08393	10	8.5	24,30,00,00,000	27/05/2016	27/05/2026	CRISIL AAA ICRA AAA IND AAA	Unsecured	NA
25	INE238A08419	10	7.84	18,00,00,00,000	23/11/2016	23/11/2026	ICRA AAA IND AAA	Unsecured	NA
27	INE238A08435	10	7.66	50,00,00,00,000	15/06/2017	15/06/2027	CRISIL AAA ICRA	Unsecured	NA

Series	ISIN	Tenor/ Period of maturity (in years)	Coupon	Outstanding amount (Rs)	Allotment Date	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security
							AAAIND AAA		
Sr 4 Infra	INE238A 08450	10	8.6	30,00,00,00,000	28/12/2018	28/12/2028	CRISIL AAA ICRA AAA	Unsecured	NA
Sr 5 Infra	INE238A 08468	7	7.65	41,75,00,00,000	30/01/2020	30/01/2027	CRISIL AAA ICRA AAA	Unsecured	NA
Sr 6 Infra	INE238A 08476	10	6.99	26,00,00,00,000	22/12/2021	22/12/2031	CRISIL AAA ICRA AAA	Unsecured	NA
30	INE238A 08484	10	7.88	1,20,00,00,00,000	13/12/2022	13/12/2032	IND AAA	Unsecured	NA
Sr 7 Infra	INE238A 08492	10	7.64	38,51,00,00,000	07/03/2024	07/03/2034	CRISIL AAA ICRA AAA	Unsecured	NA

iv. Details of commercial paper issuances as at the end of the last quarter i.e., June 30th 2024:

Nil

v. List of Top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on June 30, 2024:

Sr No.	Name	Category	Face value of holding (in ₹)	Holding as a % of total outstanding non- convertible securities of the Issuer
1	CBT EPF through various funds	Provident Fund	1,80,00,00,00,000	39.21
2	NPS Trust through various funds	Pension Fund	1,03,72,10,00,000	22.59
3	Life Insurance Corporation of India	Insurance	60,00,00,00,000	13.07
4	ICICI Prudential Life Insurance Company Limited	Insurance	29,13,00,00,000	6.34
5	SBI Life Insurance Company Limited	Insurance	13,00,00,00,000	2.83
6	HDFC Life Insurance Company Limited	Insurance	8,60,00,00,000	1.87
7	Life Insurance Corporation of India Provident Fund No 1	Provident Fund	8,35,00,00,000	1.82
8	State Bank of India Employees Pension Fund	Pension Fund	6,10,00,00,000	1.33
9	HDFC Ergo General Insurance Company Limited	Insurance	4,00,00,00,000	0.87
10	Max Life Insurance Company Limited	Insurance	3,85,60,00,000	0.84

Note:

i. Face value has been consolidated on the basis of PAN across all series of Non-convertible debentures issued by the Bank.

ii. Percentage holding is calculated basis the total consolidated value of issuances across all series of Non-convertible debentures issued by the Bank.

vi. List of top ten holders of Commercial Paper in terms of value (in cumulative basis)

Nil

vii. Details of bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditor:

Nil

2.15 THE AMOUNT OF CORPORATE GUARANTEE OR LETTER OF COMFORT ISSUED BY THE ISSUER ALONG WITH NAME OF THE COUNTERPARTY (LIKE NAME OF THE SUBSIDIARY, JOINT VENTURE ENTITY, GROUP COMPANY, ETC.) ON BEHALF OF WHOM IT HAS BEEN ISSUED, CONTINGENT LIABILITY INCLUDING DEBT SERVICE RESERVE ACCOUNT GUARANTEES/ ANY PUT OPTION ETC. (DETAILS OF ANY OUTSTANDING BORROWINGS TAKEN/ DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH). THIS INFORMATION SHALL BE DISCLOSED WHETHER SUCH BORROWING/ DEBT SECURITIES HAVE BEEN TAKEN/ ISSUED: (I) IN WHOLE OR IN PART; (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION OR NOT.

The Issuer has not issued any corporate guarantee or letter of comfort in favour of any counterparty including its subsidiaries, joint venture entities, group companies etc.

2.16 WHERE THE ISSUER IS A NON-BANKING FINANCE COMPANY OR HOUSING FINANCE COMPANY THE DISCLOSURES ON ASSET LIABILITY MANAGEMENT (ALM) SHALL BE PROVIDED FOR THE LATEST AUDITED FINANCIALS:

The Issuer is not a Non-Banking Finance Company or Housing Finance Company.

2.17 DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES, COMMERCIAL PAPER (INCLUDING TECHNICAL DELAY) AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE OR LETTERS OF COMFORT ISSUED BY THE COMPANY, IN THE PRECEDING THREE YEARS AND THE CURRENT FINANCIAL YEAR.

Nil

2.18 ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC.) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE NON-CONVERTIBLE SECURITIES/COMMERCIAL PAPER:

Please refer to **Annexure E**.

2.19 ANY LITIGATION OR LEGAL ACTION PENDING OR TAKEN BY A GOVERNMENT DEPARTMENT OR A STATUTORY BODY OR REGULATORY BODY DURING THE THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE ISSUE OF GENERAL INFORMATION DOCUMENT AGAINST THE PROMOTER OF THE ISSUER:

Please refer to **Annexure E**.

2.20 DETAILS OF DEFAULT AND NON-PAYMENT OF STATUTORY DUES FOR THE PRECEDING THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR:

There is no default and non-payment of statutory dues.

2.21 DETAILS OF PENDING LITIGATION INVOLVING THE ISSUER, PROMOTER, DIRECTOR, SUBSIDIARIES, GROUP COMPANIES OR ANY OTHER PERSON, WHOSE OUTCOME COULD HAVE MATERIAL ADVERSE EFFECT ON THE FINANCIAL POSITION OF THE ISSUER, WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE DEBT SECURITIES AND/ OR NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES.

Please see **Annexure E**.

2.22 DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE ISSUER IN THE PRECEDING THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR, IF ANY, AND IF SO, THE ACTION TAKEN BY THE ISSUER.

Material Frauds

The Special Committee of the Board of Directors constituted for the purpose of Monitoring of Large Value Frauds comprises five Directors namely Ms. Mini Ipe, Mr. N. S. Vishwanathan, Mr. Amitabh Chaudhry, Mr. P.N. Prasad & Prof. S. Mahendra Dev. The Committee is chaired by Ms. Mini Ipe. The Special Committee of the Board of Directors constituted for the purpose of Monitoring of Large Value Frauds was constituted pursuant to an RBI circular to monitor fraudulent activity involving frauds of ₹ 10 million and above. The major functions of the Special Committee involve overseeing investigation of large value frauds involving amounts of ₹ 10 million and above in each case, actions taken by the Bank against the perpetrators of such frauds and suggesting and reviewing corrective steps to plug systemic loopholes, if any, monitoring the progress in all the large value frauds and implementation of the suggestions made by the Committee, reviewing the accounts identified as 'Red-Flagged' with an exposure amounting to ₹ 500 million and above from the Bank, reviewing matters involving cyber frauds and functioning of Fraud Review Council. The Bank's Policy relating to Management and Reporting of Frauds is approved by the Committee, the functioning of the Committee is reviewed by the Board of Directors every year.

In the last three years, the acts of frauds involving an amount of ₹ 10 million or more, against the Bank as reported to the RBI are enclosed in the attached document as **Annexure I** (*Details of Material Frauds*).

2.23 DETAILS OF PENDING PROCEEDINGS INITIATED AGAINST THE ISSUER FOR ECONOMIC OFFENCES, IF ANY.

Economic offences related proceedings have been filed against Issuer, its directors or key managerial personnel in the ordinary course of its business. The claims on the Issuer in such proceedings mainly arise in connection with civil or criminal cases involving allegations of fraudulent transactions, economic offences and other cases filed in the ordinary course of business. Such proceedings have been responded with appropriate counters based on facts of each case. The majority of these cases arise in the ordinary course of business and the Issuer believes, based on the facts of the cases and consultation with counsel, that these cases generally do not involve the risk of a material adverse impact on its financial performance or stockholders' equity.

Please also refer section 2.21 for other criminal / civil pending litigations.

2.24 RELATED PARTY TRANSACTIONS ENTERED DURING THE PRECEDING THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR WITH REGARD TO LOANS MADE OR, GUARANTEES GIVEN OR SECURITIES PROVIDED.

Please see **Annexure B**.

2.25 IN CASE THE ISSUER IS A NON-BANKING FINANCE COMPANY (NBFC) AND THE OBJECTS OF THE ISSUE ENTAIL LOAN TO ANY ENTITY WHO IS A 'GROUP COMPANY' THEN DISCLOSURES SHALL BE MADE IN THE FORMAT PROVIDED.

The Issuer is not a Non-Banking Finance Company.

2.26 IN ORDER TO ALLOW INVESTORS TO BETTER ASSESS THE ISSUE, THE FOLLOWING ADDITIONAL DISCLOSURES TO BE MADE IN THE GENERAL INFORMATION DOCUMENT: (I) A PORTFOLIO SUMMARY WITH REGARDS TO INDUSTRIES/ SECTORS TO WHICH BORROWINGS HAVE BEEN GRANTED BY NBFCS; (II) QUANTUM AND PERCENTAGE OF SECURED VIS-À-VIS UNSECURED BORROWINGS GRANTED BY NBFC; (III) ANY CHANGE IN PROMOTERS' HOLDINGS IN NBFCS DURING THE PRECEDING FINANCIAL YEAR BEYOND THE THRESHOLD SPECIFIED BY THE RESERVE BANK OF INDIA FROM TIME TO TIME.

The Issuer is not a Non-Banking Finance Company.

2.27 CONSENT OF DIRECTORS, AUDITORS, BANKERS TO ISSUE, TRUSTEES, SOLICITORS OR ADVOCATES TO THE ISSUE, LEGAL ADVISORS TO THE ISSUE, REGISTRAR TO THE ISSUE, AND LENDERS (IF REQUIRED, AS PER THE TERMS OF THE AGREEMENT) AND EXPERTS.

Please refer to the relevant Key Information Document.

2.28 DEBENTURE TRUSTEE:

Please refer to the relevant Key Information Document.

2.29 UNDERWRITING

Please refer to the relevant Key Information Document.

2.30 WHETHER SECURITY IS BACKED BY GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT/LETTER WITH SIMILAR INTENT. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES), THE SAME SHALL BE DISCLOSED IN THE OFFER DOCUMENT:

Please refer to the relevant Key Information Document.

2.31 DISCLOSURE OF CASH FLOW WITH DATE OF INTEREST/DIVIDEND/ REDEMPTION PAYMENT AS PER DAY COUNT CONVENTION:

i. The day count convention for dates on which the payment in relation to non-convertible securities which need to be made: As per the relevant Key Information Document.

ii. Procedure and time schedule for allotment and issuance of securities:

Issue opening date	As per the relevant Key Information Document
Issue closing date	As per the relevant Key Information Document
Pay-in Date	As per the relevant Key Information Document

Deemed Date of Allotment	As per the relevant Key Information Document

iii. **Cash flow emanating from the non-convertible securities by way of illustration:**

As per the relevant Key Information Document.

2.32 DISCLOSURES PERTAINING TO WILFUL DEFAULT

Neither the Issuer, nor any of its promoters, the promoter group or directors are debarred from accessing the securities market or dealing in securities by SEBI or are wilful defaulters. None of the promoters or directors of the Issuer is a fugitive economic offender, or a promoter or whole-time director of another company which is a wilful defaulter.

2.33 DECLARATION BY THE ISSUER

The Issuer hereby confirms that this General Information Document is in compliance with and that nothing in the General Information Document is contrary to the provisions of Companies Act, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder.

The compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of preference shares or debentures/ bonds, if applicable, is guaranteed by the Central Government.

The monies received under the Issue pursuant to this offer letter shall be used only for the purposes and objects indicated in the Key Information Document/private placement offer cum application letter.

Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association of the Issuer. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

2.34 RATING RATIONALE ADOPTED BY THE RATING AGENCIES

Please refer to the relevant Key Information Document..

2.35 DIRECTOR'S CERTIFICATE

Please refer to the relevant Key Information Document.

2.36 SECURITY

Please refer to the relevant Key Information Document.

2.37 LISTING

Please refer to the relevant Key Information Document.

2.38 OTHER DETAILS

i. Creation of Debenture Redemption Reserve - relevant legislations and applicability**.**

Please refer to the relevant Key Information Document.

ii. Issue/instrument specific regulations - relevant details (Companies Act, RBI guidelines, etc.).

Please refer to the relevant Key Information Document.

iii. Default in Payment:

Please refer to the relevant Key Information Document.

iv. Delay in Listing:

Please refer to the relevant Key Information Document.

v. Delay in allotment of securities:

Please refer to the relevant Key Information Document.

vi. Issue Details:

Please refer to the relevant Key Information Document.

vii. *Application process:

During the period of the Issue, the Eligible Investors can subscribe to the NCS in accordance with the application process mentioned in the relevant Key Information Document.

viii. Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities) Rules, 2014

Please refer to the Key Information Document.

ix. Project Details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:

NA

2.39 Additional Disclosures and Reports

A. If the proceeds, or any part of the proceeds, of the Issue are or is to be applied directly or indirectly:

a. in the purchase of any business; or

b. in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith,

the Issuer shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the General Information Document) upon:

i. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the General Information Document; and

ii. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the General Information Document.

As per the relevant Key Information Document.

B. In purchase or acquisition of any immovable property including indirect acquisition of immovable property for which advances have been paid to third parties, disclosures regarding:

a. the names, addresses, descriptions and occupations of the vendors;

b. the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;

c. the nature of the title or interest in such property proposed to be acquired by the company; and

d. the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction;

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location / total area and the number of vendors from whom it is being acquired and the aggregate value being paid.

Details of minimum amount, the maximum amount and the average amount paid / payable should also be disclosed for each immovable property.

As per the relevant Key Information Document.

C. If:

a. the proceeds, or any part of the proceeds, of the Issue are or are to be applied directly or indirectly and, in any manner resulting in the acquisition by the Issuer of shares in any other body corporate; and

b. by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the Issuer, a report shall be made by a chartered accountant (who shall be named in the General Information Document) upon:

i. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and

ii. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

As per the relevant Key Information Document.

D. The said report shall:

a. indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the Issuer and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the Issuer had at all material times held the shares proposed to be acquired; and

b. where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (C) (b) above.

As per the relevant Key Information Document.

2.40 THE BROAD LENDING AND BORROWING POLICY INCLUDING SUMMARY OF THE KEY TERMS AND CONDITIONS OF THE TERM LOANS SUCH AS RE-SCHEDULING, PREPAYMENT, PENALTY, DEFAULT; AND WHERE SUCH LENDING OR BORROWING IS BETWEEN THE ISSUER AND ITS SUBSIDIARIES OR ASSOCIATES, MATTERS RELATING TO TERMS AND CONDITIONS OF THE TERM LOANS INCLUDING RE-SCHEDULING, PREPAYMENT, PENALTY, DEFAULT

The Issuer has framed its lending policy and internal processes with the objective of achieving profitable growth of its lending portfolio by identifying specific business opportunities and managing the risks involved. The lending policy guides adherence to regulatory guidelines, adherence to due diligence based on industry best practices and seeks to ensure consistent and transparent credit selection, appraisal process and operating guidelines.

The Board of Directors has delegated credit approval authority to various committees, forums, and individual officers under the credit policy.

The Issuer's criteria for acceptability of credit include:

- An acceptable internal /external credit rating;
- Healthy cash flows;
- Satisfactory quality of management in terms of past track record of performance, competence, professionalism, integrity and corporate governance practices;
- Sustainability of business model in the long term;
- Likely market share;
- Likely future leader in emerging businesses;
- Acceptable underlying security and credit enhancement measures;
- Probability of credit rating enhancement in the medium term;
- Appropriate pricing and acceptable rate of return on capital; and
- Opportunities for boosting return on capital from ancillary businesses.

Each credit proposal is thereafter prepared in an appropriate appraisal format which also includes the critical terms & conditions and is placed before the approving authority. For retail products, the Issuer evaluates credit proposals based on operating policies/guidelines.

The Issuer communicates the terms of sanction as approved by the respective sanctioning authority to the borrower, which includes key terms and conditions such as security, pricing, conditions precedent for disbursement. The Issuer thereafter enters into appropriate legal agreement with the borrower. These documents ensure that the Issuer has appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate, retain or take legal possession of it in a timely manner in the event of default by the counter party. In order to protect the interest of the Issuer, the Credit Policy of the Bank recognizes legal action, restructuring and rehabilitation, settlements, sell down to asset reconstruction companies etc. as a mode of recovery of its dues.

The borrowing policies are framed in accordance with various laws & regulations applicable to the Bank. The Bank raises borrowings in INR and foreign currencies in normal course of business up to the aggregate amount not exceeding the limits approved by shareholders/the Board of Directors/the Committee of the Board from time to time under the applicable laws.

The Issuer's primary source of funding is deposits and borrowings. In the rupee market, most of our deposit are at fixed rates of interest. We accept deposits for fixed periods, except for savings account deposits and current account deposits, which do not have any specified maturity and can be withdrawn on demand. Our borrowings are for a fixed period and range from overnight borrowing in the call market to issuance of long term bonds. The foreign currency loans of the Bank are generally funded with foreign currency borrowings and deposits in our overseas branches.

2.41 THE AGGREGATE NUMBER OF SECURITIES OF THE ISSUER AND ITS SUBSIDIARY COMPANIES PURCHASED OR SOLD BY THE PROMOTER GROUP, AND BY THE DIRECTORS OF THE COMPANY WHICH IS A PROMOTER OF THE ISSUER, AND BY THE DIRECTORS OF THE ISSUER AND THEIR RELATIVES, WITHIN SIX MONTHS IMMEDIATELY PRECEDING THE DATE OF FILING THE GENERAL INFORMATION DOCUMENT WITH THE REGISTRAR OF COMPANIES

Promoters and its Directors

Life Insurance Corporation, promoter of the Bank has not sold or purchased any securities of the Bank or its subsidiaries within six months immediately preceding the date of filing the General Information Document.

Dr V S Parthasarathy, Non-Executive Director - Independent Director of the Promoter has sold 322 shares of the Bank within six months immediately preceding the date of filing the General Information Document.

Directors of the Bank and their relatives

Rajiv Anand, Deputy Managing Directors of the Bank, sold an aggregate of 20990 shares of the Bank within six months immediately preceding the date of filing the General Information Document.

Munish Sharda, Executive Director of the Bank, sold an aggregate of 1439 shares of the Bank within six months immediately preceding the date of filing the General Information Document.

2.42 PAGE NUMBER OF THE AUDIT REPORT WHICH SETS OUT THE DETAILS OF THE RELATED PARTY TRANSACTIONS ENTERED DURING THE THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE ISSUE OF ISSUE DOCUMENT

Page no. 379 of Annual report of FY 2023-24

2.43 THE SUMMARY OF RESERVATIONS OR QUALIFICATIONS OR ADVERSE REMARKS OF AUDITORS IN THE THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF GENERAL INFORMATION DOCUMENT, AND OF THEIR IMPACT ON THE FINANCIAL STATEMENTS AND FINANCIAL POSITION OF THE ISSUER, AND THE CORRECTIVE STEPS TAKEN AND PROPOSED TO BE TAKEN BY THE ISSUER FOR EACH OF THE SAID RESERVATIONS OR QUALIFICATIONS OR ADVERSE REMARKS

NA

2.44 THE DETAILS OF: (A) INQUIRY, INSPECTIONS OR INVESTIGATIONS INITIATED OR CONDUCTED UNDER THE SECURITIES LAWS OR COMPANIES ACT, 2013 OR ANY PREVIOUS COMPANIES LAW; (B) PROSECUTIONS FILED, IF ANY (WHETHER PENDING OR NOT); AND (C) FINES IMPOSED OR OFFENCES COMPOUNDED; IN THE THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF ISSUE DOCUMENT IN THE CASE OF THE ISSUER BEING A COMPANY AND ALL OF ITS SUBSIDIARIES

A show cause notice dated 18 May 2018 was issued by the Ministry of Corporate Affairs, Government of India, to the Bank alleging non-compliance with certain provisions of the Companies Act, read with the Companies (Restriction on Number of Layers) Rules, 2017 in relation failure by the Bank, to file a return in e-form CRL-1 within the prescribed time limit prescribed under the Companies Act, read with the Companies (Restriction on Number of Layers) Rules, 2017. The Bank replied to the show cause notice, by way of its letter dated 24 May 2018, stating that a banking company (as defined in the Banking Regulation Act) is exempt, from the requirement of filing of e-form CRL-1 under the Companies (Restriction on Number of Layers) Rules, 2017 and thus the Bank was not required to file the form with the RoC. The matter is currently pending.

There have been no prosecutions filed against, fines imposed on, or compounding of offences by the Bank or its Subsidiaries in the last three years under the Companies Act or any previous company law.

2.45 THE DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE ISSUER IN THE PRECEDING THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR, IF ANY, AND ACTIONS TAKEN BY THE ISSUER

Please refer to Section 2.22 of this General Information Document.

2.46 UNDERTAKING OF THE ISSUER

Please refer to the relevant Key Information Document.

2.47 DUE DILIGENCE BY THE DEBENTURE TRUSTEE

Please refer to the relevant Key Information Document.

2.48 OBJECTS OF THE ISSUE

Please refer to the relevant Key Information Document.

2.49 SUMMARY OF THE TERMS OF THE ISSUE

Please refer to the relevant Key Information Document.

2.50 THE MATTERS RELATING TO: (I) MATERIAL CONTRACTS; AND (II) TIME AND PLACE AT WHICH THE CONTRACTS TOGETHER WITH DOCUMENTS WILL BE AVAILABLE FOR INSPECTION FROM THE DATE OF GENERAL INFORMATION DOCUMENT UNTIL THE DATE OF CLOSING OF SUBSCRIPTION LIST

Please refer to the relevant Key Information Document.

2.51 INCONSISTENCY/REPUGNANCE

In the event of any inconsistency between this (a) General Information Document and the relevant Key Information Document, the provisions of the relevant Key Information Document shall prevail; and (b) General Information Document and the relevant Transaction Documents, the provisions of the relevant Transaction Documents shall prevail.

SECTION 3: DISCLOSURES UNDER COMPANIES ACT, 2013

1. GENERAL INFORMATION

i. Name, address, website and other contact details of the Issuer, indicating both registered office and the corporate office:

Name	:	AXIS BANK LIMITED
Registered Office of Issuer	:	"Trishul", Third Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006.
Corporate Office of Issuer	:	'Axis House', Pandurang Budhkar Marg, Worli, Mumbai – 400025
Corporate Identity Number	:	L65110GJ1993PLC020769
Phone No.	:	+9179 – 66306161 (Registered) +91 - 22 -24252525 / 43252525 (Corporate)
Contact Person	:	Rituparna Banerjee
Email	:	alm@axisbank.com
Website	:	www.axisbank.com
Fax	:	Fax No. +9179 - 26409321

ii. Date of Incorporation of the Issuer: December 3rd, 1993

iii. Business carried on by the Issuer and its subsidiaries with the details of branches or units, if any:

- Please refer to Section 2.7(ii)(a) (*Overview and a brief summary of the business / activities of the Issuer*) of this General Information Document.

(A) Details of subsidiaries or branches or units of the Issuer:

- Please refer to Section 2.7(ii)(b) (*Overview and brief summary of the business / activities of the subsidiaries of the Issuer*) of this General Information Document.

iv. Brief particulars of the management of the Issuer:

Following is the composition of the Board of Directors, as on date.

S. No.	Name of the Director	Designation
1.	N. S. Vishwanathan	Independent Director and Part-Time Chairman
2.	Amitabh Chaudhry	Managing Director & CEO
3.	Girish Paranjpe	Independent Director
4.	Meena Ganesh	Independent Director
5.	G. Padmanabhan	Independent Director
6.	Prof. S. Mahendra Dev	Independent Director
7.	P. N. Prasad	Independent Director
8.	CH. S. S. Mallikarjunarao	Independent Director
9.	Mini Ipe	Non-Executive (Nominee) Director
10.	Pranam Wahi	Independent Director
11.	Rajiv Anand	Deputy Managing Director
12.	Subrat Mohanty	Executive Director
13.	Munish Sharda	Executive Director

v. Name, address, DIN and occupations of the directors:

Please refer to Section 2.11(i) (*Details of the current directors of the Issuer as on the date of this General Information Document*) of this General Information Document.

vi. Management perception of Risk Factors: Please refer to Section 1 (*Risk Factors*) of this General Information Document read with the relevant Key Information Document.

vii. Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:

A. Statutory Dues: Nil

B. Debentures and interest thereon: Nil

C. Deposits and interest thereon: Nil

D. Loans from any banks or financial institution and interest thereon: Nil

viii. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Issuer, if any, for the Issue:

Name:	Mr Sandeep Poddar
Designation:	Senior Vice President II – Company Secretary
Address:	8th Floor, 'Axis House', Pandurang Budhkar Marg, Worli, Mumbai – 400025
Phone No.:	+91 - 22 -24252525 / 43252525
Email:	shareholders@axisbank.com

ix. Details of any default in annual filing of the Issuer company under the Companies Act, 2013 or the rules made thereunder:

None

2. PARTICULARS OF OFFER

Please refer to the applicable Key Information Document for a summary of the key terms.

3. MODE OF PAYMENT FOR SUBSCRIPTION

As per the relevant Key Information Document.

4. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC.

Any financial or other material interest of the directors, promoters or key managerial personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons	As per the relevant Key Information Document.
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any Promoter of the Issuer during the last 3 (three) years immediately preceding the year of the issue of this General Information Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Please refer to **Annexure E**
Remuneration of directors (during the current year and last 3 financial years)	Please refer to **Annexure C**
Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this General Information Document including with regard to loans made or, guarantees given or securities provided	Please refer to **Annexure B**
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this General Information Document and of their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remark	NA
Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous Issuer law in the last 3 (three) years immediately preceding the year of circulation of this General Information Document in the case of the Issuer and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) financial years immediately preceding the year of this General Information Document and if so, section-wise details thereof for the Issuer and all of its subsidiaries	Please refer to Section 2.44 of this General Information Document.

Details of acts of material frauds committed against the Issuer in the last 3 (three) financial years, if any, and if so, the action taken by the Issuer	Please refer to Section 2.22 of this General Information Document.

5. **FINANCIAL POSITION OF THE ISSUER**:

i. The capital structure of the Issuer company in the following manner in a tabular form:

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value) as on June 30, 2024

Particulars	Authorized	Issued	Subscribed	Paid-up
Description of shares	Equity shares of Rs. 2/- each			
No. of shares	4,25,00,00,000	3,09,02,46,466	3,09,02,46,466	3,09,02,46,466
Nominal value per share (INR)	8,50,00,00,000	6,18,04,92,932	6,18,04,92,932	6,18,04,92,932
Aggregate nominal value (INR)	8,50,00,00,000	6,18,04,92,932	6,18,04,92,932	6,18,04,92,932
Total	8,50,00,00,000	6,18,04,92,932	6,18,04,92,932	6,18,04,92,932

Size of the Present Issue	As per the relevant Key Information Document.

Paid-up Capital:

A. After the offer:

As per the relevant Key Information Document.

B. After the conversion of convertible instruments (if applicable)

As per the relevant Key Information Document.

Share Premium Account: A. Before the offer: B. After the offer:	As per the relevant Key Information Document.

Details of the existing share capital of the Issuer:

i) Equity Share Capital:

Please refer to Section 2.10.(c) (*Details of the equity share capital for the preceding three financial years and current financial year as on the date of the General Information Document*) of this General information Document.

Details of allotments (number and price) made by the Issuer for consideration other than cash in the last one year preceding the date of this General Information Document along with the details of consideration in each case.	There have been no allotments for consideration other than cash in the last one year preceding the date of this General Information Document.

Profits of the Issuer, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this General Information Document

S. No.	Particulars	FY22	FY23	FY24
1.	Profit before provision for tax	17,382.56	16,905.85	33,060.07
2.	Profit after provision	13,025.48	9,579.68	24,861.43

*Figures are in INR crores

Dividends declared by the Issuer in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	Dividends declared by the Bank in respect of the last three financial years. FY 2024– Rs. 307.98 crores FY 2023– Rs. 307.14 crores FY 2022– NIL The interest coverage ratio is as below: Financial Year FY2024– NA

	Financial Year FY2023– NA Financial Year FY2022– NA
A summary of the financial position of the Issuer as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this General Information Document	Please refer to **Annexure A**
Audited cash flow statement for the 3 (three) years immediately preceding the date of circulation of this General Information Document	Please refer to **Annexure A**
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Issuer	Please refer to **Annexure D**

6. DETAILS

(To be filed by the Applicant)

Name: [●]

Father's name: [●]

Complete Address including Flat/House Number, Street, Locality, Pin Code: [●]

Phone number, if any: [●]

Email ID, if any: [●]

PAN Number: [●]

Bank Account Details: [●]

Demat Account: [●]

Subscription Amount: [●]

Number of NCS: [●]

_____

Signature

(initial of the officer of the Issuer designated to keep the record)

7. DECLARATION BY THE DIRECTORS THAT:

a. the Issuer has complied with the provisions of the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules made thereunder;

b. the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of preference shares or debentures/ bonds, if applicable, is guaranteed by the Central Government;

c. the monies received under the Issue pursuant to this offer letter shall be used only for the purposes and objects indicated in the Key Information Document (read with the General Information Document)/private placement offer cum application letter;

d. the PAN, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters of the Issuer and PAN of the directors of the Issuer have been submitted to the NSE and BSE.

The Board of Directors of the Issuer *vide* resolution dated April 24, 2024 authorised the Managing Directors & CEO to delegate the powers relating to Bond Issuance including signing of all relevant documents to any other senior official of the Bank, in pursuance the Managing Director & CEO has accordingly delegated the powers to the Undersigned. Accordingly, I am authorized to sign this General Information Document and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this General Information Document and matters incidental thereto have been complied with. This General Information Document contains full disclosures in accordance with the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time.

Whatever is stated in this General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association of the Issuer. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this General Information Document.

For **Axis Bank Limited**

Name: Rituparna Banerjee
Designation: Head – Asset Liability Management
Date: August 29, 2024
Place: Mumbai

Attachments:

- Copy of board resolution, as **Annexure D** to the Key Information Document
- Copy of shareholders resolution, as **Annexure D** to the Key Information Document
- Details of Legal Proceedings, as **Annexure E** to the General Information Document
- Summary of financial position and audited cash flow for the last 3 financial years (i.e. FY 2021-22, FY 2022-23 and FY 2023-24), as **Annexure A** to the General Information Document.;
- Remuneration of Directors, as **Annexure C** to the General Information Document.
- Changes in accounting policies, as **Annexure D** to the General Information Document.
- Related Party Transactions, as **Annexure B** to the General Information Document.

ANNEXURE A

PART 1

AUDITED FINANCIAL STATEMENTS FOR LAST THREE FINANCIAL YEARS (i.e. FY24, FY23, FY22)

1. **FY 2023-24- https://www.axisbank.com/annual-reports/2023-2024/index.html**
2. **FY 2022-23- https://www.axisbank.com/annual-reports/2022-2023/index.html**
3. **FY 2021-22- https://www.axisbank.com/annual-reports/2021-2022/index.html**

ANNEXURE B

RELATED PARTY TRANSACTIONS

Related party disclosure FY 2023-24

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 August 17, 2023)**
- **Mr. Munish Sharda (Executive Director) (with effect from February 27, 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. P. Kamashi, 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

Max Life Insurance Company Limited

Based on RBI guidelines, details of transactions with Associate (Max Life Insurance Company Limited) and balances payable to/ receivable from Promoter (Life Insurance Corporation of India) 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 March 31, 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	-	-	-	-

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
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 March 31, 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 March 31, 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 details of transactions of the Group with its related parties during the year ended March 31, 2023 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
Dividend paid	29.14	0.06	-*	**29.20**
Interest paid	164.98	0.11	0.34	**165.43**
Interest received	-*	0.09	-*	**0.09**
Investment in non-equity instrument of related party	-	-	-	-
Investment of related party in the Bank	-	16.38	-	**16.38**
Redemption of Hybrid capital/Bonds of the Bank	958.00	-	-	**958.00**
Sale of investments	-	-	-	-
Remuneration paid	-	15.26	-	**15.26**
Contribution to employee benefit fund	13.76	-	-	**13.76**
Placement of deposits	0.22	-	-	**0.22**
Repayment of deposit	-	-	-	-
Advance granted (net)	-	-	-	-
Advance repaid	-*	7.65	-	**7.65**
Receiving of services	114.01	-	-	**114.01**
Rendering of services	54.18	0.01	-*	**54.19**
Sale/ Purchase of foreign exchange currency to/from related party	-	2.55	0.24	**2.79**
Other reimbursements from related party	42.79	-	-	**42.79**
Other reimbursements to related party	0.08	-	-	**0.08**

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.

The balances payable to/receivable from the related parties of the Group as on March 31, 2023 are given below:

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	5,678.24	1.96	6.61	**5,686.81**
Placement of security deposits	2.11	-	-	**2.11**
Advances	0.57	1.27	0.03	**1.87**
Investment in non-equity instruments of related party	-	-	-	-
Investment of related party in the Bank	48.97	0.11	-*	**49.08**
Non-funded commitments	3.25	-	-	**3.25**
Investment of related party in Hybrid capital/ Bonds of the Bank	500.00	-	-	**500.00**
Other receivables (net)	2.20	-	-	**2.20**
Other payables (net)	1.32	-	-	**1.32**

*** Denotes amount less than ₹50,000/-**

The maximum balances payable to/receivable from the related parties of the Group during the year ended March 31, 2023 are given below

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	9,771.44	20.17	11.17	**9,802.78**
Placement of security deposits	2.11	-	-	**2.11**
Advances	0.57	8.89	0.10	**9.56**
Investment of related party in the Bank	49.22	0.11	-	**49.33**
Investment in non-equity instrument of related party	-	-	-	-
Non-funded commitments	3.25	-	-	**3.25**
Investment of related party in Hybrid capital/Bonds of the Bank	1,458.00	-	-	**1,458.00**
Other receivables (net)	16.29	-	-	**16.29**
Other payables (net)	1.32	-	-	**1.32**

The significant transactions between the Group and related parties during the year ended March 31, 2024 and March 31, 2023 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 March 31, 2024	Year ended March 31, 2023
Dividend paid		
Administrator of the Specified Undertaking of the Unit Trust of India	-	4.65
Life Insurance Corporation of India	**24.49**	24.49
Interest paid		
Administrator of the Specified Undertaking of the Unit Trust of India	**8.61**	32.89
Life Insurance Corporation of India	**391.10**	132.09
Interest received		
Mr. Amitabh Chaudhry	-	0.04
Mr. Rajiv Anand	**0.04**	0.06
Life Insurance Corporation of India	-*	-*
Investment of related party in the Bank		
Mr. Amitabh Chaudhry	**9.77**	-
Mr. Rajiv Anand	**10.62**	16.38
Redemption of Hybrid Capital/Bonds of the Bank		
Life Insurance Corporation of India	-	958.00
Remuneration paid		
Mr. Amitabh Chaudhry	**9.10**	9.23
Mr. Rajiv Anand	**6.07**	6.03
Mr. Subrat Mohanty	**2.29**	N.A.
Contribution to employee benefit fund		
Life Insurance Corporation of India	**15.95**	13.76

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Placement of deposits Life Insurance Corporation of India	**-**	0.22
Advance repaid		
Life Insurance Corporation of India	**-**	-*
Mr. Amitabh Chaudhry.	**-**	7.25
Mr. Rajiv Anand	**0.42**	0.40
Receiving of services		
Life Insurance Corporation of India	**97.20**	113.69
Rendering of services		
Life Insurance Corporation of India	**90.82**	54.18
Sale/ Purchase of foreign exchange currency to/from related party		
Mr. Amitabh Chaudhry	**0.10**	1.78
Mr. Rajiv Anand	**0.09**	0.76
Other reimbursements to related party		
Life Insurance Corporation of India	**1.14**	0.08
Other reimbursements from related party		
Life Insurance Corporation of India	**-**	42.79

* Denotes amount less than ₹50,000/-

Related party disclosure FY 2022-23

The related parties of the Group are broadly classified as:

e) Promoters

The Bank has identified the following entities as its Promoters:

- **Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)**
- **Life Insurance Corporation of India (LIC)**

In March 2023, the Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI) has made a request to the Bank to exit SUUTI from "promoter" category and reclassify it to "public" category. In terms of Reg. 31A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, the said request is subject to the approval of the Bank's Board, Stock Exchanges and other Statutory/ Regulatory Authorities, if any. The reclassification will be effective post receipt of the aforesaid approvals.

f) Key Management Personnel

- **Mr. Amitabh Chaudhry (MD & CEO)**
- **Mr. Rajiv Anand (Deputy Managing Director)**
- **Mr. Rajesh Dahiya [Executive Director (Corporate Centre)] (upto December 31st, 2021)**

g) ***Relatives of Key Management Personnel***

Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, 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. P. Kamashi, Ms. Charu Narain, Ms. K Ramalakshmi, Ms. Hemant Dahiya, Ms. Arooshi Dahiya, Mr. Anshul Avasthi, Ms. Mallika Dahiya, Ms. Jal Medha, Mr. Jai Prakash Dahiya, Ms. Pooja Rathi, Mr. Gagan Rathi.

d) Associate

Max Life Insurance Company Limited (with effect from April 06th, 2021)

Based on RBI guidelines, details of transactions with Associate are not disclosed since there is only one entity/party in the said category.

The details of transactions of the Group with its related parties during the year ended March 31, 2023 are given below:

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
Dividend paid	29.14	0.06	-*	**29.20**
Interest paid	164.98	0.11	0.34	**165.43**
Interest received	-*	0.09	-*	**0.09**
Investment in non-equity instrument of related party	-	-	-	**-**
Investment of related party in the Bank	-	16.38	-	**16.38**
Redemption of Hybrid capital/Bonds of the Bank	958.00	-	-	**958.00**
Sale of investments	-	-	-	**-**
Remuneration paid	-	15.26	-	**15.26**
Contribution to employee benefit fund	13.76	-	-	**13.76**
Placement of deposits	0.22	-	-	**0.22**
Repayment of deposit	-	-	-	**-**
Advance granted (net)	-	-	-	**-**
Advance repaid	-*	7.65	-	**7.65**
Receiving of services	114.01	-	-	**114.01**
Rendering of services	54.18	0.01	-*	**54.19**
Sale/ Purchase of foreign exchange currency to/from related party	-	2.55	0.24	**2.79**
Other reimbursements from related party	42.79	-	-	**42.79**
Other reimbursements to related party	0.08	-	-	**0.08**

Details of transactions of the Bank with 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 March 31, 2023 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	5,678.24	1.96	6.61	**5,686.81**
Placement of security deposits	2.11	-	-	**2.11**
Advances	0.57	1.27	0.03	**1.87**
Investment in non-equity instruments of related party	-	-	-	**-**
Investment of related party in the Bank	48.97	0.11	-*	**49.08**
Non-funded commitments	3.25	-	-	**3.25**
Investment of related party in Hybrid capital/ Bonds of the Bank	500.00	-	-	**500.00**
Other receivables (net)	2.20	-	-	**2.20**
Other payables (net)	1.32	-	-	**1.32**

*** Denotes amount less than ₹50,000/-**

The maximum balances payable to/receivable from the related parties of the Group during the year ended March 31, 2023 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	9,771.44	20.17	11.17	**9,802.78**
Placement of security deposits	2.11	-	-	**2.11**
Advances	0.57	8.89	0.10	**9.56**
Investment of related party in the Bank	49.22	0.11	-	**49.33**
Investment in non-equity instrument of related party	-	-	-	**-**
Non-funded commitments	3.25	-	-	**3.25**
Investment of related party in Hybrid capital/Bonds of the Bank	1,458.00	-	-	**1,458.00**
Other receivables (net)	16.29	-	-	**16.29**
Other payables (net)	1.32	-	-	**1.32**

The details of transactions of the Group with its related parties during the year ended March 31, 2022 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
Dividend paid	-	-	-	-
Interest paid	173.69	0.24	0.37	**174.30**
Interest received	0.01	0.32	-*	**0.33**
Investment in non-equity instrument of related party	-	-	-	**-**
Investment of related party in the Bank	-	11.07	-	**11.07**
Redemption of Hybrid capital/Bonds of the Bank	-	-	-	-
Sale of investments	584.75	-	-	**584.75**
Remuneration paid	-	14.24	-	**14.24**
Contribution to employee benefit fund	14.19	-	-	**14.19**
Placement of deposits	-	-	-	-
Repayment of deposit	0.01	-	-	**0.01**
Advance granted (net)	-	7.25	-	**7.25**
Advance repaid	0.52	2.58	-	**3.10**
Receiving of services	401.97	-	-	**401.97**
Rendering of services	47.19	-*	-*	**47.19**
Sale/ Purchase of foreign exchange currency to/from related party	-	0.94	0.17	**1.11**
Other reimbursements from related party	-	-	-	**-**
Other reimbursements to related party	0.25	-	-	**0.25**

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

The balances payable to/receivable from the related parties of the Group as on March 31, 2022 are given below:

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	6,411.50	2.39	6.87	**6,420.76**
Placement of security deposits	1.89	-	-	**1.89**
Advances	0.57	8.89	0.08	**9.54**
Investment in non-equity instruments of related party	-*	-	-	-*
Investment of related party in the Bank	58.28	0.10	-	**58.38**
Non-funded commitments	3.25	-	-	**3.25**
Investment of related party in Hybrid capital/ Bonds of the Bank	1,458.00	-	-	**1,458.00**
Other receivables (net)	-*	-	-	-*

*** Denotes amount less than ₹50,000/-**

The maximum balances payable to/receivable from the related parties of the Group during the year ended March 31, 2022 are given below

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	15,153.34	17.59	8.44	**15,179.37**
Placement of security deposits	1.90	-	-	**1.90**
Advances	80.60	10.11	0.13	**90.84**
Investment of related party in the Bank	81.18	0.11	-	**81.29**
Investment in non-equity instrument of related party	0.02	-	-	**0.02**
Non-funded commitments	3.32	-	-	**3.32**
Investment of related party in Hybrid capital/Bonds of the Bank	2,760.00	-	-	**2,760.00**
Other receivables (net)	0.02	-	-	**0.02**

The significant transactions between the Group and related parties during the year ended March 31, 2023 and March 31, 2022 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 March 31, 2023	Year ended March 31, 2022
Dividend paid		
Administrator of the Specified Undertaking of the Unit Trust of India	**4.65**	-
Life Insurance Corporation of India	**24.49**	-
Interest paid		
Administrator of the Specified Undertaking of the Unit Trust of India	**32.89**	32.09
Life Insurance Corporation of India	**132.09**	132.32
General Insurance Corporation of India	**N.A.**	5.30
Interest received		
Mr. Amitabh Chaudhry	**0.04**	0.17
Mr. Rajiv Anand	**0.06**	0.07
Mr.Rajesh Dahiya	**N.A.**	0.09
Life Insurance Corporation of India	-*	-*
Investment of related party in the Bank		
Mr. Rajiv Anand	**16.38**	4.49
Mr.Rajesh Dahiya	**N.A.**	6.58
Redemption of Hybrid Capital/Bonds of the Bank		
Life Insurance Corporation of India	**958.00**	-
Sale of investments		
The New India Assurance Company Limited	**N.A.**	177.23
General Insurance Corporation of India	**N.A.**	327.27
United India Insurance Company Limited	**N.A.**	50.05
The Oriental Insurance Company Limited	**N.A.**	30.20
Remuneration paid		
Mr. Amitabh Chaudhry	**9.23**	7.37
Mr. Rajiv Anand	**6.03**	3.97
Mr. Rajesh Dahiya	**N.A.**	2.90
Contribution to employee benefit fund		
Life Insurance Corporation of India	**13.76**	14.19
Placement of deposits Life Insurance Corporation of India	**0.22**	-
Repayment of deposits Life Insurance Corporation of India	**-**	0.01
Advance granted (net) Mr. Amitabh Chaudhry	**-**	7.25
Advance repaid		
Life Insurance Corporation of India	-*	0.52
Mr. Amitabh Chaudhry.	**7.25**	-
Mr. Rajiv Anand	**0.40**	0.38
Mr. Rajesh Dahiya	**N.A**	2.20
Receiving of services		
The Oriental Insurance Company Limited	**N.A.**	177.60
The New India Assurance Company Limited	**N.A.**	61.70
Life Insurance Corporation of India	**113.69**	153.58
Rendering of services		
Life Insurance Corporation of India	**54.18**	46.24
General Insurance Corporation of India	**N.A.**	0.21
Sale/ Purchase of foreign exchange currency to/from related party		
Mr. Amitabh Chaudhry	**1.78**	0.60
Mr. Rajiv Anand	**0.76**	0.34
Ms. Tara Anand		0.02
Ms. Mallika Dahiya	**N.A**	0.13
Other reimbursements to related party		
Life Insurance Corporation of India	**0.08**	0.17
The New India Assurance Company Limited	**N.A.**	0.06
Other reimbursements from related party		
Life Insurance Corporation of India	**42.79**	-

***** **Denotes amount less than ₹50,000/-**

Related party disclosure FY 2021-22

The related parties of the Group are broadly classified as:

h) Promoters

The Bank has identified the following entities as its Promoters:

- **Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)**
- **Life Insurance Corporation of India (LIC)**
- **General Insurance Corporation of India (upto November 29th, 2021), The New India Assurance Company Limited (upto November 29th, 2021), National Insurance Company Limited (upto November 29th, 2021), United India Insurance Company Limited (upto November 29th, 2021) and The Oriental Insurance Company Limited (upto December 19th, 2021). Pursuant to receipt of approval from the Stock Exchanges, these entities have been reclassified to "Public" category from "Promoter" category with effect from November 30th, 2021 and December 20th, 2021 as the case may be.**

i) Key Management Personnel

- **Mr. Amitabh Chaudhry (MD & CEO)**
- **Mr. Rajiv Anand (Deputy Managing Director)**
- **Mr. Rajesh Dahiya [Executive Director (Corporate Centre)] (upto December 31st, 2021)**
- Mr. Pralay Mondal [Executive Director (Retail Banking)] (from August 01st, 2019 to September 14th, 2020)

j) ***Relatives of Key Management Personnel***

Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, 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. P. Kamashi, Ms. Charu Narain, Ms. K Ramalakshmi, Ms. Hemant Dahiya, Ms. Arooshi Dahiya, Mr. Anshul Avasthi, Ms. Mallika Dahiya, Ms. Jal Medha, Ms. Pooja Rathi, Mr. Gagan Rathi, Mr. Jai Prakash Dahiya, Ms. Mahasweta Mondal, Ms. Pritha Mondal, Ms. Trina Mondal, Mr. Biplab Mondal, Ms. Anima Mondal.

k) *Associate*

- Max Life Insurance Company Limited (with effect from April 06th, 2021)

Based on RBI guidelines, details of transactions with Associate are not disclosed since there is only one entity/party in the said category.

The details of transactions of the Group with its related parties during the year ended March 31, 2022 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel#	Total
Dividend paid	-	-	-	-
Interest paid	173.69	0.24	0.37	**174.30**
Interest received	0.01	0.32	-*	**0.33**
Investment in non-equity instrument of related party	-	-	-	**-**
Investment of related party in the Bank	-	11.07	-	**11.07**
Sale of investments	584.75	-	-	**584.75**
Remuneration paid	-	14.24	-	**14.24**
Contribution to employee benefit fund	14.19	-	-	**14.19**
Placement of security deposits	-	-	-	-
Repayment of security deposit	0.01	-	-	**0.01**
Advance granted (net)	-	7.25	-	**7.25**
Advance repaid	0.52	2.58	-	**3.10**
Receiving of services	401.97	-	-	**401.97**
Rendering of services	47.19	-*	-*	**47.19**
Sale/ Purchase of foreign exchange currency to/from related party	-	0.94	0.17	**1.11**
Other reimbursements from related party	-	-	-	**-**
Other reimbursements to related party	0.25	-	-	**0.25**

Details of transactions of the Bank with 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 March 31, 2022 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	6,411.50	2.39	6.87	**6,420.76**
Placement of security deposits	1.89	-	-	**1.89**
Advances	0.57	8.89	0.08	**9.54**
Investment in non-equity instruments of related party	-*	-	-	-
Investment of related party in the Bank	58.28	0.10	-	**58.38**
Non-funded commitments	3.25	-	-	**3.25**
Investment of related party in Hybrid capital/ Bonds of the Bank	1,458.00	-	-	**1,458.00**
Other receivables (net)	-*	-	-	-*

*** Denotes amount less than ₹50,000/-**

The maximum balances payable to/receivable from the related parties of the Group during the year ended March 31, 2022 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	15,153.34	17.59	8.44	**15,179.37**
Placement of security deposits	1.90	-	-	**1.90**
Advances	80.60	10.11	0.13	**90.84**
Investment of related party in the Bank	81.18	0.11	-	**81.29**
Investment in non-equity instrument of related party	0.02	-	-	**0.02**
Non-funded commitments	3.32	-	-	**3.32**
Investment of related party in Hybrid capital/Bonds of the Bank	2,760.00	-	-	**2,760.00**
Other receivables (net)	0.02	-	-	**0.02**

*** Denotes amount less than ₹50,000/-**

The details of transactions of the Group with its related parties during the year ended March 31, 2021 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel#	Total
Dividend paid	-	-	-	-
Interest paid	325.49	0.44	0.38	**326.31**
Interest received	0.03	0.23	-	**0.26**
Investment in non-equity instrument of related party	-	-	-	-
Investment of related party in the Bank	-	8.83	-	**8.83**
Sale of investments	2,227.52	-	-	**2,227.52**
Remuneration paid	-	13.45	-	**13.45**
Contribution to employee benefit fund	14.33	-	-	**14.33**
Placement of security deposits	1.59	-	-	**1.59**
Advance granted (net)	-	0.90	-	**0.90**
Advance repaid	0.23	0.71	-	**0.94**
Receiving of services	263.65	-	-	**263.65**
Rendering of services	52.41	-	-	**52.41**
Sale/ Purchase of foreign exchange currency to/from related party	-	0.32	0.19	**0.51**
Other reimbursements from related party	0.06	-	-	**0.06**
Other reimbursements to related party	0.25	-	-	**0.25**

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

The balances payable to/receivable from the related parties of the Group as on March 31, 2021 are given below:

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	6,587.83	2.46	6.04	**6,596.33**
Placement of security deposits	1.90	-	-	**1.90**
Advances	1.08	5.04	0.02	**6.14**
Investment in non-equity instruments of related party	0.02	-	-	**0.02**
Investment of related party in the Bank	81.18	0.10	-	**81.28**
Non-funded commitments	3.32	-	-	**3.32**
Investment of related party in Hybrid capital/ Bonds of the Bank	2,760.00	-	-	**2,760.00**
Other receivables (net)	0.02	-	-	**0.02**

The maximum balances payable to/receivable from the related parties of the Group during the year ended March 31, 2021 are given below

(₹ in crores)

ITEMS/RELATED PARTY	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	11,706.70	16.49	6.59	**11,729.78**
Placement of security deposits	1.90	-	-	**1.90**
Advances	8.03	5.68	0.08	**13.79**
Investment of related party in the Bank	88.56	0.10	-	**88.66**
Investment in non-equity instrument of related party	0.02	-	-	**0.02**
Non-funded commitments	3.32	-	-	**3.32**
Investment of related party in Hybrid capital/Bonds of the Bank	2,760.00	-	-	**2,760.00**
Other receivables (net)	0.04	-	-	**0.04**

The significant transactions between the Group and related parties during the year ended March 31, 2022 and March 31, 2021 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 March 31, 2022	Year ended March 31, 2021
Interest paid		
Administrator of the Specified Undertaking of the Unit Trust of India	**32.09**	37.02
Life Insurance Corporation of India	**132.32**	216.43
General Insurance Corporation of India	**5.30**	40.22
Interest received	**0.17**	-
Mr. Amitabh Chaudhary		
Mr. Rajiv Anand	**0.07**	0.09
Mr Rajesh Dahiya	**0.09**	0.14
Life Insurance Corporation of India	-*	0.03
Investment of related party in the Bank		
Mr. Rajiv Anand	**4.50**	4.82
Mr. Rajesh Dahiya	**6.58**	4.01
Sale of investments		
The New India Assurance Company Limited	**177.23**	521.57
General Insurance Corporation of India	**327.27**	1,293.95
United India Insurance Company Limited	**50.05**	50.00
The Oriental Insurance Company Limited	**30.20**	97.00
National Insurance Company Limited	**-**	265.00
Remuneration paid		
Mr. Amitabh Chaudhry	**7.37**	6.54
Mr. Rajiv Anand	**3.97**	3.01
Mr. Rajesh Dahiya	**2.90**	2.74
Mr. Pralay Mondal	**N.A.**	1.16
Contribution to employee benefit fund		
Life Insurance Corporation of India	**14.19**	14.33
Placement of security deposits	**-**	1.59

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Life Insurance Corporation of India		
Repayment of security deposits	**0.01**	-
Life Insurance Corporation of India		
Advance granted (net)	**7.25**	-
Mr. Amitabh Chaudhry		
Mr. Rajesh Dahiya	-	0.90
Advance repaid		
Life Insurance Corporation of India	**0.52**	0.23
Mr. Rajiv Anand	**0.38**	0.36
Mr. Rajesh Dahiya	**2.20**	0.35
Receiving of services		
The Oriental Insurance Company Limited	**177.60**	139.08
The New India Assurance Company Limited	**61.70**	77.65
Life Insurance Corporation of India	**153.58**	41.93
Rendering of services		
Life Insurance Corporation of India	**46.24**	51.07
General Insurance Corporation of India	**0.21**	0.22
Sale/ Purchase of foreign exchange currency to/from related party		
Mr. Amitabh Chaudhry	**0.60**	-
Mr. Rajiv Anand	**0.34**	0.07
Mr. Pralay Mondal	**N.A.**	0.25
Ms. Preeti Chaudhry	-	0.14
Ms. Tara Anand	**0.02**	0.05
Ms. Mallika Dahiya	**0.13**	-
Other reimbursements from related party		
The New India Assurance Company Limited	-	0.06
Other reimbursements to related party		
Life Insurance Corporation of India	**0.17**	0.25
The New India Assurance Company Limited	**0.06**	-

***** **Denotes amount less than ₹50,000/-**

ANNEXURE C

REMUNERATION OF THE DIRECTORS

In the Issuer:

Non-Executive Chairman

The details of remuneration paid to Non-Executive Chairman is as follows:

Period	Remuneration
FY 2020-21	Mr. Rakesh Makhija: Remuneration: Rs. 33.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI in this regard.
FY 2021-22	Mr. Rakesh Makhija: Remuneration: Rs. 33.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI in this regard.
FY 2022-23	Mr. Rakesh Makhija: Remuneration: Rs. 33.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI
FY 2023-24	Mr. Rakesh Makhija: Remuneration: Rs. 33.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI (upto October 26, 2023) Mr. N.S. Viswanathan (with effect from October 27, 2023): Remuneration: Rs. 35.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI.

Whole-time Directors

The details of remuneration paid to the Whole-Time Directors of the Bank, in terms of the approvals granted by the RBI and the Shareholders, for the current Financial Year and last three financial year, are as under:

Particulars	Mr. Amitabh Chaudhry	Mr. Rajiv Anand	Mr. Subrat Mohanty*	Munish Sharda^
	April 1, 2023 to March 31, 2024	April 1, 2023 to March 31, 2024	August 17, 2023 to March 31, 2024	February 27, 2024 to March 31, 2024
				In Rs.
Salary (basic)	4,50,59,412	2,77,43,880	1,39,18,424	26,86,839
Leave fare concession facility	9,99,996	5,49,996	3,53,331	68,505
House rent allowance	1,25,16,504	91,55,484	46,47,912	10,02,558
Variable pay (for) FY21	1,00,00,000	1,12,50,000	0	0
Variable pay (for) FY22	31,68,000	35,31,000	0	0
Variable pay (for) FY23	29,37,000	19,45,692	0	0
Superannuation allowance / fund	45,05,945	27,74,391	13,91,843	2,00,506
Utility allowance	3,75,000	1,32,000	82,323	12,138
Perquisites (excluding ESOP)	1,08,80,076	37,49,814	11,96,342	2,60,152
Unutilized car benefit	5,69,899	2,75,919		
Provident fund (Bank contribution)	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay
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
Leave encashment	-	-	-	

* Appointed w.e.f. August 17, 2023

^ Appointed w.e.f. February 27, 2024

Particulars	Mr. Amitabh Chaudhry	Mr. Rajiv Anand
	April 1, 2022 to March 31, 2023	April 1, 2022 to March 31, 2023
	In Rs.	
Salary (basic)	44,030,424	28,918,188
Leave fare concession facility	999,996	549,996
House rent allowance	12,230,664	9,543,000
Variable pay (For 2021-22)	9,600,000	10,700,000
Superannuation allowance / fund	4,403,046	2,891,822
Perquisites (excluding ESOP)	9,166,968	3,447,056
Provident fund (Bank contribution)	12% of Basic Pay	12% of Basic Pay
Gratuity	One month's salary for each completed year of service	One month's salary for each completed year of service
Leave encashment	-	-

Particulars	Mr. Amitabh Chaudhry	Mr. Rajiv Anand	Mr. Rajesh Dahiya
	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to December 31, 2021*
			In Rs.
Salary (basic)	3,87,54,000	1,85,93,952	1,24,04,889
Leave fare concession facility	9,99,996	5,49,996	4,12,497
House rent allowance	1,07,64,996	61,36,008	40,93,614
Variablepay (for 2020-2021)	89,00,000	58,96,038	52,05,177
Superannuation allowance / fund	38,75,400	18,59,400	12,40,488
Perquisites (excluding ESOP)	83,51,847	23,85,623	14,90,155
Provident fund (Bank contribution)	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay
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
Leave encashment	-	-	-

* Rajesh Dahiya ceased to be a Director with effect from close of business hours of December 31, 2021.

Particulars	Mr. Amitabh Chaudhry	Mr. Rajiv Anand	Mr. Rajesh Dahiya	Mr. Pralay Mondal*
	April 1, 2020 to March 31, 2021	April 1, 2020 to March 31, 2021	April 1, 2020 to March 31, 2021	April 1, 2020 to September 14, 2020
				In Rs.
Salary (basic)	38,754,000	18,593,952	16,539,850	7,755,440
Leave fare concession facility	1,000,000	550,000	550,000	250,554
House rent allowance	10,765,000	6,136,004	5,458,151	2,559,297
Variable pay (for 2019-2020)	-	-	-	-
Superannuation allowance / fund	3,875,400	1,859,395	1,653,985	775,545
Perquisites (excluding ESOP)	8,483,025	2,455,687	2,339,758	180,651
Provident fund (Bank contribution)	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay
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
Leave encashment	2,153,000	361,549	689,161	47,289

* Mr. Pralay Mondal ceased to be a Director of the Bank on September 15, 2020 upon resignation from the services of the Bank.

Non-Executive Directors

All the Non-Executive Directors of the Bank were paid sitting fees of ₹1,00,000 for every meeting of the Board and ₹50,000 for every meeting of the committees attended by them. However, in view of the increase in the duties, roles and responsibilities of the Non-Executive Directors and the commitment required thereof, the Board at its meeting held on January 22, 2020 approved a revision in the sitting fees payable to the non-executive Directors of the Bank in respect of the following key committees: (a) Nomination and Remuneration Committee; (b) Audit Committee; (c) Committee of Directors; (d) Risk Management Committee; and (e) IT & Digital Strategy Committee of the Board, from ₹50,000 to ₹100,000 per meeting, with effect from February 1, 2020. Further, the Board, at its meeting held on June 14, 2021, increased the sitting fees with respect to other Board Committees from ₹50,000 to ₹75,000 per meeting. The details of sitting fees paid to the Non-Executive Directors are as follows:

Period	Sitting fees paid (in Rs.)
FY 2021	2,22,50,000
FY 2022	3,14,75,000
FY 2023	3,32,25,000
FY 2024	3,44,00,000

Note:

(a) Profit linked commission amounting Rs. 76,24,660 was paid to Non-Executive Directors during the FY 2021-22 pertaining to FY 2020-21. Further, in FY 2021-22 fixed remuneration amounting Rs. 1,48,00,000 was paid to Non-executive Directors of the Bank (excluding Non-Executive (Part-Time) Chairman).

(b) During the FY 2022-23, an amount of Rs. 1,76,23,892 was paid as fixed remuneration to Non-Executive Directors of the Bank (excluding Non-Executive (Part-Time) Chairman).

(c) During the FY 2023-24, an amount of Rs. 1,59,08,600 was paid as fixed remuneration to Non-Executive Directors of the Bank (excluding Non-Executive (Part-Time) Chairman).

In Subsidiaries and Associate companies of the Issuer:

Mr. Girish Paranjpe, Independent Director of the Bank, was appointed as Independent Director in Max Life Insurance Company Limited ("Max Life"), Associate of the Bank, w.e.f. April 6, 2021. Details of remuneration paid by Max Life is as follows:

(values in ₹)

S. No	Nature of remuneration	From April 6, 2021 to March 31, 2022	April 1, 2022 to March 31, 2023	April 1, 2023 to March 31, 2024
1	Sitting fee	11,00,000	13,00,000	16,00,000
2	Profit based commission	NA	10,00,000	10,00,000

a) Profit linked commission amounting Rs. 10,00,000 pertaining to FY 2021-22, was paid during the FY 2022-23.

b) Profit linked commission amounting Rs. 10,00,000 pertaining to FY 2022-23, was paid during the FY 2023-24.

Resignations:

Please refer Section 2.11(ii) (*Details of change in directors in the preceding three financial years and current financial year*) of this General Information Document.

ANNEXURE D

CHANGES TO ISSUER'S ACCOUNTING POLICIES

(all amounts are in Rs. Crores, unless stated otherwise)

Summary of significant accounting policies

FY 2021-22

Effective April 1st , 2021, the Bank has carried out the following changes in its accounting policies

1. Recognition of Employee stock option expenses

RBI issued a clarification on Guidelines on Compensation of Whole Time Directors/Chief Executive Officers /Material Risk Takers and Control Function Staff on August 30th, 2021, advising banks that the share-linked instruments are required to be fair valued on the date of grant using the Black-Scholes model. The fair value thus arrived should be recognised as an expense for all options granted after the accounting period ending March 31, 2021. Accordingly, the Bank has changed its accounting policy from the intrinsic value method to the fair value method for all share-linked instruments granted after March 31, 2021 and consequently recognized the fair value of options computed using the Black-Scholes model, without reducing estimated forfeitures, as compensation expense over the vesting period. As a result, 'Payments to & provisions for employees' for the year ended March 31, 2021 are higher by Rs.129.79 crores with a consequent reduction in the profit before tax by the same amount.

FY 2024-25

1. Change in Investment guidelines

Effective April 01st, 2024 the Bank has adopted the revised framework as detailed in RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on September 12th, 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 March 31st, 2024 of ₹242.29 crores to the general reserve) (2) transferred an amount of ₹1,219.07 crores (net of tax) to the general reserve, resulting into increase in the networth of the Bank, on account of reversal of balance in provision for depreciation on investments as at March 31st, 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 March 31st, 2024.

Further, in compliance with the said RBI Investment Direction 2023, the valuation gains and losses at the period ended 30th June, 2024, across all performing investments held under AFS are aggregated and the net depreciation amounting to ₹2.31 crores (net of tax) has been directly recognised in AFS Reserve. The securities held in Fair Value through Profit and Loss ('FVTPL') are fair valued at the period ended 30th June, 2024 and the net gain of ₹99.16 crores arising on such valuation has been recognised in the Profit and Loss Account. Figures for the previous quarter and corresponding quarter of the previous year are not comparable to that extent.

ANNEXURE E

LEGAL PROCEEDINGS

ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC.) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE NON-CONVERTIBLE SECURITIES

Litigation involving the Issuer

Except as disclosed below, there are no material events / developments or changes having implications on the financials/credit quality which may affect the Issue or the investor's decision to invest / continue to invest in the Bonds.

There are no litigations pending against Bank and Subsidiaries (i) which require disclosure under SEBI Listing Regulations; or (ii) which the Bank believes could have a material adverse effect on the business of the Bank on a consolidated basis. We are involved in a number of legal proceedings in the ordinary course of our business, including certain proceedings with significant financial claims present on the face of the complaint but that we believe lack any merit based on the historical dismissals of similar claims.

There are no material regulatory proceedings against the Promoters of the Issuer at the time of Issue which may affect the Issue or the Investor's decision to invest/ continue to invest in the debt securities. However, it is advised that the Investors look at the disclosures made by the Issuer in the entire Offer Documents and specifically look at Section 1: 'Risk Factors'.

- Axis Bank Limited, has filed an Original Application numbered 419 of 2013 against the Corporate Debtor - M/s Fantasy Furnishings Pvt. Ltd and the Personal Guarantors (i) Mr. Naresh Chander Goel (ii) Mrs. Kiran Devi Goel (iii) Mr. Vineet Goel (iv) Mr. Ajay Kumar Goel & (v) Mr. Mayank Goel before Debts Recovery Tribunal - 1 at Kolkata. The claim amount was Rs.23.41 crores. The key contentions taken by the bank are: (i) Despite demanding the payment in connection with the cash credit facility, the Defendants failed and neglected to make payment for the same. (ii) The bank has stated that they do not have any security in connection with the said cash credit facilities except for the mortgaged properties and the hypothecated assets. (iii) During the pendency of the suit, the bank came to know that the Defendants are trying to dispose of their stocks and assets with an intention to delay or frustrate the execution of the order for the recovery of Debt that may be passed against the defendants. The reliefs sought are (i) Pass an order of attachment of the account of the defendants maintained with HDFC bank bearing number: 00142290000810. (ii) Direct the defendants to submit balance sheets as on March 30th 2014 before the Tribunal. (iii) Pass an order of injunction restraining the Defendants from dealing with or encumbering the stocks and assets pledged as security by the Defendants against the cash credit facility availed by them. (iv) Pass an order of attachment of the receivables of the Defendant No. I till the disposal of the suit. The Corporate Debtor contested before the DRT with a written statement and also made a counter claim in Sep'14 amounting to total Rs. 401.61 crores on grounds of loss in business due to bank and reputation loss. All records with regard to the OA and counter claim were misplaced from DRT. Thus, we have again restructured all documents and the same has been filed before DRT. The borrowers have also restructured all documents filed by them and have been filed before DRT. No adverse order has yet been passed against Axis Bank Limited. Last Hearing was scheduled on November,2022 which has been adjourned by NCLT. In the above OA, the defendants filed written statement with counter claim for a sum of Rs.401.61 crore as on 30.09.2014 together with interest @18% per annum at monthly rates from 01.10.2014 till recovery and other consequential reliefs.

  The above OA was heard by the Learned Tribunal in length on numerous occasions but subsequently the court records of the above OA were destroyed due to fire. Subsequent to the above as per the necessary direction of the Learned Tribunal true copy of the OA as well as the written statement were filed by both the parties before the Learned Tribunal for the purpose of reconstruction of the record and necessary affidavits in connection with such filing of true copy were also submitted before the Learned Tribunal. Last Hearing was scheduled in May, 2023 which has been adjourned by DRT, Kolkata. Next date of hearing 05.12.2023 for hearing. In this regard we have also obtained risk certificate from our lawyer wherein the counter claim has been classified as Remote risk. The matter is listed for hearing on 05.12.24.

- A company petition was filed on April 25th, 2019 by the Ministry of Corporate Affairs, Government of India (MCA) against the Bank and others (2019 Petition) before the National Company Law Tribunal Bench at Mumbai (NCLT) alleging breach by the Bank and the other respondents of the directions issued by NCLT, by way of its order dated 3 December 2018 (IL&FS Order) in another company petition (IL&FS Petition) filed by the MCA, before the NCLT, against Infrastructure Leasing And Financial Services Limited (IL&FS) and others, which is currently pending before the NCLT. In accordance with the IL&FS Order, certain respondents of IL&FS Petition (IL&FS Respondents) were (i) required to disclose their movable and immovable properties/ assets, including bank accounts, lockers owned by them in India or anywhere in the world, including jointly held properties (Declarations); and (ii) restrained from, mortgaging or creating charge or lien or creating third party interest or in any way alienating the movable or immovable properties owned by them, including jointly held properties. In accordance with the Declarations, the Indian Banks' Association was instructed by the MCA, to circulate the IL&FS Order to all the member banks, for necessary

compliance of the IL&FS Order. It was alleged that the respondent Banks had knowingly allowed one of the IL&FS Respondents to operate his accounts and locker maintained with the respective respondent Banks, in a manner, which was in violation of the IL&FS Order. Hence, the 2019 Petition was filed. The Bank has filed an affidavit in reply refuting all allegations in relation to violation of the IL&FS Order by the Bank. The matter is currently pending before the NCLT, and no interim order has been passed against the Bank till date.

- A suit was filed on April 12th, 2019 by Power Finance Corporation Limited (Power Finance) and others against the Bank and certain others, before the High Court of Delhi, alleging breach of various terms and conditions, by the Bank of the trust and retention accounts agreements entered into among Power Finance, the Bank and others. Power Finance had originally entered into a loan agreement with IND Bharat Power (Madras) Limited (Borrower), the Bank, being one of the lenders, and certain others, for an amount of ₹2,655.00 crores. Pursuant to the loan agreement, a trust and retention agreement was also entered into among Power Finance, the Borrower, the Bank and certain others, in relation to govern the disbursement of loan amount to the Borrower (TRA). Power Finance claimed that the Bank, among others failed to, (i) adequately monitor and administer the disbursements made in accordance with the TRA, (ii) keep custody of the title documents of the Borrower; and (iii) effectively monitor and administer permitted investments in accordance with the procedure laid down in the TRA, thereby causing substantial losses to Power Finance. Power Finance has sought, among other things, a money decree for ₹625.09 crores along with interest at the rate of 15% per annum. The matter is currently pending before the High Court of Delhi for filing evidence on behalf of the Plaintiffs.

- We note from publicly available sources, including information available on the website of the Bombay High Court that one Mr. Mohanish Jabalpure has filed a criminal writ petition on August 07th 2019 before the Bombay High Court, Nagpur Bench, against the State of Maharashtra, the Bank and certain other individuals, challenging a circular dated 11 May 2017, issued by the Additional Director General of Police State of Maharashtra, transferring the salary accounts of the police officials from a public sector bank to the Bank. Further, pursuant to an order dated September 16th 2019, the Nagpur Bench of the Bombay High Court directed the criminal writ petition filed by Mr. Jabalpure to be examined as a public interest litigation. Vide order dated 05.01.2022, notice was issued to the Axis and State Bank. Bank has filed Vakalatnama in the High Court and reply to the PIL before the High Court.

- A writ petition was filed on September 02nd, 2019 by the Bank and others against the Union of India, Central Information Commission, Central Public Information Officer of the RBI and the RBI before the Supreme Court of India. The writ petition was filed challenging the arbitrary actions of the respondents in relation to disclosing confidential and sensitive information, prepared by the RBI, pertaining to some of the petitioners, their employees and their customers, pursuant to applications under the Right to Information Act, 2005 (RTI Act), requesting disclosure of such information, which was intimated, post such disclosure, to the concerned petitioners by way of letters from the RBI, each dated June 26th 2019 (Impugned Actions). Further, the petitioners have, among others, alleged violation of Articles 14 and 19(1)(g) of the Constitution of India by the Impugned Actions, as the concerned petitioners, being 'private sector banks' are exempt from the purview of the RTI Act. The petitioners have sought, among others, (i) issuance of orders striking down the Impugned Actions; (ii) declaration that the information obtained by the RBI during the course of its inspections of banks and financial institutions are exempted from disclosure under Section 8(1) of the RTI Act; (iii) declaration that 'private sector banks' including the concerned petitioners are not to be considered 'public authority' under the RTI Act; and (iv) issuance of the writ of mandamus or any other appropriate writ directing the respondents to comply with the applicable provisions of the RTI Act. Banks have also filed the application for referring the matter to larger bench. RTI Applicant Girish Mittal has also filed an SLP against order of CIC dated 05.05.2022 along with application to add other Banks including Axis as party to SLP. Mr. Girish Mittal filed another petition for dismissal of the writ petition filed by the banks on the ground that the same is not maintainable since a writ petition cannot be filed challenging a judgment. This petition filed by Mr. Girish Mittal was dismissed by the Supreme Court of India on 30.09.2022 observing the writ petition to be maintainable and that prima facie, the judgment in the case of Jayantilal N. Mistry did not take into consideration the aspect of balancing the right to information and the right to privacy. The matter is currently pending before the Supreme Court of India.

- An FIR was registered on January 25th, 2020 by the Bank against unknown individuals (Accused) under Sections 419, 420 and 34 of the Indian Penal Code, 1860 and Sections 66C and 66D of the Information Technology Act, 2005 alleging that the Accused had, among others, cheated the Bank by impersonation, fraudulently and dishonestly made use of the unique identification feature of the Bank to illegally transfer an amount aggregating to ₹19.85 crores due and payable to the Bank pursuant to the electronic toll collected through prepaid rechargeable FASTag. Pursuant to two applications filed by the Bank under Section 457 of the Code of Criminal Procedure, 1973, the Additional Chief Metropolitan Magistrate,37th Court Esplanade, at Mumbai (ACMM), has directed the authority's handover an amount aggregating to ₹18.44 crores seized from the bank accounts of the Accused. As on 14.07.2022 Bank has recovered Rs.10,14,69,880/-.

- Punjab National Bank (PNB) has filed an application under Section 11 of the Arbitration and Conciliation Act, 1996 against the Bank before the High Court of Delhi, at New Delhi, for appointment of an arbitrator. The application has been filed in relation to a dispute which arose between the parties in relation to sharing of certain documents with PNB for its forensic audit. The High Court of Delhi, by way of its orders dated March 12th, 2021 and April 09th, 2021, disposed the application and appointed a sole arbitrator. PNB has filed their statement of Claim and Axis has also filed its statement of Defense. PNB and Axis have also filed the affidavit of evidence of their respective witnesses. The

matter is currently pending before sole arbitrator for further proceedings. Cross examination of witness of PNB & Axis completed. Matter is at final hearing stage.

DETAILS OF ANY LITIGATION OR LEGAL ACTION PENDING OR TAKEN BY A GOVERNMENT DEPARTMENT OR A STATUTORY BODY OR REGULATORY BODY DURING THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE ISSUE OF THIS GENERAL INFORMATION DOCUMENT AGAINST THE PROMOTER OF THE BANK

Litigations involving our promoters

Sr. no.	Case No	A.Y.	Parties	Name of the Court	Subject Matter	Current status
1	C.A.6305/ 2019	2009-2010	CIT Mumbai Vs LIC	Supreme Court	Loss from Jeevan Suraksha Fund.	Case is pending. No tentative date of listing.
2	C.A.7335/ 2019	2010-2011	CIT Mumbai Vs LIC	Supreme Court	1. Loss from Jeevan Suraksha Fund. 2. Adjustment for negative reserve.	Case is pending. No tentative date of listing.
3	C.A.10398/ 2013	2005-2006	CIT Mumbai Vs LIC	Supreme Court	Loss from Jeevan Suraksha Fund covered under Section 10(23AAB) of the IT Act.	Leave granted on 13.11.2013.
4	C.A.10402/ 2013	2006-2007	CIT Mumbai Vs LIC	Supreme Court	Loss from Jeevan Suraksha Fund covered under Section 10(23AAB) of the IT Act.	Leave granted on 13.11.2013.
5	C.A.10399/ 2013	2003-2004	CIT Mumbai Vs LIC	Supreme Court	1. Loss from Jeevan Suraksha Fund covered under Section 10(23AAB) of the IT Act. 2. Provision for Solvency Margin.	Leave granted on 13.11.2013.
6	C.A.10400/ 2013	2004-2005	CIT Mumbai Vs LIC	Supreme Court	1. Loss from Jeevan Suraksha Fund covered under Section 10(23AAB) of the IT Act. 2. Provision for Solvency Margin.	Leave granted on 13.11.2013.
7	C.A.10401/ 2013	2002-2003	CIT Mumbai Vs LIC	Supreme Court	1. Loss from Jeevan Suraksha Fund covered under Section 10(23AAB) of the IT Act. 2. Provision for Solvency Margin.	Leave granted on 13.11.2013.
8	C.A.8367/ 2015	2007-2008	CIT Mumbai Vs LIC	Supreme Court	Loss from Jeevan Suraksha Fund.	Leave granted on 5.10.2015.
9	C.A.8368/ 2015	2008-2009	CIT Mumbai Vs LIC	Supreme Court	Loss from Jeevan Suraksha Fund.	Leave granted on 5.10.2015.
10	C.A.11278/ 2016	2007-2008	CIT Mumbai Vs LIC	Supreme Court	1. Deduction claimed on dividend income. 2. Adjustment for negative reserve.	Leave granted on 25.11.2016.
11	C.A.11279/ 2016	2009-2010	CIT Mumbai Vs LIC	Supreme Court	1. Deduction claimed on dividend income. 2. Adjustment for negative reserve.	Leave granted on 25.11.2016.
12	C.A.11280/ 2016	2008-2009	CIT Mumbai Vs LIC	Supreme Court	1. Deduction claimed on dividend income. 2. Adjustment for negative reserve.	Leave granted on 25.11.2016.
13	ITXA/2117/ 2018	2011-12	CIT Vs LIC	Bombay High Court	1.Loss from Jeevan Suraksha Fund 2.Tax under Section 115-O on distributed profits. 3.Adjustment of Negative Reserve. 4.Dividend income.	Pre-admission stage

Sr. no.	Case No	A.Y.	Parties	Name of the Court	Subject Matter	Current status
14	F.No. CGST/MSD8 R3/LIC/Deptt. Appeal/High Court/2021 dated 12.08.2021	2008-2009 to 2012-13	The Commissioner of CGST & Central Excise , Mumbai south Commissionerate Vs LIC of India	Bombay High Court	ULIP policies has investment and Risk portion. In case of Investment portion, service is not involved. On same line endowment policies also have risk and investment portion, but in endowment policies bifurcation is not available. As such, LIC was discharging their service tax liability by paying service tax on risk premium in ULIP policies and at specified rate on endowment policies. The CENAVAT credit on commission etc. is utilized on these services. Service tax authorities says that proportion of commission etc. which is reversed by LIC shall be equal to the Investment portion of the premium and they are treating whole investment portion as exempt service under Rule 2(e) of the CENVAT Credit Rules, 2004. CESTAT has allowed the appeal filed by LIC.	Pre-admission stage
15	ITXA/1919/2013	2007-08	LIC Vs Addl.CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Admitted and pending for final hearing.
16	ITXA/1921/2013	2008-09	LIC Vs Addl.CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Admitted and pending for final hearing.
17	ITXA/1563/2013	2009-10	LIC Vs Addl.CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Admitted and pending for final hearing.
18	ITXA/48/2014	2007-08	CIT Vs LIC	Bombay High Court	1.Loss from Jeevan Suraksha Fund 2.Tax under Section 115-O on distributed profits.	Admitted and pending for final hearing.
19	ITXA/ 57/2014	2008-09	CIT Vs LIC	Bombay High Court	1.Loss from Jeevan Suraksha Fund 2.Tax under Section 115-O on distributed profits.	Admitted and pending for final hearing.
20	ITXA/1788/2016	2009-10	CIT Vs LIC	Bombay High Court	1.Loss from Jeevan Suraksha Fund 2.Tax under Section 115-O on distributed profits.	Admitted and pending for final hearing.
21	ITXA/2115/2010	1998-99	CIT Vs LIC	Bombay High Court	Tax under Section 115-O on distributed profits.	Admitted and pending for final hearing.
22	ITXA/131/2017	2010-11	CIT Vs LIC	Bombay High Court	1.Loss from Jeevan Suraksha Fund 2.Tax under Section 115-O on distributed profits. 3.Adjustment of Negative Reserve	Admitted and pending for final hearing.
23	ITXA/1439/ 2017	2010-11	LIC Vs CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Admitted and pending for final hearing.
24	ITXA/1173/ 2018	2011-12	LIC Vs CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Pre-admission stage.
25	ITXA/2476/ 2022	2015-16	LIC Vs Addl.CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Pre-admission stage.
26	ITXA/ 307/2023	2013-14	LIC vs. Dy. comm..IT	Bombay High Court	Addition of income from Shareholders' Fund.	Pre-admission stage.
27	ITXA/ 308/2023	2014-15	LIC vs. Dy. comm..IT	Bombay High Court	Addition of income from Shareholders' Fund.	Pre admission stage

Sr. no.	Case No	A.Y.	Parties	Name of the Court	Subject Matter	Current status
28	ITXAL/ 7204/2023	2016-17	LIC vs. Dy. comm..IT	Bombay High Court	Addition of income from Shareholders' Fund.	Preadmission stage
29	ITXAL/ 7206/2023	2017-18	LIC vs. Dy. comm..IT	Bombay High Court	Addition of income from Shareholders' Fund.	Preadmission stage
30	ITXAL/ 12353/2023	2012-13	LIC Vs Dy. CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Pre-admission stage
31	ITXAL/ 12357/2023	2018-19	LIC Vs Asst.CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Pre-admission stage
32	ITXAL/ 12359/2023	2019-20	LIC Vs National Faceless Assessment Centre & Dy. CIT	Bombay High Court	Addition of income from Shareholders' Fund.	Pre-admission stage
33	ITXA/200/2023	2010-11	Prin CIT vs. LIC	Bombay High Court	no deduction on account of the interim bonus from the total surplus	Pre admission stage
34	ITXAL/ 8216/2023	2010-11	Prin CIT vs. LIC	Bombay High Court	Deleting Disallowance allowed by AO	
35	ITXA/2316/2022	2009-10	Prin CIT vs. LIC	Bombay High Court	Exemption regarding dividend income received from domestic companies/ Disallowance made in respect of expenditure incurred	Pre-admission stage.
36	ITXA/1889/2022	2007-08	Prin CIT vs. LIC	Bombay High Court	Deduction on account of donation to LIC golden jubilee foundation	Pre-admission stage.
37	ITXAL/23303/ 2023	2012-13	Pri. CIT vs. LIC	Bombay High Court	Deleting addition of negative reserve , Remitting the issue of interim bonus to AO	Pre-admission stage.
38	ITXAL/23305/ 2023	2012-13	Pri. CIT vs. LIC	Bombay High Court	Allowing dividend income as exempt u/s 10(34) , deleting the addition of loss from jeevan suraksha fund	Pre-admission stage.
39	ITXAL/23307/ 2023	2019-20	Prin. CIT vs. LIC	Bombay High Court	Remitting the issue of interim bonus paid for reexamination towards AO, allowing dividend income of LICI u/s/10(34) , deleting the disallowance made on protective basis u/s 14 r.w. 8 D , deleting the addition made by AO on account of loss from jeevan suraksha fund.	Pre-admission stage.
40	ITXAL/23308/ 2023	2019-20	Prin. CIT vs. LIC	Bombay High Court	Deleting addition of negative reserve , non applicability of section 115 O r.w.s. 115	Pre-admission stage.
41	ITXAL/23309/ 2023	2018-19	Prin. CIT vs. LIC	Bombay High Court	Remitting the issue of interim bonus paid to AO for reexamination , deleting the addition of negative reserve , non applicability of section 115 O r.w.s. 115 P	Pre-admission stage.
42	ITXAL/23311/ 2023	2018-19	Prin. CIT vs. LIC	Bombay High Court	Remitting the issue of interim bonus paid to AO for reexamination, allowing dividend income of the assessee as exempt u/s/ 10(34), deleting the disallowance made on protective basis u/s 14 r.w. 8 D, deleting the addition made by AO on account of loss from jeevan suraksha fund	Pre-admission stage.
43	ITXAL/28893/ 2023	2011-12	Pri. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed	Pre admission stage.

Sr. no.	Case No	A.Y.	Parties	Name of the Court	Subject Matter	Current status
					appeal before Honourable Bombay High Court against the decision of Tribunal.	
44	ITXAL/28895/ 2023	2013-14	Pr. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre-admission stage.
45	ITXAL/28898/ 2023	2013-14	Prin. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre-admission stage.
46	ITXAL/29392/ 2023	2017-18	Prin. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre-admission stage.
47	ITXAL/29387/ 2023	2017-18	Prin. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre-admission stage.
48	ITXAL/29389/ 2023	2016-17	Prin. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre-admission stage.
49	ITXAL/29388/ 2023	2016-17	Pri. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre admission stage.
50	ITXAL/29391/ 2023	2014-15	Pri. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre-admission stage.
51	ITXAL/29390/ 2023	2014-15	Prin. CIT vs. LIC	Bombay High Court	Income Tax Appellate Tribunal, Mumbai Bench has decided some issues in favour of Life Insurance Corporation of India. The Income Tax Department has filed appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre-admission stage.
52	ITXAL/39648/ 2022	2015-16	Prin. CIT vs. LIC	Bombay High Court	Issue of Interim Bonus,Dividend incomeu/s 10(34),loss from Jeevan Suraksha Fund,provision of Section 115O,section 44,negative reserve.	Pre-admission stage

ANNEXURE F

DETAILS OF CONTINGENT LIABILITIES OF THE ISSUER

Contingent liability (Standalone)

(Rs. Crores)

Particulars	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
	Audited)	(Audited)	(Audited)
Claims against the Bank not acknowledged as debts	2,453.43	1,994.67	951.67
Liability for partly paid investments	-	239.16	319.49
Liability on account of outstanding forward exchange and derivative contracts:			
- Forward Contracts	8,40,386.68	604,835.27	517,803.37
- Interest Rate Swaps, Currency Swaps, Forward Rate Agreement & Interest Rate Futures	7,79,084.85	582,018.57	542,608.85
- Foreign Currency Options	42,104.91	40,929.93	47,958.55
Guarantees given on behalf of constituents			
- In India	1,06,812.19	91,763.78	72,435.86
- Outside India	21,315.08	10,599.45	7,291.99
Acceptances, endorsements and other obligations	59,087.51	52,361.53	56,941.54
Other items for which the Bank is contingently liable	57,647.79	56,506.58	45,793.25
Total	19,08,892.46	14,41,248.94	12,92,104.57

Contingent liability (Consolidated)

(Rs. Crores)

Particulars	As on March 31, 2024	As on March31, 2023	As on March 31, 2022
	(Audited)	(Audited)	(Audited)
Claims against the Bank not acknowledged as debts	2,594.92	2,072.26	1,021.65
Liability for partly paid investments	125.74	301.03	319.49
Liability on account of outstanding forward exchange and derivative contracts:			
-Forward Contracts	8,40,386.68	604,835.27	517,803.37
-Interest Rate Swaps, Currency Swaps, Forward Rate Agreement & Interest Rate Futures	7,79,518.58	582,389.13	542,976.63
-Foreign Currency Options	42,104.91	40,929.93	47,958.55
Guarantees given on behalf of constituents			
-In India	1,06,812.19	91,763.78	72,435.86
-Outside India	21,330.35	10,613.41	7,313.13
Acceptances, endorsements and other obligations	59,087.51	52,361.53	56,941.54
Other items for which the Bank is contingently liable	60,164.49	58,399.68	46,985.14
Total	19,12,125.37	14,43,666.01	12,93,755.36

ANNEXURE G

DETAILS OF OTHER DIRECTORSHIPS OF THE DIRECTORS OF THE ISSUER

Please refer Section 2.11(i) (*Details of the current directors of the Issuer as on the date of this General Information Document*) of this General Information Document**.**

ANNEXURE H

DETAILS OF THE SHAREHOLDING OF THE ISSUER, AS ON JUNE 30, 2024

General information about company	
Scrip code	532215
NSE Symbol	AXISBANK
MSEI Symbol	NOTLISTED
ISIN	INE238A01034
Name of the company	AXIS BANK LIMITED
Whether company is SME	No
Class of Security	Equity Shares
Type of report	Quarterly
Quarter Ended / Half year ended/Date of Report (For Prelisting / Allotment)	30-06-2024
Date of allotment / extinguishment (in case Capital Restructuring selected) / Listing Date	
Shareholding pattern filed under	Regulation 31 (1) (b)
Whether the listed entity is Public Sector Undertaking (PSU)?	No

Particular	Yes/No
Whether the Listed Entity has issued any partly paid up shares?	No
Whether the Listed Entity has issued any Convertible Securities ?	No
Whether the Listed Entity has issued any Warrants ?	No
Whether the Listed Entity has any shares against which depository receipts are issued?	Yes
Whether the Listed Entity has any shares in locked-in?	No
Whether any shares held by promoters are pledge or otherwise encumbered?	No
Whether company has equity shares with differential voting rights?	No
Whether the listed entity has any significant beneficial owner?	No

Summary statement holding of specified securities											
Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of shares underlying Depository Receipts	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form	Sub-categorization of shares (XV)		
									Shareholding (No. of shares) under		
									SubCategory_I	SubCategory_II	SubCategory III
(A) Promoter & Promoter Group	1	24,48,60,645		24,48,60,645	8.31	24,48,60,645	7.92	24,48,60,645	--	--	--
(B) Public	7,69,649	2,70,32,16,281		2,70,32,16,281	91.69	2,70,32,16,281	87.48	2,70,03,74,116			
(C1) Shares underlying DRs	1		14,21,69,540	14,21,69,540	0.00	14,21,69,540	4.60	14,21,69,540	--	--	--
(C2) Shares held by Employee Trust					0.00		0.00		--	--	--
(C) Non Promoter-Non Public	1		14,21,69,540	14,21,69,540	0.00	14,21,69,540	4.60	14,21,69,540	--	--	--
Grand Total	7,69,651	2,94,80,76,926	14,21,69,540	3,09,02,46,466	100.00	3,09,02,46,466	100.00	3,08,74,04,301			
Notes	Max Life Insurance Company Limited an Associate of the Bank is holding shares as QIB and accordingly its holding is shown under "Insurance" category. 2,01,909 equity shares of Rs. 2/- each were allotted by the Bank on June 26, 2024, pursuant to exercise of stock options/units. These have been considered in the Shareholding Pattern as on June 30, 2024. Listing approvals for these shares have been received from NSE and BSE with effect from July 2, 2024.										

Statement showing shareholding pattern of the Promoter and Promoter Group									
Category of shareholder	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Number of equity shares held in dematerialized form
							Class eg: X	Total	
A1) Indian						0.00		0.00	
Financial Institutions/ Banks		1	24,48,60,645		24,48,60,645	8.31	24,48,60,645	7.92	24,48,60,645
LIFE INSURANCE CORPORATION OF INDIA	Promoter	1	24,48,60,645		24,48,60,645	8.31	24,48,60,645	7.92	24,48,60,645
Sub Total A1		1	24,48,60,645		24,48,60,645	8.31	24,48,60,645	7.92	24,48,60,645
A2) Foreign						0.00		0.00	
A=A1+A2		1	24,48,60,645		24,48,60,645	8.31	24,48,60,645	7.92	24,48,60,645

Statement showing shareholding pattern of the Public shareholder

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	No. of shares underlying Depository Receipts	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
									Shareholding (No. of shares) under		
									SubCategory_I	SubCategory_II	SubCategory_III
B1) Institutions	0	0			0.00		0.00		-	-	-
B2) Institutions (Domestic)	0	0			0.00		0.00		-	-	-
Mutual Funds/	40	706845265		70,68,45,265	23.98	70,68,45,265	22.87	70,68,45,265			
MIRAE ASSET - Through its various Mutual Fund Schemes	1	49463371		4,94,63,371	1.68	4,94,63,371	1.60	4,94,63,371			
SBI - Through its various Mutual Fund Schemes	1	118135814		11,81,35,814	4.01	11,81,35,814	3.82	11,81,35,814			
UTI - Through its various Mutual Fund Schemes	1	49510259		4,95,10,259	1.68	4,95,10,259	1.60	4,95,10,259			
NIPPON - Through its various Mutual Fund Schemes	1	58125994		5,81,25,994	1.97	5,81,25,994	1.88	5,81,25,994			
KOTAK - Through its various Mutual Fund Schemes	1	41615306		4,16,15,306	1.41	4,16,15,306	1.35	4,16,15,306			
HDFC - Through its various Mutual Fund Schemes	1	118947000		11,89,47,000	4.03	11,89,47,000	3.85	11,89,47,000			
ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	1	31592350		3,15,92,350	1.07	3,15,92,350	1.02	3,15,92,350			
ICICI PRUDENTIAL - Through its various	1	94994359		9,49,94,359	3.22	9,49,94,359	3.07	9,49,94,359			

Mutual Fund Schemes											
Alternate Investment Funds	73	14310289		1,43,10,289	0.49	1,43,10,289	0.46	1,43,10,289			
Banks	4	661154		6,61,154	0.02	6,61,154	0.02	6,61,154			
Insurance Companies	47	144880916		14,48,80,916	4.91	14,48,80,916	4.69	14,48,80,916			
Provident Funds/ Pension Funds	1	65786524		6,57,86,524	2.23	6,57,86,524	2.13	6,57,86,524			
NPS TRUST- Through its various schemes	1	65786524		6,57,86,524	2.23	6,57,86,524	2.13	6,57,86,524			
NBFCs registered with RBI	10	9888		9,888	0.00	9,888	0.00	9,888			
Sub Total B1	175	932494036		93,24,94,036	31.63	93,24,94,036	30.18	93,24,94,036			
B3) Institutions (Foreign)	0	0			0.00		0.00		-	-	-
Foreign Portfolio Investors Category I	1401	1519470725		1,51,94,70,725	51.54	1,51,94,70,725	49.17	1,51,94,70,725			
GOVERNMENT PENSION FUND GLOBAL	1	50376380		5,03,76,380	1.71	5,03,76,380	1.63	5,03,76,380			
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	1	31637747		3,16,37,747	1.07	3,16,37,747	1.02	3,16,37,747			
DODGE AND COX INTERNATIONAL STOCK FUND	1	68557850		6,85,57,850	2.33	6,85,57,850	2.22	6,85,57,850			
KUWAIT INVESTMENT AUTHORITY FUND - Through its various schemes	1	32567439		3,25,67,439	1.10	3,25,67,439	1.05	3,25,67,439			
GOVERNMENT OF SINGAPORE	1	55306399		5,53,06,399	1.88	5,53,06,399	1.79	5,53,06,399			

Foreign Portfolio Investors Category II	100	55339616		5,53,39,616	1.88	5,53,39,616	1.79	5,53,39,616			
Any Other(Institutions (Foreign))	1	278889		2,78,889	0.01	2,78,889	0.01	2,78,889			
Foreign Institutional Investors	1	278889		2,78,889	0.01	2,78,889	0.01	2,78,889			
Sub Total B2	1502	1575089230		1,57,50,89,230	53.43	1,57,50,89,230	50.97	1,57,50,89,230			
B4) Central Government/ State Government(s)/ President of India	0	0			0.00		0.00		-	-	-
Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	3	13631		13,631	0.00	13,631	0.00	13,631			
Sub Total B3	3	13631		13,631	0.00	13,631	0.00	13,631			
B5) Non-Institutions	0	0			0.00		0.00		-	-	-
Directors and their relatives (excluding independent directors and nominee directors)	4	590288		5,90,288	0.02	5,90,288	0.02	5,90,288			
Key Managerial Personnel	1	2856		2,856	0.00	2,856	0.00	2,856			
Investor Education and Protection Fund (IEPF)	1	1213678		12,13,678	0.04	12,13,678	0.04	12,13,678			
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	736776	115667171		11,56,67,171	3.92	11,56,67,171	3.74	11,28,38,906			
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	91	35139543		3,51,39,543	1.19	3,51,39,543	1.14	3,51,38,143			

Non Resident Indians (NRIs)	18776	8720319		87,20,319	0.30	87,20,319	0.28	87,18,319			
Foreign Nationals	2	3402		3,402	0.00	3,402	0.00	3,402			
Bodies Corporate	3232	31937835		3,19,37,835	1.08	3,19,37,835	1.03	3,19,27,335			
Any Other (specify)	9086	2344292		23,44,292	0.08	23,44,292	0.08	23,44,292			
Trusts	46	238904		2,38,904	0.01	2,38,904	0.01	2,38,904			
HUF	9021	1942799		19,42,799	0.07	19,42,799	0.06	19,42,799			
Clearing Members	19	162589		1,62,589	0.01	1,62,589	0.01	1,62,589			
Sub Total B4	767969	195619384		19,56,19,384	6.64	19,56,19,384	6.33	19,27,77,219			
B=B1+B2+B3+B4	769649	2703216281		2,70,32,16,281	91.69	2,70,32,16,281	87.48	2,70,03,74,116			

Details of Shares which remain unclaimed for Public

Serial No.	Number of shareholders	Outstanding shares held in demat or unclaimed suspense account	voting rights which are frozen	Disclosure of notes on shares which remain unclaimed for public shareholders
1	170	1,30,005	1,30,005	-

Statement showing shareholding pattern of the Non Promoter- Non Public shareholder						
Category & Name of the Shareholders(I)	No. of shareholder(III)	No. of fully paid up equity shares held(IV)	Nos. of shares underlying Depository Receipts(VI)	Total no. shares held(VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of equity shares held in dematerialized form(XIV)(Not Applicable)
C1) Custodian/DR Holder	0	0			0.00	
Custodian/DR Holder	1	0	14,21,69,540	14,21,69,540	0.00	14,21,69,540
THE BANK OF NEW YORK MELLON, DR	1	0	14,21,69,540	14,21,69,540	0.00	14,21,69,540
Sub Total C1	1	0	14,21,69,540	14,21,69,540	0.00	14,21,69,540
C2) Employee Benefit Trust	0	0			0.00	
C= C1+C2	1	0	14,21,69,540	14,21,69,540	0.00	14,21,69,540

Statement showing foreign ownership limits		
	Approved Limits %	Limits Utilized %
As on shareholding date	74.00	55.63
As on the end of previous 1st quarter	74.00	56.48
As on the end of previous 2nd quarter	74.00	57.50
As on the end of previous 3rd quarter	74.00	56.89
As on the end of previous 4th quarter	74.00	55.70

ANNEXURE I

DETAILS OF MATERIAL FRAUDS

(*As Enclosed Separately*)

ANNEXURE I

DETAILS OF MATERIAL FRAUDS

Material Frauds

The Special Committee of the Board of Directors constituted for the purpose of Monitoring of Large Value Frauds comprises five Directors namely Mr. S. Vishvanathan, Mr. Amitabh Chaudhry, Mr. Rakesh Makhija, Mr. T. C. Suseel Kumar & Mr Prof. S. Mahendra Dev. The Committee is chaired by Mr. S. Vishvanathan. The Special Committee of the Board of Directors constituted for the purpose of Monitoring of Large Value Frauds was constituted pursuant to an RBI circular to monitor fraudulent activity involving frauds of ₹ 10 million and above. The major functions of the Special Committee involve overseeing investigation of large value frauds involving amounts of ₹ 10 million and above in each case, actions taken by the Bank against the perpetrators of such frauds and suggesting and reviewing corrective steps to plug systemic loopholes, if any, monitoring the progress in all the large value frauds and implementation of the suggestions made by the Committee, reviewing the accounts identified as 'Red-Flagged' with an exposure amounting to ₹ 500 million and above from the Bank, reviewing matters involving cyber frauds and functioning of Fraud Review Council. The Bank's Policy relating to Management and Reporting of Frauds is approved by the Committee, the functioning of the Committee is reviewed by the Board of Directors every year.

In the last three years, the acts of frauds involving an amount of ₹ 10 million or more, against the Bank as reported to the RBI are as follows:

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
1	Case of misappropriation and criminal breach of trust by Late Mr. Navajit Kakoty, the branch head, Mr. Anurag Nath, the operations head and Mr. Shashanka Hazarika, the teller, at the time of the fraud.	13.79	The branch head of the Bank at the time of the fraud in connivance with the teller and the operations head of the Bank had fraudulently siphoned off funds of certain customers of the Bank. Pursuant to receipt of complaints from aggrieved customers, a complaint was lodged with the Biswanath Chariali Police Station, Assam by the Bank in relation to the fraudulent activities allegedly undertaken by the perpetrators. The matter is currently under investigation. The case was reported to the RBI on 13 July 2018. The amount involved has been written off by the Bank.
2	Case of cheating and forgery by Abhishek Tubes Limited.	23.20	Abhishek Tubes Limited had deposited forged title deeds as mortgage in relation to the loan availed by them from the Bank. The company also misled the Bank's empanelled valuer and officials to a wrong site for valuation of the property. The case was reported to the RBI on 5 June 2018. A complaint was lodged with the Commissioner of Police, New Delhi in this regard. The matter is currently under investigation. The amount involved has been recovered and the account stands closed as on 3 October 2019.
3	Case of misappropriation and breach of trust by Mr. Rajeev Sachan, a custodian of cash replenishment agency called CMS Infor Systems Limited.	18.47	Mr. Rajeev Sachan, deployed for loading cash in various ATMs/bunch note acceptor/recyclers had misappropriated the recycler's cash. The case was reported to the RBI on 19 August 2019 and a complaint was lodged with the Link Road Police Station, Ghaziabad in this regard. The matter is currently under investigation. The amount involved has been recovered by the Bank.
4	Case of cheating and forgery by borrowers and certain empanelled valuers including Mr. Sanjay Kumar and Mr. Rahul Garg.	20.62	The borrowers had availed gold loan facilities from the Bank against fake gold jewellery, certified as genuine, by empanelled valuers of the Bank at the time. The case was reported to the RBI on 30 July 2018 and a complaint was lodged with the Superintendent of Police,

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Yamunanagar in this regard. The matter is currently under investigation. An amount of ₹ 2.36 million has been recovered and the remaining amount involved has been written off by the Bank
5	Case of cheating and forgery by Mr. Rahul Arora and Mrs. Amarjeet Kaur.	18.00	The borrowers had availed a loan facility from the Bank in the year 2014 and had mortgaged their self-occupying residential property against the loan. During the year 2017, on the occurrence of default in payment by the borrowers and subsequent inspection by the Bank's collection team, it was discovered that the borrowers had obtained multiple funding from various lenders for the same property. The case was reported to the RBI on 23 May 2019 and a complaint was lodged with Lajpat Nagar Police Station, New Delhi in this regard. The matter is currently under investigation. An amount of ₹ 7.64 million has been recovered and the remaining amount involved has been prudentially written off by the Bank.
6	Case of cheating and forgery by L M Fashions Private Limited.	115.00	L M Fashions Private Limited had submitted fabricated financial statements to the Bank in relation to the loans availed by them. The case was reported to the RBI on 24 May 2019 and a complaint was lodged with the Badambari Police Station, Cuttack in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
7	Case of cheating and forgery by Mr. Pankaj Kumar the then assistant sales manager of the branch.	10.58	Mr. Pankaj Kumar had misappropriated funds from customers by luring them to invest in fictitious scheme assuring higher returns. He was arrested and continues to be in judicial custody till date. The case was reported to the RBI on 27 May 2019 and a complaint was lodged with Hariharpur Police Station, Gomoh, Jharkhand in this regard. The matter is currently under investigation. An amount of ₹ 0.365 million has been recovered by the Bank and the remaining amount involved has been written off by the Bank.
8	Case of cheating and forgery by Shri Ganapati Ores and Ispat Private Limited.	13.50	Shri Ganapati Ores and Ispat Private Limited had submitted fabricated financial statements to the Bank for increasing the limits of the loan facilities already availed by them. The case was reported to the RBI on 6 August 2019 and a complaint was lodged with the Raghunathpalli Police Station, Odisha in this regard. The matter is currently under investigation. The Bank has separately filed an application under Section 14 of the SARFAESI Act before the Tahasildar, Biramitrapur to take possession of the secured assets. The hearing of the application is awaited. The amount involved An amount of ₹ 13.5 million was recovered during FY 2020-21.
9	Case of cheating and forgery by New Ganesh Motors and others.	83.27	New Ganesh Motors, a direct selling agent associated with the Bank, in connivance with certain borrowers forged registration certificates and insurance cover notes

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			and fabricated number plates of vehicles to fraudulently avail auto loan facilities from the Bank. Upon investigation, during the process of recovery, it was discovered that the vehicles for which the facilities were availed were untraceable. The case was reported to the RBI on 16 November 2018 and a complaint was lodged with the Rabale Police Station, New Mumbai in this regard. The matter is currently under investigation. An amount of ₹ 52.76 million has been recovered by the Bank and the remaining amount involved has been prudentially written off by the Bank.
10	Case of cheating and forgery by Valecha Engineering Limited.	546.00	Valecha Engineering Limited had fabricated documents that it was required to submit to the Bank for availing a credit facility. Additionally, certain other financial irregularities were arising out of suspicious diversion of funds. The case was reported to the RBI on 18 November 2018 and a complaint was lodged in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
11	Case of cheating and forgery by Corporate Ispat Alloys Limited.	454.50	Corporate Ispat Alloys Limited had diverted funds disbursed by the Bank towards other projects and its associate companies without completing the project for which the funds had originally been disbursed by the Bank. The case was reported to the RBI on 20 November 2018 and a complaint was lodged in this regard. The matter is currently under investigation. An original application for recovery was filed by the Bank before the Debts Recovery Tribunal, Nagpur in January 2017. The exposure has been prudentially written-off by the Bank.
12	Case of cheating and forgery by Mandhana Industries Limited.	628.44	Mandhana Industries Limited had availed loan facilities from the Bank for the fulfilment of certain objects. On occurrence of default in repayment, it was discovered, among others, that the funds which were originally disbursed by the Bank to MIL had been diverted and not used for the purpose which was originally stated by MIL. Additionally, certain other financial irregularities were observed, which included manipulation of books of accounts by the company. The case was reported to the RBI on 20 November 2018 and a complaint was lodged, in this regard. The matter is currently under investigation. An amount of ₹ 25.80 million has been recovered and the remaining amount involved has been prudentially written off by the Bank. An amount of Rs.1.93 crore received under Resolution plan approved under NCLT during FY2021-22.
13	Case of cheating and forgery by Firestar International Private Limited.	292.00	The Bank had granted working capital loan facilities to Firestar International Private Limited as a part of consortium banking arrangement and had also sanctioned certain loans outside the consortium. The credit facilities were secured against primary security of hypothecation of current assets of the company and

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			collateral of equitable mortgage of the immovable properties, on pari passu basis with other consortium banks. Subsequently, Punjab National Bank and other consortium lenders declared the company's account as 'fraud' on account of the unauthorized letter of undertakings issued on behalf of firms in which Mr. Nirav Modi was the promoter. The Bank had classified the company's account as 'fraud' with an amount involved as ₹ 292 million. A case has already been registered by the Central Bureau of Investigation on the complaint filed by Punjab National Bank. The case was reported to the RBI on 8 August 2018 and the Bank has lodged a complaint with the Banking Securities and Fraud Cell, Central Bureau of Investigation, Mumbai in this regard. The matter is currently under investigation. The Bank issued a demand notice under Section 13(2) of the SARFAESI Act on 5 June 2018 to the company for repayment of dues. The exposure has been prudentially written-off by the Bank.
14	Case of cheating and forgery by Intellisys Technologies and Research Private Limited.	217.50	Intellisys Technologies and Research Private Limited had fabricated book debt statements required to be submitted to the Bank in relation to the loan availed by them. Additionally, certain other financial irregularities were arising out of diversion of partial loan proceeds to related accounts and individual accounts. The case was reported to the RBI on 11 June 2018 and a complaint was lodged with the Joint Commissioner of Police, Kolkata in this regard. The matter is currently under investigation. An original application was filed by the Bank before the Debts Recovery Tribunal, Kolkata and has also initiated action under SARFAESI. An amount of ₹ 41.7 million has been recovered by the Bank and the remaining amount involved has been prudentially written off by the Bank.
15	Case of cheating and forgery by DSK Motors Private Limited.	48.50	DSK Motors Private Limited had diverted funds disbursed by the Bank and not used for the purpose which was originally stated by the Company. The case was reported to the RBI on 8 October 2018 and a complaint was lodged with the Pune Police Station, in this regard. The matter is currently under investigation. An amount of ₹ 32.2 million has been recovered by the Bank and the remaining amount involved has been prudentially written-off by the Bank.
16	Case of cheating and forgery by Mr. Bhavinbhai Ghosai, Mr. Kalpesh Vagasia, Mr. Balvantsinh Shinol, Mr. Bharatsinh Shinol, Mr. Kanaiyalal Panchal and Mr. Parshotambhai Savaliya.	21.30	The borrowers in collusion with certain godown supervisors had fraudulently replaced the actual agricultural produce, required to be deposited as collateral with the Bank, with 'dried grass' in relation to the loan availed by them. The case was reported to the RBI on 27 December 2018 and a complaint was lodged with the Gondal Police Station in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
17	Case of misappropriation of cash by the then custodian of Securitrans Private Limited, a cash replenishment agency.	13.27	A certain custodian of a Securitrans Private Limited, a cash replenishment agency, had misappropriated cash which had to be deposited in ATMs, including an ATM of the Bank. The case was reported to the RBI on 29 March 2019 and a complaint was lodged with the Erode Police Station, Tamil Nadu in this regard. The matter is currently under investigation. The amount involved has been recovered by the Bank.
18	Case of cheating and forgery by Mr. Harish Agarwal and Ms. Leena Agarwal.	27.00	The borrowers had availed a home loan facility from the Bank in the year 2014. After November 2018, on the occurrence of default in payment by the borrowers and subsequent inspection by the Bank's collection team, it was discovered that the property against which the loan was sought was occupied a certain individual to whom the Bank had financed a loan against the same property in January 2015. The case was reported to the RBI on 29 March 2019 and a complaint was lodged with the Economics Offences Wing, Delhi in this regard. The matter is currently under investigation. An amount of ₹ 2.142 million has been recovered by the Bank and the remaining amount involved has been prudentially written off by the Bank.
19	Case of cheating and forgery by Chem Edge International Private Limited.	386.80	Chem Edge International Private Limited was found to be involved in several fraudulent activities such as manipulation of books of accounts, diversion of funds, etc. The case was reported to RBI on 17 October 2018 and a complaint was lodged with Navrangpura Police Station, Ahmedabad in this regard. The matter is currently under investigation. Further, the Bank, along with other banks of the consortium has filed a joint recovery application before the Debts Recovery Tribunal, Ahmedabad. An amount of ₹ 23.78 million has been recovered and the remaining amount involved has been prudentially written off by the Bank.
20	Case of cheating and forgery by HGCL Niraj Supreme Infrastructure Private Limited.	210.00	HGCL Niraj Supreme Infrastructure Private Limited was found to have submitted forged bank guarantee amendments and renewals in relation to 14 bank guarantees worth ₹ 210 million. The case was reported to RBI on 1 October 2018 and a complaint was lodged with the Office of the Economic Offence Wing, Crawford Market, Mumbai in this regard. The matter is currently under investigation. The amount involved has been recovered by the Bank.
21	Case of cheating and forgery by Mr. Paras Sudhir Shah.	11.78	Mr. Paras Sudhir Shah was found to have registered multiple fake sale deeds on the same property and availed home loan facilities from the Bank and other financial institutions by submitting the fake sale deeds as security. The case was reported to RBI on 3 October 2018 and a complaint was lodged with Sadhu Vaswani Chowk Police Station, Pune in this regard. The matter is

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			currently under investigation. The exposure has been prudentially written-off by the Bank.
22	Case of cheating and forgery by Sharan Communications.	18.80	Sharan Communications was found to have availed an enhanced cash credit limit from the Bank by submitting a forged non-objection certificate in relation to a property already mortgaged with another bank. The case was reported to RBI on 19 July 2018 and a complaint was lodged with Patliputra Police Station, Patna in this regard. The matter is currently under investigation. The exposure has been written-off by the Bank.
23	Case of cheating and forgery by Ruchi Soya Industries Limited.	2,385.30	Ruchi Soya Industries Limited had created various shell firms and subsequently, routed its business transactions through them. The company also misrepresented its financial statements to obtain loan facilities in excess of the limit. The case was reported to the RBI on 1 October 2018. IDBI Bank, the lead bank of the consortium has filed a complaint with the Central Bureau of Investigation against the company and its directors on behalf of the consortium. An amount of ₹ 1,200 million has been recovered and the rest of the amount involved has been prudentially written-off by the Bank.
24	Case of cheating and by Diamond Power Infrastructure Limited.	2,180.00	Diamond Power Infrastructure Limited availed loan facilities from the Bank as a part of the consortium. On 31 December 2017, the account maintained with the Bank was classified as an NPA. During February 2018, it was found that the promoters of the company fabricated documents to avail facilities. Additionally, other financial irregularities were observed arising out of diversion of funds which included utilisation of funds from one bank to service the debt with another bank. The case was reported to the RBI on 18 June 2018 and a police complaint was lodged with the Gandhinagar Police Station, Gujarat in this regard. The matter is under investigation. The Central Bureau of Investigation is also investigating the matter suo-moto. Further, an amount of ₹ 95.8 million has been recovered by the Bank and the remaining amount involved has been prudentially written off by the Bank.
25	Case of cheating and forgery by Asian Ispat FZ LLC.	1,850.00	Asian Ispat Free Zone Limited Liability Corporation had availed loan facilities from the Bank for the fulfilment of certain objects. In September 2016 the account of the company was identified as an NPA by the Bank. Additionally, certain other financial irregularities were arising out of diversion of funds and manipulation of books of accounts. The case was reported to the RBI on 19 December 2018 and a complaint was lodged in Dubai in this regard. The Court in Dubai pronounced a verdict of three years imprisonment. The exposure has been prudentially written-off by the Bank
26	Case of cheating and forgery by Gili India Limited.	874.90	The Bank had granted loan facilities to Gili India Limited as a part of consortium banking arrangement.

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			The credit facilities were secured by hypothecation of current assets of the company on pari passu basis with other lenders and collaterally by equitable mortgage of the immovable properties, personal guarantees of Mr. Mehul Choksi along with corporate guarantee of Gitanjali Gems Limited. The Bank had classified the company's account as 'fraud' with an amount involved as ₹ 874.9 million in light of the issuance unauthorised letter of undertakings by Punjab National Bank. A case has already been registered by the Central Bureau of Investigation on the complaint filed by Punjab National Bank. The case was reported to the RBI on 13 July 2018 and a complaint was lodged with the Bank Securities and Fraud Cell of the Central Bureau of Investigation, Mumbai in this regard by Punjab National Bank on behalf of the consortium. The matter is under investigation. The exposure has been prudentially written-off by the Bank.
27	Case of cheating and forgery by Lakshmi Energy and Food Limited.	843.30	Lakshmi Energy and Food Limited had misrepresented its stocks, book debt records to fraudulently avail loan facilities from the Bank. Additionally, other financial irregularities were observed arising out of transacting with related parties. The case was reported to the RBI on 4 October 2018 and a complaint was lodged with Chandigarh Police Station in this regard. The Bank, along with Punjab National Bank has also filed a joint complaint with the Central Bureau of Investigation. The exposure has been prudentially written-off by the Bank.
28	Case of cheating and forgery by Nakshtra Brands Limited.	400.40	The Bank had granted loan facilities to Nakshtra Brands Limited as a part of consortium banking arrangement and had also sanctioned certain loan facilities outside the consortium. The credit facilities were secured by primary security of hypothecation of current assets of the company on pari passu basis with other lenders and collaterally by lien on fixed deposit to the extent of ₹ 32 million along with personal guarantees of Mr. Mehul Choksi and corporate guarantee of Gitanjali Gems Limited. The Bank had classified the company's account as 'fraud' with an amount involved as ₹ 400.4 million in light of the issuance unauthorised letter of undertakings by Punjab National Bank. A case has already been registered by the Central Bureau of Investigation on the complaint filed by Punjab National Bank. The case was reported to the RBI on 19 July 2018 and a complaint was lodged with the Bank Securities and Fraud Cell of the Central Bureau of Investigation, Mumbai in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
29	Case of cheating and forgery by Dr. Senthilkumar.	32.90	In relation to a home loan facility availed from the Bank, Dr. Senthilkumar failed to hand over the documents of the property post disbursement of the loan amount and defaulted in repayments. Subsequently, it was found that

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			a mortgage was created on the property in favour of another third party by way of a general power attorney registered by Dr. Senthilkumar. The case was reported to the RBI on 26 September 2019 and a complaint was lodged with the Office of the Commissioner of Police, Vepery, Chennai in this regard. The matter is currently under investigation. The amount involved has been provisionally held by the Bank.
30	Case of cheating and forgery by Precision Engineers & Fabricators Private Limited.	301.10	In relation to a credit facility availed from the Bank, Precision Engineers & Fabricators Private Limited had hypothecated certain current assets and movable fixed assets to the Bank. Subsequently, it was found that certain movable fixed assets were sold without obtaining a no-objection certificate from the Bank. The case was reported to the RBI on 30 September 2019 and a complaint was lodged with the Joint Commissioner of Police (Crime), Bank Fraud Section, Lal Bazaar, Kolkata. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
31	Case of cheating and forgery by Arise India Limited.	357.60	Arise India Limited was availing credit facilities from a consortium of six banks, including the Bank. It was found that the company had siphoned off funds to the extent of ₹ 5,999.1 million to its related entities. The case was reported to the RBI on 30 September 2019 and a complaint was lodged with the Mandir Marg Police Station, New Delhi. The matter is currently being investigated. An amount of ₹ 10.50 million was recovered. An amount of ₹ 4.10 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
32	Case of Cheating and Forgery by Bhushan Power and Steel Limited.	8,810.50	Bhushan Power and Steel Limited had availed credit facilities from a consortium of 36 banks. It was found that the company and its related entities were involved in various financial violations and suspicious transactions and diversion of funds to shell companies. Proceedings are ongoing pursuant to an assessment order served on the company by the Income Tax Department alleging suspicious transactions with 132 dummy entities. The case was reported to the RBI on 3 December 2019 and a complaint was lodged with the Office of the Economic Offences Wing, Delhi. The matter is currently under investigation. An amount of ₹ 3579 million was recovered during FY 2020-21 and the remaining amount involved has been written off by the Bank
33	Case of cheating and forgery by Onus Enterprise Private Limited.	123.30	Onus Enterprise Private Limited was sanctioned working capital limits and commercial vehicle loans by the Bank. Through a forensic audit conducted by the Bank, the company was found to have committed misrepresentation and breach of trust. Further, various irregularities were observed in the documents submitted

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			to the Bank. The case was reported to the RBI on 4 December 2019 and a complaint was lodged with the Naupada Police Station, Thane. The matter is currently under investigation. An amount of ₹ 16.9 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
34	Case of misappropriation and criminal breach of trust by Mr. Manoj Bhargava.	15.51	Mr. Manoj Bhargava, the deputy manager of the Bank's branch in Beawar was found to have misappropriated funds by fraudulently crediting the accounts of his relatives. He was found to have provided misleading narrations for transactions, wrongly debiting office accounts resulting in unreconciled outstanding entries. The case was reported to RBI on 6 December 2019 and a complaint was lodged with the Beawar City Police Station against Mr. Manoj Bhargava. The matter is currently under investigation. The amount involved has been provisionally held by the Bank.
35	Case of cheating and forgery by Kwality Limited	47.22	Kwality Limited was sanctioned purchase card limits by the Bank and working capital limits by 12 other banks. The account was classified as a non-performing asset in January 2019. Pursuant to the findings of the report prepared by a transaction auditor appointed, the company was found to have diverted the funds and manipulated the books of accounts and the account was classified as a fraud. The case was reported to the RBI on 17 December 2019 and a complaint was lodged with the Economic Offence Wing, Delhi. The matter is currently under investigation. The amount involved has been written off by the Bank.
36	Case of cheating and forgery by Ind-Barath Thermal Power Limited.	346.80	Ind-Barath Thermal Power Limited had availed term loans for part funding of a power plant from consortium of 20 banks. Pursuant to a forensic audit, it was found that the company was involved in diversion of funds to related entities. The case was reported to the RBI on 23 December 2019. The lead bank of the consortium has initiated the corporate insolvency resolution process against the company. The amount involved has been prudentially written off by the Bank.
37	Case of cheating and forgery by Omkar Speciality Chemicals Limited.	99.94	Omkar Speciality Chemicals Limited was sanctioned working capitals limits and term loans by three banks, including the Bank. The Bank had also sanctioned sales invoice finance limit to the company. Pursuant to a forensic audit, it was found that the company was involved in diversion of funds to related entities. The case was reported to the RBI on 24 December 2019 and a complaint was lodged with the Economic Offences Wing & Cyber Cell, Thane. The amount involved has been prudentially written off by the Bank. An amount of Rs.0.84 crore recovered from sale of shares during FY2021-22.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
38	Case of cheating and forgery by Deccan Cargo and Express Logistics Private Limited.	2,470.69	Deccan Cargo and Express Logistics Private Limited was sanctioned credit facilities by a consortium of three banks. The Bank had sanctioned terms loans to the company to meet its capital expenditure. Pursuant to a forensic audit conducted by the lead bank, it was found that the company was involved in diversion of funds to related entities. The case was reported to the RBI on 2 January 2020. A complaint was lodged with the Joint Director of Central Bureau of Investigation, New Delhi by the lead bank. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
39	Case of cheating and forgery by Dewan Housing Finance Corporation Limited.	2,142.11	Dewan Housing Finance Corporation Limited, primarily a housing finance company had availed credit facilities from a consortium of 34 banks. The Bank had sanctioned term loan facilities and cash credit facilities to the company commencing from March 2010. Further, the Bank had also invested in the company by purchasing the non-convertible debentures issued during the period 2017 to 2019. The account was classified as a non-performing asset by the Bank in November 2019. Subsequently, the RBI superseded the board of directors of the company owing to the defaults made by the company in meeting various payment obligations and the concerns which arose in relation to the governance of the company. The RBI initiated a corporate insolvency resolution process against the company, pursuant to which the lead bank of the consortium conducted a forensic audit of the company. The findings of the forensic audit showed that the company was involved in various irregularities including disbursing loans and advances to entities and individuals with commonalities to the promoter and promoter entities. Based on the forensic audit report, the Bank classified the account as fraud and the case was reported to the RBI on 16 April 2020. A complaint was lodged with the Worli Police Station, Mumbai in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank. An amount of Rs.12.31 crore recovered under resolution plan proceeds during FY2021-22
40	Case of fraudulent encashment/ manipulation of books of accounts and conversion of property by Sakri IT Solutions Private Limited.	104.60	The Bank had sanctioned working capital limits and cash credit limits to Sakri IT Solutions Private Limited. The Bank classified the account as a non-performing asset in 2016 and filed a suit against the company under the SARFAESI Act before the Debt Recovery Tribunal, Pune. The suit resulted in partial recovery of the outstanding amount. Subsequently, the Bank initiated a corporate insolvency resolution process against the company and the National Company Law Tribunal ordered liquidation of the company in September 2019. The forensic audit conducted by the Bank showed that

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			the company was involved in various irregularities such as diversion of funds and fraudulent transactions, including fraudulent sale of the property mortgaged to the Bank without obtaining a no-objection certificate/ consent from the Bank. The case was reported to RBI on 5 May 2020 and a complaint was lodged with the Chaturshringi Police Station, Pune in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank. An amount of Rs.0.79 crore received through liquidation proceeds during FY2021-22
41	Case of cheating and forgery by Gangotri Enterprises Limited.	1,730.40	Gangotri Enterprises Limited had availed term loan facilities and working capital limits from a consortium of seven banks. The credit facilities sanctioned to the company were restructured under a corporate debt restructuring scheme in September 2013. A forensic audit conducted by the lead bank showed that the company was involved in fraudulent transactions such as investments in group companies with the borrowings from the banks, sanction of loans to directors and related parties and failure to disclose the related party transactions in the audited balance sheets. The case was reported to RBI on 17 February 2020 and a complaint was lodged with the Economic Offences Wing, Mandir Marg Police Station, New Delhi in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
42	Case of cheating and forgery by Gangotri Deherdha Ishagarh Tollway Limited.	325.60	The Bank sanctioned a term loan to Gangotri Deherdha Ishagarh Tollway Limited to part-finance a road project undertaken by the company. The account was classified as a non-performing asset by the Bank in March 2018, post which an initial recovery was made from the company. The account was classified as a red flagged account in October 2019. Subsequently, a forensic audit was conducted by the Bank which showed that the company was involved in diversion of funds and other irregularities. The case was reported to RBI on 20 May 2020 and a complaint was lodged with the Economic Offences Wing, Mandir Marg Police Station, New Delhi in this regard. The matter is currently under investigation. An amount of ₹ 2.6 million has been recovered by the Bank and the remaining amount involved has been provisionally held by the Bank.
43	Case of cheating and forgery by Gangotri Jhabua Jobat Kukshi Tollway Limited.	770.60	Gangotri Jhabua Jobat Kukshi Tollway Limited had availed term loan facilities from a consortium of two banks for undertaking a road project. The account was classified as a non-performing asset by the Bank in March 2018, post which an initial recovery was made from the company. The account was classified as a red flagged account in October 2019. Subsequently, a forensic audit was conducted by the Bank which showed that the company was involved in diversion of funds and

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			other irregularities. The case was reported to RBI on 20 May 2020 and a complaint was lodged with the Economic Offences Wing, Mandir Marg Police Station, New Delhi in this regard. The matter is currently under investigation. An amount of ₹ 23.4 million has been recovered by the Bank and the remaining amount involved has been provisionally held by the Bank.
44	Case of cheating and forgery by Gangotri Thandla Limdi Tollway Limited.	160.70	The Bank sanctioned a term loan to part-finance the road project undertaken by Gangotri Thandla Limdi Tollway Limited. The account was classified as a non-performing asset by the Bank in March 2018, post which an initial recovery was made from the company. The account was classified as a red flagged account in October 2019. Subsequently, a forensic audit was conducted by the Bank which showed that the company was involved in diversion of funds and other irregularities. The case was reported to RBI on 20 May 2020 and a complaint was lodged with the Economic Offences Wing, Mandir Marg Police Station, New Delhi in this regard. The matter is currently under investigation. The amount involved has been provisionally held by the Bank. An amount of ₹ 9.00 million has been recovered by the Bank and the remaining amount involved has been provisionally held by the Bank.
45	Case of cheating and forgery by Religare Finvest Limited.	1000.00	Religare Finvest Limited had availed credit facilities under multiple banking arrangements from 35 lenders, including the Bank. In October 2018, the company filed a complaint with the Economic Offences Wing, Mandir Marg Police Station, New Delhi for various criminal actions committed by its erstwhile promoters andre other associated persons. In October 2019, the erstwhile promoters of the company were arrested along with the former chief managing director of Religare Enterprises Limited. Subsequently, in March 2020, a charge sheet was filed against the erstwhile promoters and certain employees of Lakshmi Vilas Bank, in connection with an alleged fraud causing losses to the company. Pursuant to a forensic audit, the Bank classified the account as fraud in May 2020 based on the adverse observations found in the audit report such as irregularities in the loan books and diversion of funds to related entities. The case was reported to the RBI on 22 May 2020. The lead bank has lodged complaint with the Central Bureau of Investigation on behalf of the lenders, including the Bank on 15 October 2020. An amount of ₹ 10.68 crore was recovered during FY 2020-21 and the remaining amount involved has been provisionally held by the Bank.
46	Case of cheating and forgery by Apex Encon Projects Private Limited.	250.00	The Bank had sanctioned working capital limits to Apex Encon Projects Private Limited. The account was classified as a non-performing asset in October 2013. Pursuant to recovery proceedings initiated by the Bank,

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			an official liquidator was appointed and a recovery certificate was issued against the company. From the submissions made by other banks to the Central Fraud Registry, it was found that the company was involved in several irregularities such as misuse of letters of credit and round tripping of funds through related parties. The case was reported to RBI on 24 May 2020 and a complaint was lodged with the Economic Offences Wing, Mandir Marg Police Station, New Delhi in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
47	Case of cheating and forgery by Compact Lamps Private Limited.	175.33	Compact Lamps Private Limited had availed credit facilities from 10 lenders under multiple banking arrangement, including the Bank. The Bank classified the account as a non-performing asset in July 2018, pursuant to which an initial recovery was made from the company. Insolvency proceedings were initiated against the company and an order for liquidation was passed in October 2019. The transaction audit report highlighted preferential and fraudulent transactions undertaken by the company. Based on the transaction audit report, the company was classified as fraud by the Bank in May 2020. The case was reported to the RBI on 25 May 2020 and a complaint was lodged with the Economic Offences Wing, Mandir Marg Police Station, New Delhi in this regard. The matter is currently under investigation. An amount of ₹ 1.40 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
48	Case of cheating and forgery by Idhasoft Limited.	129.09	Idhasoft Limited had availed working capital and cash credit facilities from the Bank. The account was classified as a non-performing asset in April 2017. Recovery proceedings were initiated before the Debt Recovery Tribunal, action under the SARFAESI Act was initiated and insolvency proceedings were also initiated before the National Company Law Tribunal. In the transaction audit report, various irregularities were observed in the company's transactions with its overseas subsidiaries. Based on these observations, the Bank classified the account as a red flagged account in January 2020. The forensic audit report showed preferential transactions and fraudulent/ wrongful trading carried out by the company with offshore entities resulting in siphoning of funds. The Bank classified the company as fraud and the case was reported to the RBI on 28 May 2020. A complaint was lodged with the Joint Commissioner of Police, Economic Offences Wing, CBD Belapur, Navi Mumbai in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
49	Case of cheating and forgery by Amrit Feeds Limited.	63.81	Amrit Feeds Limited had availed working capital and term loans limits from a consortium of five banks. The Bank classified the account as a non-performing asset in May 2016 and initiated insolvency proceedings against the company. The forensic audit report commissioned by the lead bank of the consortium highlighted various transactions with related parties and irregularities in the disclosures made in the company's financial statements. The case was reported to the RBI on 28 May 2020 and a complaint was lodged with the Police Headquarters, Bank Fraud Section, Lal Bazaar, Kolkata in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
50	Case of cheating and forgery by CG Power and Industrial Solutions Limited.	4,471.08	CG Power and Industrial Solutions Limited had availed working capital facilities from a consortium of 10 banks. The company had also availed other facilities from nine lenders under multiple banking arrangement. The Bank classified the account as a red flagged account in November 2019 and as a non-performing asset in December 2019. The forensic audit report commissioned by the lead bank of the consortium showed that the company was involved in various irregularities and siphoning of funds. The Bank classified the company as fraud in June 2020. The case was reported to the RBI on 16 June 2020. The lead bank has lodged a complaint with the Central Bureau of Investigation, Delhi on behalf of the lenders, including the Bank on 12 October 2020. An amount of ₹ 169.49 crore was recovered during FY 2020-21 and the remaining amount involved has been provisionally held by the Bank.
51	Case of cheating and forgery by Kadevi Industries Limited.	511.79	Kadevi Industries Limited had availed credit facilities from a consortium of four banks. The account was classified as a non-performing asset in April 2016. Recovery proceedings were initiated before the Debt Recovery Tribunal and insolvency proceedings were also initiated before the National Company Law Tribunal. The liquidation of the company was ordered in July 2019. The forensic audit report commissioned by the lead bank of the consortium showed fraudulent transactions carried out by the company with offshore entities resulting in diversion of funds and misrepresentation in its financial statements. Based on these observations, the Bank classified the account as a red flagged account in January 2020. The case was reported to the RBI on 29 June 2020. The Bank, along with the lead bank, is in the process of lodging a complaint with the Police in this regard. The amount involved has been prudentially written off by the Bank.
52	Case of cheating and forgery by Sunil Hitech Engineers Limited.	802.60	Sunil Hitech Engineers Limited had availed credit facilities from a consortium of 14 banks, including the

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Bank. The account was classified as a non-performing asset in June 2018. The company is presently under liquidation. Pursuant to a forensic audit, it was found that the company was involved in manipulation of its financial statements in several instances. The case was reported to the RBI on 30 September 2019. The amount involved has been prudentially written-off by the Bank.
53	Case of cheating and forgery by Su-Kam Power Systems Limited.	147.98	Su-Kam Power Systems Limited had availed credit facilities from a consortium of eight banks, including the Bank. The account was classified as a non-performing asset in October 2017. The company is presently under liquidation. Pursuant to a forensic audit commissioned by the lead bank of the consortium, it was found that the company was involved in diversion of funds, manipulation of its financial statements and suspicious transactions of sales and purchases. The case was reported to RBI on 29 October 2019 and a complaint was lodged with the Udyog Vihar Police Station, Gurugram and the Economic Offences Wing, Office of the Commissioner of Police, Gurugram in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
54	Case of cheating and forgery by Base Corporation Limited.	1,716.28	Base Corporation Limited had availed credit facilities from a consortium of 12 banks, including the Bank. Pursuant to a forensic audit report commissioned by the lead bank, it was found that the company was involved in diversion of funds and manipulation of financial statements. The case was reported to the RBI on 17 December 2019. A complaint was lodged with the Joint Director of Central Bureau of Investigation, New Delhi by the lead bank. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
55	Case of cheating and forgery by Gupta Energy Private Limited.	1,980.64	Gupta Energy Private Limited had availed term loans from a consortium of lenders, including the Bank, to part fund its power project. The account was classified as a non-performing asset by the Bank in March 2014. The company is currently under liquidation. The forensic audit conducted by the consortium showed that the company was involved in diversion of funds to group companies and manipulation of financial statements. The case was reported to the RBI on 23 December 2019. The amount involved has been prudentially written off by the Bank.
56	Case of cheating and forgery by Vibha Agrotech Limited.	1,042.61	Vibha Agrotech Limited had availed working capital facilities from a consortium of 12 lenders. The account was classified as a non-performing asset by the Bank in May 2013. The lead bank initiated insolvency proceedings against the company in September 2018. Pursuant to a forensic audit conducted by the lead bank, it was found that the company was involved in diversion

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			of funds to group companies and manipulation of financial statements. The case was reported to the RBI on 24 December 2019 and a complaint was lodged with the Office of the Director General of Police, Telangana State, Hyderabad, in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
57	Case of cheating and forgery by Jaihind Projects Limited	371.49	Jaihind Projects Limited had availed credit facilities from a consortium of banks, which were restructured under a corporate debt restructuring scheme in March 2013. The facilities extended by the Bank were not a part of the package. The account was classified as a non-performing asset by the Bank in March 2017. A transaction audit, conducted as part of the insolvency proceedings initiated against the company showed that the company had carried out preferential and fraudulent transactions and was involved in manipulation of financial statements. The case was reported to the RBI on 24 December 2019 and a complaint was lodged with the Navranpura Police Station, Ahmedabad in this regard. The matter is currently under investigation. An amount of ₹ 86 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
58	Case of cheating and forgery by Gupta Global Resources Private Limited	635.46	Gupta Global Resources Private Limited had availed working capital and term loan facilities of a consortium of six lenders. Existing limits of the company were restructured pursuant to a corporate debt restructuring scheme in 2015. The account was classified as a non-performing asset by the Bank in September 2016. Findings of a forensic audit conducted showed that the company was involved in diversion of funds and manipulation of financial statements. The case was reported to the RBI on 7 January 2020 and a complaint was lodged with the Sitabuldi Police Station, Nagpur in this regard. The matter is currently under investigation. An amount of ₹ 15.7 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank. An amount of Rs.0.58 crore received through CIRP during FY2021-22.
59	Case of misappropriation and criminal breach of trust by Mr. Amit Kulkarni.	14.25	Mr. Amit Kulkarni, the branch head of Adgaon Naka, Nashik Branch lured customers on the pretext of investments in the Bank's products, with lucrative returns and diverted the customers' funds to a third party, Vaze Constructions. Fictitious investment proofs were provided by Mr. Kulkarni to two customers. An aggregate amount of ₹ 14.3 million from 23 customers was diverted towards external investments outside the Bank. On demand, he repaid the invested funds aggregating to ₹ 4.51 million to six customers. The case was reported to the RBI on 27 January 2020 and a

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			complaint was lodged with the Economic Offences Wing, Nashik in this regard. The rest of the amount involved has been provisionally held by the Bank.
60	Case of cheating and forgery by IVRCL Limited.	882.16	IVRCL Limited had availed credit facilities from a consortium of 18 lenders. The consortium limits were restructured pursuant to a corporate debt restructuring scheme in September 2014. A strategic debt restructuring by the lenders failed and the account was classified as a non-performing asset by the Bank in December 2016. The company is currently under liquidation. As part of the insolvency proceedings, the forensic audit conducted showed diversion of funds, manipulation of books of accounts and various irregularities committed by the company. The Bank classified the company as fraud and the case was reported to the RBI on 4 February 2020. A complaint was lodged with the Joint Director of Central Bureau of Investigation, New Delhi by the lead bank in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
61	Case of cheating and forgery by Champion Agro Limited.	806.75	Champion Agro Limited had availed working capital limits from various banks under multiple banking arrangements. The company and its directors were reported as wilful defaulter and non-cooperative borrower by the Bank in July 2016. Recovery action under SARFAESI Act is ongoing. Based on submissions made by other banks to the Central Fraud Registry, it was observed that the company was involved in diversion of funds to group entities and disposal of movable fixed assets which were charged to banks without prior approval. The case was reported to the RBI on 5 February 2020 and a complaint was lodged with the Inspector of Police, Gautamnagar, Gandhigram, Rajkot in this regard. The matter is currently under investigation. An amount of ₹ 2.70 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank. An amount of Rs.0.86 crore received from sale of assets during FY2021-22.
62	Case of cheating and forgery by Trimax IT Infrastructure and Services Limited.	508.94	Trimax IT Infrastructure and Services Limited, had availed working capital facilities from a consortium of 12 banks, including the Bank. The account was classified as a non-performing asset by the lenders. Insolvency proceedings were initiated against the company on February 2019. The forensic audit report commissioned by the lead bank showed that the company was involved in fraudulent transactions of sales and purchases and manipulation of books of accounts. The case was reported to the RBI on 10 February 2020. SBI, vide its email dated 06.10.2020, has informed the lenders that they have lodged complaint with CBI (BS&FC) New Delhi through Speed

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Post dated 25.08.2020, which has been received at CBI office on 27.08.2020. An amount of ₹ 17.9 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
63	Case of cheating and forgery by Coastal Projects Limited.	4,049.24	Coastal Projects Limited had availed credit facilities from a consortium of 39 lenders, including the Bank. The outstanding debt was restructured pursuant to a corporate debt restructuring scheme in 2014. A strategic debt restructuring by the lenders failed and the account was classified as a non-performing asset by the Bank in March 2017. Insolvency proceedings were initiated against the company. The findings of the forensic audit conducted showed that the company was involved in diversion of funds, submission of forged documents and suspicious transactions. The Bank classified the company as fraud and the case was reported to the RBI on 12 February 2020. A complaint was lodged with the Panjagutta Police Station, Hyderabad in this regard. The matter is currently under investigation. An amount of Rs.119 million has been recovered during FY2020-21 and the remaining amount involved has been prudentially written off by the Bank. An amount of Rs.0.78 crore recovered during FY2021-22 through liquidation proceeds received
64	Case of cheating and forgery by Cox and Kings Limited.	8,799.58	Cox and Kings Limited had availed credit facilities from 20 lenders, including the Bank under multiple banking arrangements. Insolvency proceedings were initiated against the company in October 2019. Pursuant to a forensic audit, it was found that the company had transactions with other debtors with fictitious addresses and were not found in the statements of the company. The case was reported to the RBI on 20 February 2020 and a complaint was lodged with the Economic Offences Wing, Crawford Market, Mumbai in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
65	Case of cheating and forgery by Ezeego One Travel and Tours Limited.	1,075.54	Ezeego One Travel and Tours Limited, with Cox and Kings Limited and its promoters as its majority shareholders had availed credit facilities from two banks, including the Bank under multiple banking arrangements. The account was classified as a non-performing asset by the Bank in September 2019. Insolvency proceedings were initiated by the other lender against the company. Pursuant to a forensic audit, it was found that the company had substantial related party transactions and had not utilized the funds received for the sanctioned purpose. The case was reported to the RBI on 28 February 2020 and a complaint was lodged with the Economic Offences Wing, Crawford Market, Mumbai in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
66	Case of cheating and forgery by Talwalkars Better Value Fitness Limited.	2,013.47	Talwalkars Better Value Fitness Limited and its related entity Talwalkars Lifestyle Limited (subsequently renamed as Talwalkars Healthclubs Limited) were sanctioned several credit facilities by the Bank. The Bank has initiated insolvency proceedings against the entities. Pursuant to a forensic audit conducted by the Bank, it was found that the entities were involved in inflation of revenues, diversion of funds and misappropriation of borrowed funds. The case was reported to the RBI on 7 July 2020 and a complaint was lodged with the Economic Offences Wing, Crawford Market, Mumbai in this regard. The amount involved has been provisionally held by the Bank.
67	Case of cheating and forgery by Talwalkars Healthclubs Limited.	50.00	Talwalkars Better Value Fitness Limited and its related entity Talwalkars Lifestyle Limited (subsequently renamed as Talwalkars Healthclubs Limited) were sanctioned several credit facilities to the entities. The Bank has initiated insolvency proceedings against the entities. Pursuant to a forensic audit conducted by the Bank, it was found that the entities were involved in inflation of revenues, diversion of funds and misappropriation of borrowed funds. The case was reported to the RBI on 7 July 2020 and a complaint was lodged with the Economic Offences Wing, Crawford Market, Mumbai in this regard. The amount involved has been provisionally held by the Bank.
68	Case of cheating and forgery by M/s. Siya Sales Corporatiosn.	12.41	Mrs. Mansi Mahajan had availed an overdraft facility from the Bank under the loan against property scheme in September 2014. The loan was secured through the mortgage of residential property owned by Mrs. Veena Mahajan, guarantor and mother in law of Mrs. Mansi Mahajan. In November 2017, Mrs. Mansi Mahajan transferred the loan to her proprietorship firm M/s. Siya Sales Corporation with the same property as security. In September 2019, Mrs. Veena Mahajan submitted a letter for withdrawal of guarantee and requested release of the security. As the bank did not accede to the request, the guarantor raised a complaint with the Banking Ombudsman of the RBI. In January 2020, the Banking Ombudsman had scheduled a meeting with Mrs. Veena Mahajan and the Bank to settle the dispute wherein after reviewing the loan documents, she stated that the documents did not bear her signatures and were forged. During an investigation undertaken by the Bank, significant mismatch in the signatures were identified. The loan documents were also referred for forensic examination by a handwriting expert post which the expert concurred that the documents were forged. It was found that the execution of guarantee did not take place in the presence of the relevant officials. The case was reported to the RBI on 22 May 2020 and a complaint was lodged with the Senior Superintendent of Police,

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Jammu and Kashmir in this regard. The matter is currently under investigation. The amount involved has been provisionally held by the Bank.	
69		Case of cash shortage in ATM involving Mr. Sachin Shivaji Wagh, an employee of Securitrans India Private Limited		10.00		The services of M/s. Securitrans India Private Limited, a cash replenishing agency were availed for cash replenishing activities in the Bank's ATM/ recyclers in Mumbai/ New Mumbai. During a surprise cash verification done by the agency, it was found that an amount aggregating to ₹ 39.68 lakhs was misappropriated from 35 out of 37 ATM/ recyclers serviced by Mr. Sachin Shivaji Wagh, an employee of the agency, which included an amount of ₹ 10.00 million pertained to the seven ATM/ recyclers of the Bank. The case was reported to the RBI on 7 January 2020. A complaint was lodged with the Koparkhairane Police Station, Navi Mumbai in this regard. The matter is currently under investigation. The amount involved has been recovered by the Bank.	
70		Case of cheating and forgery by Educomp Infrastructure & School Management Limited		2,743.80		Educomp Infrastructure & School Management Limited had availed term loan facilties from the Bank. The limits were restructured pursuant to a corporate debt restructuring scheme, and subsequently under a flexible restructuring scheme. Subsequently, the account was classified as a non-performing asset by the Bank and insolvency proceedings were initiated against the company. Pursuant to a forensic audit, it was found that the company was involved in manipulation of its books of accounts and diversion of funds to related entities. The case was reported to RBI on 30 September 2019 and a complaint was lodged with the Udyog Vihar Police Station, Gurugram and the Economic Offences Wing, Office of the Commissioner of Police, Gurugram in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.	
71		Case of cheating and forgery by Educomp Solutions Limited.		3,335.80		Educomp Solutions Limited had availed term loan facilities from the Bank. The limits were restructured pursuant to a corporate debt restructuring scheme. Subsequently, the account was classified as a non-performing asset by the Bank and insolvency proceedings were initiated against the company. Pursuant to a forensic audit conducted on behalf of the consortium, it was found that the company was involved in manipulation of its books of accounts and diversion of funds to related entities. The case was reported to RBI on 30 September 2019 and a complaint was lodged with the Udyog Vihar Police Station, Gurugram and the Economic Offences Wing, Office of the Commissioner of Police, Gurugram in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
72	Case of fraudulent FASTag refunds	198.70	In January 2020, an incident of fraudulent transactions pertaining to recharge of FASTag through UPI was detected when the operations team of the Bank detected an unusual level of unreconciled debits. On further investigation, it was found that refunds were getting initiated through UPI for attempted recharges where the recharge amounts had not been received by the Bank. It was found that 4,276 refund transactions amounting to ₹ 198.7 million were processed without receiving the recharge amounts. Internal investigation is presently underway and the Bank has appointed an external firm to conduct a forensic review of the incident. The case was reported to the RBI on 10 February 2020 and a complaint was lodged with the Cyber Crime Cell, Bandra Kurla Complex, Mumbai in this regard. The matter is currently under investigation. The amount involved has been provisionally held by the Bank. The Bank is in the process of recovering the amount involved. An amount of Rs.9.44 crore received during FY2021-22, after court Order received for released of lien amount
73	Case of cheating and forgery by Mr. Mahantesh and others.	65.00	Karnataka State Warehouse Corporation Limited was the designated collateral manager in relation to the farmer limit warehouse finance facility sanctioned to 13 farmers/ borrowers against pledge of warehouse receipts. During a visit to the Karnataka State Warehouse Corporation Limited, the collections team identified the pilferage / shortage in the pledged commodities. On further investigation, it was revealed that amounts were sanctioned to each of the 13 borrowers on the basis of the inadequate warehouse receipts. These 13 borrowers were later found to be friends, workers and people known to the proprietor of M/s. Mahantesh Traders, owned by Mr. Mahantesh. The end use of the loan funds indicated the beneficiaries as Mr. Mahantesh and his associates. The staff of Karnataka State Warehouse Corporation Limited had colluded with Mr. Mahantesh in perpetrating the fraud. Lapses were found in the due diligence conducted on the 13 borrowers. The case was reported to the RBI on 29 May 2020 and a complaint was lodged with the Chintamani Rural Town Police Station, Karnataka in this regard. The matter is currently under investigation. The amount involved has been provisionally held by the Bank. An amount of ₹ 5 million has been recovered by the Bank and the remaining amount involved has been provisionally held by the Bank.
74	Case of cheating and forgery involving three co-operative banks	38.99	In May 2020, the Bank received communications from three co-operative banks that files for various amounts of bulk payment were not initiated by them. Based on an internal investigation, it was found that there were no

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			compromises on the Bank's servers and systems. A forensic investigation has been initiated and the Bank has taken additional control measures to enhance the authorization level for the co-operative banks. The case was reported to the RBI on 18 June 2020. There is no financial loss to the Bank in this regard.
75	Case of cheating and forgery by 43 borrowers, Mr. Tikendra Jaiswal and Mr. Prateek John and others	33.94	Pursuant to an investigation conducted in relation to 62 agriculture loans sanctioned to 43 farmers, it was found that Mr. Tularam, Mr. Govinda and Mr. Rajendra Kashyap and Mr. Tikendra Jaiswal posed as brokers/ agents and collected KYC documents from illiterate labourers for sanction of loans. These individuals colluded with Mr. Prateek John, an ex-staff of the Bank, the patwari and the empaneled lawyer of the Bank for submission of manipulated land records and legal reports. Substantial portions of the loan amounts were siphoned off with the support of Mr. John. The case was reported to the RBI on 16 July 2020 and a complaint was lodged with the Inspector General of Police, Bilaspur, Chattisgarh in this regard. An amount of ₹ 0.97 million has been recovered. An amount of ₹ 32.28 million has been provisionally held by the Bank and the rest of amount involved has been written off by the Bank.
76	Case of cheating and forgery by Fedders Electric and Engineering Limited	900.44	Fedders Electric and Engineering Limited had availed working capital limits and term loan facilities from a consortium of eight lenders, including the Bank. Pursuant to default in repayment, the Bank classified the account as a non-performing asset in July 2018. A notice under the SARFAESI Act was issued in January 2019 and the company was admitted for corporate insolvency resolution process by the National Company Law Tribunal in August 2019. Pursuant to a forensic audit conducted by the lead bank, it was found that the company was involved in manipulating its books of accounts and submission of wrongful statements with an intent to defraud the lenders. The account was classified as fraud on 2 July 2020. The case was reported to the RBI on 17 July 2020. The complaint has been lodged in the matter at Joint Director (Policy) CBI, Banking Complaint Cell, New Delhi on 28 October 2020. The amount involved has been provisionally held by the Bank.
77	Case of cheating and forgery by Adams Distributions Private Limited	35.29	Adams Distributions Private Limited had availed cash credit facilities from the Bank. Pursuant to default in repayment, the account was classified as a non-performing asset in December 2016 and as a red flagged account in January 2020. Recovery proceedings have been initiated against the company. Pursuant to investigation undertaken by the Bank, it was found that the company was involved in various irregularities including misrepresentation and manipulation of financial statements. The account was classified as fraud

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			by the Bank. The case was reported to the RBI on 30 July 2020 and a complaint was lodged with the Bank Fraud Section, Police Headquarters, Lal Bazar, Kolkata in this regard. The exposure has been prudentially written-off by the Bank.
78	Case of cheating and forgery by SBJ Exports and Manufacturing Private Limited	247.95	SBJ Exports and Manufacturing Private Limited had availed working capital limits from two lenders, including the Bank. Pursuant to default in repayment, the Bank classified the account as a non-performing asset in March 2017. A notice under the SARFAESI Act was issued in June 2017 and an order of liquidation was passed against the company by the National Company Law Tribunal in November 2018. Pursuant to a transaction audit, it was found that the company was involved in manipulation of books of accounts and certain fraudulent transactions. The case was reported to the RBI on 27 July 2020. The complaint filed by PNB bank with CBI New Delhi An amount of ₹ 42.10 million has been recovered by the Bank. An amount of ₹ 6.3 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
79	Case of cheating and forgery by Ind-Barath Power Gencom Limited	1236.49	Ind-Barath Power Gencom Limited had availed working capital limits and terms loan from a consortium of eight banks, led by the Bank. Pursuant to default in repayment, the account was classified as a non-performing asset in May 2017 and the credit facilities were recalled. A notice under the SARFAESI Act was issued in February 2019 and the company was admitted for corporate insolvency resolution process by the National Company Law Tribunal in November 2019. Pursuant to forensic and transaction audits, it was found that the company was involved in various irregularities including certain fraudulent and preferential transactions. The account was classified as fraud and the case was reported to the RBI on 6 August 2020. A complaint has been lodged in the matter at Joint Director (Policy), CBI, New Delhi on 27 October 2020. The exposure has been prudentially written-off by the Bank.
80	Case of cheating and forgery by Pratibha Industries Limited	3133.96	Pratibha Industries Limited had availed working capital facilities from consortium of banks, including the Bank. Pursuant to the company's liquidity constraints, a strategic debt restructuring scheme was implemented by the lenders. Upon failure to find a suitable investor, the account was classified as a non-performing asset by the Bank in June 2016. Subsequently, the account was classified as a red flagged account in December 2018. Pursuant to a forensic audit conducted by the lead bank of the consortium, it was found that the company was involved in misrepresentation of books of accounts, non-disclosure of related party transactions and other irregularities. Debt recovery proceedings and insolvency

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			proceedings have been initiated by the consortium in this regard. The case was reported to the RBI on 20 August 2020. A complaint has been lodged in the matter at Head of Zone, CBI, BS & F Zone, New Delhi on 02 March 2021. The amount involved has been prudentially written-off by the Bank.
81	Case of cheating and forgery by Deepak Cables (India) Limited	636.65	Deepak Cables (India) Limited had availed working capital limits from a consortium of six banks, including the Bank. Pursuant to default in repayment, the Bank classified the account as a non- performing asset in June 2015 with effect from 13 May 2014. The consortium initiated debt recovery proceedings against the company before the Debts Recovery Tribunal, Bangalore. Subsequently, insolvency proceedings were initiated against the company and the National Company Law Tribunal passed an order of liquidation of the company in July 2019. Pursuant to a forensic audit, the account was classified as a red-flagged account by the Bank in August 2020. The case was reported to the RBI on 1 September 2020. The complaint has been lodged in the matter at Joint Director (Policy), CBI, New Delhi on 27 October 2020. An amount of ₹ 11.2 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
82	Case of cheating and forgery by Sintex-BAPL Limited	2158.32	Sintex-BAPL Limited, part of the Sintex group of companies, had availed supply chain finance limits from Bank. The company had also availed working capital limits and term loans from the Bank in the past which were duly repaid and closed. Pursuant to default in repayment with respect to the supply chain finance limits sanctioned, the Bank classified the account as a non-performing asset in September 2019. In order to protect its interest and to initiate recovery, the Bank has filed a plaint before the Small Causes Court, Ahmedabad. From the submissions made by other banks to the Central Fraud Registry, it was found that the company was involved in several irregularities such as misrepresentation of financial statements and diversion of funds. The Bank classified the account as fraud and reported the case to the RBI on 7 September 2020. The complaint has been lodged in the matter at Economic Offence Wing, Jamalpur (Raikhad), Ahmedabad on 17 May 2021. An amount of ₹ 0.5 million has been recovered by the Bank and the remaining amount involved has been provisionally held by the Bank.
83	Case of Clandestine selling off of hypothecated/mortgaged security by Maharashtra Theatres Private Limited	428.37	Company Background: Maharashtra Theatres Private Limited (MTPL), incorporated in December 1969, is engaged in real estate development and leasing of properties. The company was acquired by RNA Builders (part of Anil Aggarwal group) in 2005. Banking Arrangement: The company was availing credit facilities of about Rs.259 crore under multiple banking

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						arrangement from Bank of Baroda (erstwhile Dena Bank), Allahabad Bank, Canara Bank and Axis Bank. Axis Bank had initially sanctioned Line of Credit limits of Rs.22.50 crore to the borrower in Feb 2008. Subsequently, a number of additional limits were sanctioned by Axis Bank. Resolution/Recovery: Axis Bank classified the account as NPA on 29.01.2019. The advances were recalled on 11.07.2019. Action under SARFAESI Act was initiated against the borrower on 24.09.2019. Symbolic possession of the mortgaged properties situated at RNA Corporate Park, kalanagar, Bandra (E), Mumbai was taken on 06.02.2020. Suit has been filed against borrower and guarantors in DRT Mumbai on 30.01.2020. Group Exposure Axis Bank presently has exposure in the below mentioned group entities of MTPL: East and West Builders: Credit exposure Rs.127.91 crore; (IRAC: Doubtful 2). Skyline Construction Company: Credit exposure of Rs.31.72 crore (IRAC: Doubtful 2) RFA Classification: Maharashtra Theatres Pvt. Ltd. was classified t as RFA on 03.01.2020, on account of sale of collateral security without Bank's NOC Forensic Audit Report: J C Kabra and Associates was appointed by Axis Bank to conduct forensic audit of the borrower on 04.02.2020 covering review period from 01.04.2013 to 31.12.2019. Draft forensic audit report has been submitted on 16.07.2020. Key findings are as below: Out of 12 flats kept as collateral security, 5 flats were sold by the borrower without approval / intimation to lender. As per the forensic auditor, this is an act performed with fraudulent intent by the borrower Transfers of Rs.48.09 crore to related party. However, in absence of required information and management reply forensic auditor was not able to comment on genuineness of the amount transferred to related parties Non-cooperation by management in providing data required to perform forensic audit, which implied presence of malafide intent to restrain auditor from getting relevant information, raising concerns over operations and integrity of management. The borrower did not cooperate in the forensic audit exercise and information requested by the forensic auditors were not shared. Further, clarification was sought from the borrower on the adverse findings of the draft forensic report on 24.07.2020. However, despite several reminders from the forensic auditor, response from the borrower is still pending. The forensic auditor has been unable to conclude the report due to lack of information sharing and clarifications from the borrower. Conclusion: The borrower was classified as 'Fraud' by Axis Bank, based on findings of draft forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 30 September 2020	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			The Bank has lodged Criminal Compliant before Economic Offence Wing on 14 October 2020. An amount of ₹ 15.3 million has been recovered by the Bank and the remaining amount involved has been provisionally held by the Bank. An amount of Rs. 0.67 crore received during FY2021-22 through lease rent received.
84	Case of Others by Hakim Imtiyaz and other	26.73	A Current Account in the name of Assistant Engineer PW(R and B), Division Shopian was opened on 20.02.2019 at Arahama Branch, Shopian, Jammu and Kashmir. Mr. Hakim Imtiyaz is the authorized signatory in the said account and the mode of operation (MOP) in the account was registered as 'Singly'. Mr. Hakim Imtiyaz is posted as a Junior Engineer in the aforesaid Government Department. During the field verification at sourcing stage, the sourcing official met the authorized signatory of the account, Mr.Hakim Imtiyaz, at the office of Asst. Engineer PW (R and B) Division, Shopian. Second level field verification was conducted by Branch Head who visited the office of Asst. Engineer and reported the field verification as satisfactory. The funds aggregating to Rs. 267.33 lakhs were collected in this account by presenting cheques for clearing. The said cheques were issued by M/s Bharti Airtel and M/s Jio Reliance Infocom Ltd. Mr. Hakim Imtiyaz in connivance with Mr. Niamat Ali Bhat, who is a contractor, siphoned off the entire amount of Rs.267.33 lakhs to their individual accounts maintained with Axis Bank and to accounts with other banks. The funds received in the accounts of Mr.Hakim Imtiyaz and Mr. Niamat Ali Bhat maintained with Axis Bank were further transferred to other Axis Bank accounts and to accounts with other banks. The accounts of Mr.Hakim Imtiyaz and Mr.Niamat Ali with the Bank were KYC compliant at the on-boarding stage. Further the other accounts of the customers with the Bank where the fraudulent funds routed were also KYC compliant as per extant guidelines. Mr. Hakim Imtiyaz is currently under police custody. The other customers were contactable and running their respective business. The customers informed that that Mr. Hakim and Mr. Niamat had taken the money from them and the credits in their accounts were towards repayment of such amounts. Arahama Branch had received a notice from Anti-Corruption Bureau (ACB), South Kashmir seeking KYC and other details of the account opened in the name of Assistant Engineer PW(R and B). There is no claim received by the bank on the matter. Staff Accountability Bank is in the process of initiating suitable action against the errant employees for not ensuring proper due diligence and facilitating opening of account of Asst. Engineer PW(R and B) Division Shopian fraudulently. The Bank

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						classified the account as fraud and reported the case to the RBI on 05 October 2020 A Police complaint lodged in the matter at Shopian Police Station on 16 November 2020. The amount involved has been provisionally held by the Bank	
85		Case of Forged / Fabricated Financial Statements by Sintex Industries Limited		1249.20		Sintex Industries Limited (SIL), incorporated on 01.06.1931, is the flagship company of Ahmedabad-based Sintex Group. SIL originally operated in two business segments: textile and plastics. Sintex group reorganized its operations along the following 3 independent verticals in FY 2017: Custom Moulding, Prefab/MHP and Textile and Yarn. As part of the scheme, custom moulding operations was demerged from SIL and merged with another group entity Sintex-BAPL Ltd. SIL manufactures yarn-dyed structured fabrics, corduroy and items relating to home textiles. Banking Arrangement: Axis Bank originally sanctioned supply chain finance limits of Rs.200 crore to the company in 2011, which was subsequently enhanced to Rs.300 crore. Axis Bank invested Rs.100 crore in secured NCDs of SIL in June 2014. Pursuant to implementation of the reorganization scheme in FY17, Axis Bank reduced the supply chain finance limits of the company to Rs.100 crore. The company availed working capital limits of Rs.1630 crore (outstanding of Rs.1,126 crore as at 30.09.2018) from a consortium led by Punjab National Bank (PNB). Axis Bank's limits are not part of the consortium. SIL had outstanding term loans of Rs.4,324 crore from 17 lenders and NCDs of Rs.579 crore as on 30.09.2018 (including Axis Bank's NCD exposure). The company also raised foreign currency borrowing in the form of FCCB of USD 23.50 mio and ECB of Euro 35.86 mio (outstanding of Rs.189.41 crore as on 30.09.2018). Axis Bank classified the borrower as NPA on 10.09.2019. Resolution Action The lenders including Axis Bank executed the Inter Creditor Agreement on 06.07.2019. It was later informed during lenders' meeting on 16.12.2019 that the ICA has been revoked and PNB has referred the company to NCLT for insolvency process. Admission of the case by NCLT is pending. Group Exposure Axis Bank presently has exposure in the below mentioned group entities of SIL: Sintex-BAPL Limited (SBAPL): Credit exposure Rs.215.83 crore; (IRAC: substandard). SBAPL has been classified as Fraud by Axis Bank on 31.08.2020. Denis Chem Lab Limited: Credit exposure of Rs.32.06 crore (IRAC: Standard) Investigation Findings Key findings of internal investigation are given below: The invoice discounting facility from Axis Bank was not disclosed in the ABS from FY 2011 to FY 2019 of the borrower. SIL received payments for a number of invoices discounted by Axis Bank in accounts maintained with	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			other banks and said funds were not utilized for clearing dues with Axis Bank. 54 duplicate invoices amounting to Rs.57.85 crore were submitted for discounting to Axis Bank SIL did not cooperate with Axis Bank in conducting invoice audit. RFA/Fraud Status with Other Lenders and Forensic Audit As per CRILC data, the borrower has been classified as RFA by 12 other lenders apart from Axis Bank. 2 lender have classified the borrower as 'Fraud' till date (Punjab National Bank and South Indian Bank) and 1 lender has retracted the RFA status (Syndicate Bank). Axis Bank's exposure is outside the consortium and the Bank has not been invited to any lenders' meeting subsequent to 16.12.2019. Punjab National Bank (Lead Bank) advised during the lenders meeting held on 05.07.2019 (which was attended by Axis Bank) that G.D Apte and Co. was being appointed as the forensic auditor. The forensic audit report has not been shared with Axis Bank till date, inspite of repeated requests. We understand from submissions by South Indian Bank to Central Fraud Registry (CFR) that the forensic audit report has been submitted to consortium lenders. As per the submissions by South Indian Bank in CFR, key findings of the forensic report are as below: The company had deliberately concealed the information about the credit facilities availed from other entities There were variations in the DP as per stock statement submitted to banks as well as ABS as on 31.03.2019 The company had routed substantial transactions through current accounts maintained at banks outside the consortium SIL transferred Rs.500 crore raised by rights issue to repay loans of Sintex BAPL Limited / Sintex Prefab and Infra Limited Concealment of material facts Conclusion The borrower was classified as 'Fraud', based on the following: Misrepresentation in financial statements by non-disclosure of sales invoice funding facility availed from Axis Bank Breach of trust by not routing payments for invoices discounted by Axis Bank through accounts maintained in Axis Bank Non-cooperation of the borrower in conducting invoice and stock audits. The Bank classified the account as fraud and reported the case to the RBI on 16 October 2020 The Bank will be lodging Police complaint against the company and its directors. The amount involved has been provisionally held by the Bank.
86	Case of Forged / Fabricated Financial Statements by LEEL Electricals Limited	477.40	LEEL Electricals Limited (LEL), formerly known as Lloyd Electric and Engineering Ltd, is part of Punj group and operates in Heating, Ventilation, Air-conditioning and Refrigeration (HVACR) segment. Banking Arrangement LEL availed working capital facilities aggregating Rs.652.16 crore from a Consortium of 9

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			lenders led by State Bank of India. Axis Bank initially sanctioned term loan of Rs.25 crore in March 2007 and working capital facilities of Rs.53 crore in December 2007. The term loan has since been repaid and closed. Axis bank's working capital facilities were gradually enhanced to Rs.221 crore during the period from June 2011 to January 2017. The working capital facilities were subsequently reduced to Rs.70 crore in 2018. NPA/Recovery Action Axis Bank classified the borrower as NPA on 30.03.2019. Recall and guarantee invocation notice dated 24.07.2019 was sent to the company and the directors of the company. Notice u/s. 13(2) of the SARFAESI Act, 2002 dated 27.01.2020 was sent to the borrower, personal guarantor and corporate guarantors. The borrower was admitted by NCLT for insolvency process on 04.03.2020. Group Exposure Axis Bank has exposure of Rs.90.04 crore (working capital facilities) in group company Fedders Electric and Engineering Limited (FEEL). FEEL was classified as 'Fraud' by Axis Bank on 02.07.2020. RFA Classification The following EWS alerts were generated for the borrower on 30.10.2018: (a) frequent devolvement of Letter of Credit, (b) Non-submission of advance import bills significantly beyond due date and (c) frequent ad-hoc sanctions. Axis Bank classified the borrower as Red-Flagged Account (RFA) on 31.12.2018 on the basis of the following factors: (s) default in payment to the banks/sundry debtors and other statutory bodies, (b) substantial related party transactions, (c) poor disclosure of materially adverse information / no qualification by the statutory auditor and (d) letter received from the Department of Financial Services (DoFS) informing the Consortium about the financial irregularities unearthed by the Income Tax Authorities in the group. Inspection Report by MCA and Recent Developments Ministry of Corporate Affairs (MCA) vide letter no. 3/101/2019/CL-II (NR) dated 22.05.2019 ordered an inspection of the books of accounts and other records of the borrower u/s. 206(5) of the Companies Act, 2013. Post completion of inspection, preliminary findings were sent to the borrower vide letter no. 1760/JDI/I/2019/758 dated 22.06.2020, seeking clarifications. The borrower has not submitted clarifications till date. Based on the said report, the Interim Resolution Professional (IRP) filed an avoidance application u/s. 66 of the IBC, 2016 on 02.09.2020. IRP shared a copy of the said inspection report with Axis Bank on 21.10.2020. Key findings of the report are as below: 1) Siphoning off of funds amounting Rs.993.55 crore by the company management during the period from FY2012 to FY2018 through related parties and key managerial personnel 2) Diversion of funds amounting to Rs.313.23 crore to company's related parties, which were used to acquire

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						land and properties. These land and properties were then leased back to the borrower 3) Overstatement / understatement of profit and bogus sales / purchases were recorded through passing fictitious journal entries 4) Net worth of the company was overstated by overstating assets and understating liabilities 5) Siphoning off of Rs.7.44 crore by the borrower, in the form of managerial remuneration, by intentionally booking false profit figures Forensic Audit Observations Syndicate Bank appointed KRA and Co to conduct forensic audit on 13.03.2019 with review period from 01.01.2017 to 31.12.2018. Draft forensic audit report submitted in June 2019 was inconclusive due to non-cooperation from the borrower. Subsequently, a revised report was submitted in December 2019 post receipt of additional documents from the borrower. Satisfactory clarifications and supporting documents were submitted by the borrower w.r.t. the following forensic audit observations: 1) Investment of Rs.26.86 crore in plant and machinery during the review period. 2) Loan of Rs.8.44 crore given to subsidiary company Noske-Kaeser Rail and Vehicle Germany GmbH in FY 2018. 3) Increase in value of raw material by Rs.258.47 crore in FY 2018. 4) Loans of Rs.13.79 crore extended to group company LEEL Coils Europe S.R.O. in FY 2018. 5) Special dividend of Rs.97.08 crore paid to the shareholders during the review period. 6) Resignation of key managerial persons. 7) Disinvestment in Janka Engineering S.R.O. during the review period. Supporting documents for the following transactions were not shared with forensic auditors: 1) An amount of Rs.313.23 crore classified as Capital work-in-progress in the balance sheet of FY 2017-18, despite no business operations since July 2017. 2) Amount of Rs.73.84 crore transferred as security deposit to Fedders Electric and Engineering Ltd in FY 2018. The forensic auditor has concluded in the draft report that instances of fraud were not observed. However, the final forensic audit report is awaited. Lenders' Discussions Post receipt of MCA report by Axis Bank on 21.10.2020, a Committee of Creditors' (CoC) meeting was held on 31.10.2020. Axis Bank advised all lenders to consider the adverse observations of the MCA report. However, State Bank of India (lead bank) advised that decision on classification of account as fraud / non-fraud will be taken post receipt of final forensic audit report / transaction audit report. It was proposed to convene a lenders' meeting on 03.11.2020 to discuss the matter again. In the lenders' meeting held on 03.11.2020, State Bank of India advised the forensic auditor to incorporate the findings of MCA report along with clarifications from the borrower and submit a final conclusive forensic audit report at the earliest. Consensus decision w.r.t.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						classification of account as fraud / non-fraud was not taken by the lenders. Conclusion Axis Bank classified the borrower as 'Fraud', based on the adverse findings in the inspection report submitted by Ministry of Corporate Affairs Date of Occurrence: 31.03.2012, since as per the MCA inspection report, the borrower started misrepresentation of financial statements from FY 2012. Action Taken / Proposed: Legal recourse for recovery has been initiated by the Bank under IBC. The complaint was lodged with Economic Offences Wing Mandir Marg, New Delhi on 25 November 2020. The exposure has been prudentially written-off. The Bank classified the account as fraud and reported the case to the RBI on 19 November 2020.	
87		Case of Fabricated / Inflated Stock / Book Debt Statements by Akshaya Supply Chain Private Limited		60.00		Akshaya Supply Chain Private Limited (ASCPL) is an Ahmedabad-based entity engaged in providing logistics solutions. Banking Arrangement Axis Bank is the sole lender to the company. Axis Bank originally sanctioned working capital facilities of Rs.4 crore to the company in July 2013. The limits were subsequently enhanced to Rs.6 crore during 2014 and 2015. NPA/Recovery Action Axis Bank classified the borrower as NPA on 29.03.2018. Recall notice dated 01.11.2018 was sent to the borrower and the guarantors. Notice u/s. 13(2) of the SARFAESI Act, 2002 dated 19.11.2018 was issued to the borrower, its directors and owner of the mortgaged properties. Original Application dated 10.12.2018 has been filed before DRT-I Ahmedabad. RFA Classification A letter dated 02.11.2019 from Sarkhej Police Station (Ahmedabad) was received by the Bank, which advised that a complaint has been filed by Mr. Sarang Kiran Mangalwedhekar (an ex-director in the borrower) against Mr. Milind Shinde and Mr. Vijay Raghavan (both ex-directors in the borrower). Axis Bank was directed to submit requisite documents pertaining to the borrower to aid in their investigation. The borrower was classified as RFA by Axis Bank on 06.05.2020 on the basis of the said letter from police. No EWS alert was not generated for the borrower. Forensic Audit Observations Axis Bank appointed VCAN and Co on 01.06.2020 to conduct forensic audit of ASCPL with the review period 01.04.3013 to 31.03.2018. Key findings of the forensic audit report dated 04.11.2020 are given below: Variance in the Stock Statement and Audited Financial Statement Non-routing of transactions of turnover through the Cash Credit account Transactions with related parties Adverse observations in Stock Audit Report dated 28.06.2016 Conclusion Axis Bank classified the borrower as 'Fraud', based on the adverse findings of the forensic audit and internal investigation. Root Cause: Fabricated / Inflated stock / book-debt statements.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Action Taken / Proposed: Legal recourse for recovery has been initiated by the Bank under DRT. The complaint has been lodged in the matter at at Economic Offences Wing, Ahmedabad on 07 December 2020. The exposure has been prudentially written-off by the Bank The Bank classified the account as fraud and reported the case to the RBI on 24 November 2020.	
88		Case of Others by Mr. Rohit Aaru - M/s. Writer SafeGuard –Hitachi		11.40		M/s. Euronet Services India Pvt Ltd and M/s. Hitachi Payment Services Private Ltd. are Independent ATM Deployers (IAD) and M/s. Writer Safeguard Pvt Ltd. is the common Cash Replenishment Agency (CRA) for these IADs. On 12/11/2020, the Cash Replenishment Agency (CRA), M/s. Writer SafeGuard, had allocated cash of Rs. 453.00 lakhs to the cash custodians from their Thane vault for replenishment of cash in 54 ATMs of various Banks on the Virar route. Out of which, cash amounting to Rs.114.00 lakhs was allocated to be loaded in the Axis Bank ATMs. The custodians were accompanied by one armed security guard. The driver of the vehicle, Mr. Rohit Aaru was deployed by the CRA for the first time on the said route. The custodians had entered the ATM site of the Kotak Bank, at Bolini, Virar, located on their cash loading route, and had advised cash van driver to park the cash van nearby before stepping down from the cash van as there was no parking space in front of the ATM site. The custodians and the security guard later on noticed that the cash van was missing from the parking place. The custodians thereafter informed the matter to their supervisors. The IAD and the CRA agency had informed the GPS device was tampered with. As the driver was not contactable, a FIR was filed with Virar, Police. The Police immediately began investigation and within a couple of hours the located the abandoned cash van near Kalyan Naka, Bhiwandi. The police later on traced the driver at Ahmednagar and arrested him along with his 2 accomplices. Infidelity and breach of trust by the CRA cash van driver resulted into perpetration of fraud and misappropriation of cash. Action taken: The amount of Rs.114.00 lakh has been recovered from IADs in terms of the Service Level Agreement (SLA) with them. A FIR has been filed by the CRA with Arnala Coastal Police Station on 12 November 2020. The Bank classified the account as fraud and reported the case to the RBI on 12 November 2020.	
89		Case of Forged / Fabricated Financial Statements by NMC Healthcare LLC		4550.30		Company Background NMC Healthcare LLC (NMCHL) was incorporated in 1977 as an integrated private sector healthcare operator in UAE. Subsequently, the company's healthcare services operations were expanded to Saudi Arabia, Kuwait, other countries in Middle East, UK, USA and Brazil.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			The company operated 2,200 licensed beds with total doctor strength of 1,735 and had treated 7.5 million patients in 2018 through 190 owned or managed facilities over 19 countries. NMCHL is part of BR Shetty group, promoted by Dr. Bhavaguthu Raghuram Shetty. The ultimate holding company of the group is NMC Health PLC (NMCHP), listed on London Stock Exchange. BR Shetty group has presence across various sectors including healthcare, financial services, pharmaceuticals, real estate and hospitality. Banking Arrangement As per detailes shared by the borrower with Axis Bank, it availed Working Capital Demand Loan (WCDL) limits of USD 211.04 million under multiple banking arrangement from 10 Banks / Financial Institutions. Further, the borrower and its subsidiaries availed term loan / debt of USD 1823.45 million. However, the exact outstanding debt is yet to be reconciled and confirmed. Axis Bank sanctioned WCDL limit of USD 30 million to NMCHL in December 2014. The limit was subsequently enhanced to USD 60 million in September 2016. Axis Bank further sanctioned FCTL of USD 50 million to NMCHL in June 2015. Subsequently, USD 25 million was downsold to Siemens in 2016. Adverse Developments and Insolvency Proceeding On 17.12.2019, Muddy Waters Research LLC (promoted by short seller Carson Block) released a report on NMC Health PLC (NMCHP), in which it was highlighted that there may have been instances of overpaying for assets, inflated cash balances and underreporting of debt. On 17.01.2020, NMC Group subsequently appointed Louis Frees, former Federal Judge and FBI Director, and his firm Freeh Group International Solutions LLC (FGIS) to examine the allegations raised in Muddy Waters report. On 01.03.2020, the group also appointed Moelis and Company (Moelis), PwC and Allen and Overy as independent financial adviser, operational adviser and legal adviser respectively. Moelis would advise the group on discussions with its lenders, while PwC would assist on liquidity management and operational measures. On 02.03.2020, Moelis hosted an initial call with the lenders wherein informal standstill on existing debt servicing' was proposed. On 10.03.2020, it was announced on London Stock Exchange by NMCHP that, in addition to USD 2.10 billion Group debt reported as at 30.06.2019, debt of over USD 2.70 billion has been identified that were not disclosed previously or approved by the Board. On 16.03.2020, Moelis hosted second call with the lenders along with interim CEO, Mr. Michael Davis, wherein it was advised that mapping and reconciliation of debt at group level was in progress. It was further informed that no interest and principal payment will be done during informal standstill period

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			and it may take several months for the group to stabilize its operations and implement restructuring. On 23.03.2020, NMCHP further announced on Stock Exchange that total debt at group level was estimated at USD 6.6 billion and verification of outstanding debt obligations was in progress. Abu Dhabi Commercial Bank (ADCB), largest lender to holding company NMCHP, filed petition against NMCHP to the High Court of England and Wales for insolvency proceeding. The petition was admitted and Alvarez and Marsal (A and M) was appointed as Administrator on 09.04.2020. A and M has submitted a proposal consisting of a general strategy for administration on NMCHP. It was mentioned in the proposal that total debt of NMCHP was estimated to be at USD 7.4 billion. The exact outstanding debt and security structure are still being reconciled. Axis Bank filed claim of USD 62.45 million before the Administrator on 02.06.2020 against the corporate guarantee from NCMHP (extended for the facilities availed by NMCHL). The Bank issued Demand Notices to the company and guarantors for outstanding against the limits sanctioned to NMCHL on 14.06.2020. The Bank classified the borrower as NPA on 29.06.2020. Axis Bank engaged with A and M for sale of some of the assets of NMC Trading LLC, charged with Axis Bank as security for term loan. Axis Bank appointed Al Tamimi (UAE) and SNG Partners (India) as legal counsels for initiation of legal actions against the company and guarantors. On 27.09.2020, Richard Fleming and Benjamin Cairns of A and M were appointed as Joint Administrators of NMC Healthcare LTD (formerly LLC), by order of the Abu Dhabi Global Market (ADGM) court. Group Exposure Axis Bank's exposure to other BR Shetty Group companies, as on 30.09.2020, are as under: UAE Exchange Centre LLC: Axis Bank had sanctioned WCDL and FCTL facilities of USD 48.75 mio to UAE Exchange Centre LLC. The account was classified as NPA on 24.06.2020. UX Holdings Ltd: Axis Bank had sanctioned FCTL facility of USD 12.29 mio to UX Holdings Ltd. The account was classified as NPA on 24.06.2020. Neoaska Pharma Pvt Ltd: Axis Bank had sanctioned ECB and Capex LC (sublimit) of USD 5.65 mio to Neoaska Pharma Pvt Ltd. The account was classified as NPA on 16.09.2020. RFA Classification The borrower was classified as RFA by Axis Bank on 19.05.2020, based on default in payment to the banks/ sundry debtors and other statutory bodies, etc., material discrepancies in the annual report and RFA classification by other lenders viz. ICICI Bank, Canara Bank and IndusInd Bank. Recent Updates from the Administrator As part of the insolvency process, the administrator (A and M) has been sharing periodical updates with the lenders. The following critical facts

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			were noted from the periodical updates: Unreported liabilities of USD 4 Billion due to suspected fraud by the borrower Significant cash extracted from the borrower, resulting in constrained liquidity and payment default to lenders and suppliers Borrower was slow to remove the Board that was present during the perpetration of fraud, raising significant concerns about governance and further antagonizing creditors Published financial statements were misstated dating back to at least 31.12.2012 Money and property were misappropriated from the borrower The perpetrators sought to make the borrower liable for debt, of which, it never received the benefit, or sufficient benefit Losses of the borrower were likely to be in the region of billions of dollars Status with other Lenders As per CRILC records, the borrower has been classified as RFA by 6 lenders including Axis Bank. ICICI Bank classified the borrower as fraud on 25.09.2020. As per submissions by ICICI Bank in Central Fraud Registry (CFR) database, the fraud classification was on the basis of forged / fabricated financial statements. Conclusion The borrower was classified as fraud by Axis Bank, based on following misrepresentation in published financial statements identified by the Administrator: Money and property were misappropriated from the borrower Significant cash has been extracted from the borrower Debt position of the group was significantly under-reported in London Stock Exchange. The Bank classified the account as fraud and reported the case to the RBI on 07 December 2020. Action Taken / Proposed: Bank under Administration. The Bank will be lodging Police complaint against the company and its directors. The exposure has been prudentially written-off by the Bank.
90	Case of Forged / Fabricated Financial Statements by UAE Exchange Centre LLC / UX Holdings Limited	4503.4	Company Background UAE Exchange Centre LLC (UECL), headquartered in Abu Dhabi, UAE, is engaged primarily in providing remittances, foreign exchange and bill payment solutions. UX Holdings Limited (UHL), established under Dubai International Finance Centre (DIFC) Companies Law No. 2 of 2009, is the holding company of several operating companies, including UECL. UECL and UHL are part of the Financial Services vertical of BR Shetty group promoted by Dr. Bhavaguthu Raghuram Shetty. The ultimate holding company of the group's Financial Services vertical is Finablr PLC, which is listed on London Stock Exchange (LSE). BR Shetty group has presence across various sectors including healthcare, financial services, pharmaceuticals, real estate and hospitality. Adverse Developments Muddy Waters Research LLC (promoted by short seller Carson Block) released a report on NMC Health PLC (holding company of the Healthcare

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Vertical of BR Shetty group) on 17.12.2019, wherein instances of overpaying for assets, inflated cash balances and underreporting of debt were suspected. Pursuant to the above, Standard Chartered Bank withheld customer's remittance money in UECL and appropriated the same towards its exposure. This affected the liquidity position of UECL and forced the Central Bank of UAE to take over its management and stop all operations with immediate effect. Investigations were initiated in BR Shetty group entities to validate the allegations made in the above mentioned report. The trading of Finablr shares was suspended by the LSE on 16.03.2020. The erstwhile CEO of Finablr PLC resigned and a new management was appointed. Finablr hired Houlihan Lokey as financial advisor for restructuring of its debt obligations. The new management of Finablr, along with the financial advisors, have held a number of meetings with lenders to finalize a resolution plan. The new management of Finablr and financial advisor has been sharing periodical updates with various stakeholders. Some of the critical updates were as below: Estimated debt position of Finablr as of 31.01.2020 was USD 1280 mio, based on review by management and investigation by Kroll, as compared to gross debt of USD 416 mio reported in the balance sheet dated 30.06.2019 Some of the proceeds of these borrowings may have been used for purposes outside of the Finablr group A significant amount of funds has gone missing from Finablr and its subsidiaries Erstwhile senior management of Finablr has fled the jurisdiction of UAE Restructuring Proposal and Insolvency Proceeding In a meeting with lenders held on 13.05.2020, Finablr proposed a restructuring plan, which called for fresh short term facility of USD 180 mio from lenders. However, the lenders were not inclined towards sanction of additional limits. In a meeting held on 02.07.2020, Commercial Bank of Dubai (CBD) informed that: An informal Core Committee (CoCom), comprising of key lenders of Finablr, was formed which includes VTB Capital, Barclays Bank, Bank of Baroda, Punjab National Bank and CBD. Addleshaw Goddard was appointed as the legal advisor by the lenders. Central Bank of UAE again requested the lenders for additional funding for revival of the company's operations. However, the lenders were not agreeable to sanction additional limits as management control was proposed to continue with the previous promoters of the company. Meanwhile, Deloitte reached out to National Bank of Fujairah, agent of the syndicated facility of UECL/UHL, and other key lenders, for initiation of administration process at the parent company level (i.e. Finablr PLC). All lenders have been requested to submit their consent for the same. As per syndication document, approval from two-thirds (67%)

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						of the lenders is required to initiate insolvency process. So far, 61% of lenders (by amount), including Axis Bank, have approved the proposal. National Bank of Fujairah is following up with the remaining lenders for their approval. Axis Bank appointed Al Tamimi (UAE) and SNG Partners (India) as legal counsels and issued demand notices to the company and guarantors on 14.06.2020 (in UAE). Banking Arrangement UECL and UHL availed syndicated and other debt facilities of USD 390 million under multiple banking arrangement. Axis Bank sanctioned Working Capital Demand Loan (WCDL) facility of USD 20 mio to UECL in 2010, which was subsequently enhanced to USD 30 mio in 2011 and to USD 40 mio in 2014. Axis Bank also sanctioned a Foreign Currency Term Loan (FCTL) of USD 25 mio in 2016, as part of a total syndicated facility of USD 400 mio, split between co-borrowers, UHL and UECL in 55:45 ratio. Axis Bank issued letter for raising Reservation of Rights on 17.05.2020. Axis Bank classified the borrowers as NPA on 24.06.2020. Group Exposure Axis Bank's exposure to other BR Shetty Group companies, as on 30.09.2020, are as under: NMC Healthcare LLC: Axis Bank had sanctioned WCDL and FCTL facilities of USD 61.69 mio to NMC Healthcare LLC. The account was classified as Fraud on 17.11.2020. Neoaska Pharma Pvt Ltd: The company has availed ECB of USD 5.65 mio from Axis Bank. The exposure is presently classified as 'Satndard' asset. RFA Classification The borrowers were classified as RFA by Axis Bank on 26.05.2020, based on default in payment to Banks, claims not acknowledged as debt and classification of group company, NMC Healthcare LLC, as RFA. Conclusion The borrowers were classified as 'Fraud', based on the following: Material amounts of off-balance sheet and undisclosed borrowings by parent company Finablr, as disclosed by its new management and financial advisor. The Bank classified the account as fraud and reported the case to the RBI on 09 December 2020 Action Taken / Proposed: Legal recourse for recovery is being initiated by the Bank under Administration. The Bank will be lodging Police complaint against the company and its directors as per the local regulations in UAE. The exposure has been prudentially written-off by the Bank.	
91		Case of Forged / Fabricated Financial Statements by Ballarpur Industries Limited		2250.00		Ballarpur Industries Limited (BIL), incorporated in 1945, is an integrated paper manufacturer. The company produces industrial, writing and printing paper. The company was formerly known as The Ballarpur Paper and Straw Board Mills Limited and renamed as BIL in 1975. The company is part of the Avantha group promoted by Mr. Gautam Thapar. Banking Arrangement	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			BIL availed working capital and term loan facilities aggregating Rs.3,298.73 crore from a Consortium of 18 lenders led by ICICI Bank. ICICI Bank has assigned its exposure to Suraksha ARC in August 2018. Axis Bank sanctioned a number of term loan limits to the company during 2003 and 2004, which have all been repaid and closed during 2007-2008. Axis Bank sanctioned working capital limits to the company in 2008, which have subsequently been renewed and enhanced. Axis Bank has subsequently sanctioned a number of STL and OD limits to the company. CC outstanding of Rs.98.97 crore was converted into equity shares of the company under SDR scheme in 2017. NPA/Recovery Action Axis Bank classified the borrower as NPA w.e.f. 23.06.2016. The borrower was admitted by NCLT for insolvency process on 17.01.2020. As per the claims admitted under CIRP, IDBI Bank is the bank with highest exposure in BIL. Group Exposure Axis Bank also has exposure in the following group entities of BIL: BILT Graphic Paper Products Limited and Jhabua Power Limited. RFA Classification The following EWS alerts were generated for the borrower on 17.12.2019: (a) Fraud in Group company: CG Power and Industrial Solutions Limited declared as Fraud/RFA and (b) RFA by Kotak Mahindra Bank Ltd. on 24.09.2019. Axis Bank classified the borrower as Red-Flagged Account (RFA) on 13.01.2020 on the basis of the above mentioned alerts. Forensic Audit Observations ICICI Bank appointed BDO India LLP to conduct forensic audit of the borrower. The forensic auditor submitted its report dated 22.03.2019. Lenders requested the forensic auditor to further investigate 3 specific points and submit the findings. Subsequently, an addendum reports dated 10.09.2020 and 31.10.2020 were submitted by the auditor relating to the specific queries. Key findings were as below: (a) Management could not provide relevant documents to justify write-off of recoverable corporate expenses of Rs.2,097.61 crore in FY18 (b) Impairment of inventory of Rs.240.58 crore without adequate justification in FY18 The legal counsel opined on 03.12.2020 that the above transactions appear to be manipulation of books of accounts. Transaction Audit Report Resolution professional appointed Grant Thornton to conduct transaction audit of the borrower. Key observations of the draft transaction audit report received on 02.12.2020 are given below: a) Following preferential transactions u/s. 43 of the IBC Code, 2016 were identified: - Invocation of inventory by Finquest Financial Solutions Private Limited (FFSPL) - Invocation of shares of Premier Tissue India Limited (PTIL) by FFSPL b) Following undervalued transactions u/s. 45 of the IBC Code, 2016 were identified: - Invocation of inventory by Finquest Financial Solutions Private Limited (FFSPL) -

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Invocation of shares of Premier Tissue India Limited (PTIL) by FFSPL - Cancellation of brand license fees agreement with BILT Graphic Paper Products Limited of Rs.264 crore for 25 years and replacing it with an agreement for Rs.0.25 crore for 25 years without providing any justification / conducting an independent valuation - Sale of Agroforestry business of Avantha Agritech Limited (AATL) Conclusion Axis Bank classified the borrower as 'Fraud'on 04.12.2020, based on the adverse findings of the forensic audit report, transaction audit report and opinion of the legal counsel. Date of Occurrence: 31.03.2017, since as per the forensic audit report, the borrower started misrepresentation of financial statements from FY 2017. The Bank classified the account as fraud and reported the case to the RBI on 21 December 2020 Action Taken / Proposed: Legal recourse for recovery has been initiated by the Bank under IBC. The complaint has been lodged in the matter at Economic Offence Wing (EOW), New Delhi on 21 December 2020. The Bank has made full provision on the principal outstanding amount of credit facilities (viz working capital and term loan) and on the MTM value of equity shares as at 30.09.2020.	
92		Case of Identity Theft by Seema Tomar		22.00		Home loan was availed by Ms. Seema Tomar from the Bank. A complaint was raised by the relatives of the owner of the property (Ms. Sohanbiri) alleging that the borrower had fraudulently availed of the loan from the Bank for purchase of owner's property. On scrutiny of the documents, significant mismatch was identified in the photograph of the seller i.e. the photograph on Ghaziabad Development Authority allotment letter of 1997 was that of an old lady whereas the photograph on the sale deed signed on behalf of seller in 2019 was of relatively middle aged lady. It transpired that an unknown individual impersonated the seller, Ms. Sohanbiri, and executed the sale deed with the borrower, Ms. Seema Tomar. The Bank's empaneled legal agency did not verify the identity of the person (seller) executing the documents. The scrutiny of statement of account of seller's account with Bandhan Bank (where loan proceeds were transferred) was done and it was identified that the proceeds of the disbursed loan credited into the account was withdrawn through cash amounting to Rs.2.17 crore immediately and Rs. 11 lacs were transferred to the current account, with Axis Bank, of a firm of which Ms. Seema Tomar was a proprietor. It was also noted that the account with Bandhan Bank (opened in January 2019 and closed in May 2019) was opened just to facilitate routing of loan proceeds. The Sale Deed was executed by an unknown individual (by impersonating the seller) and fabricated documents were	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			deposited with the bank for availing the loan. The loan disbursed was siphoned off by the impersonator. The scrutiny of statement of account of impersonated seller, indicates involvement of the borrower, Ms. Seema Tomar. The Bank classified the account as fraud and reported the case to the RBI on 15 December 2020 Action Taken: - The police complaint has been lodged in the matter at Barakhamba Road Police Station on 12 December 2020. The amount involved has been provisionally held by the Bank.
93	Case of Diversion of Funds by Unity Infraprojects Limited	14.20	Company Background Unity Infraprojects Ltd. (UIL), incorporated as Unity Builders Ltd. in 1997, is engaged in construction of buildings and housing, transportation, water supply and irrigation projects. UIL was part of KK Group of Companies promoted by Mr. Kishore Avarsekar. UIL is listed on NSE and BSE Banking Arrangement UIL availed debt of Rs.3277.92 crore as on 31.10.2016 from 25 lenders, including a consortium led by State Bank of India and out of consortium lenders. Axis Bank's limits were part of the Consortium. The credit facilities of the company were restructured under CDR mechanism in December 2014. However, the company was not able to turn around its operations post restructuring. Axis Bank had initially sanctioned a term loan of Rs.25 crore to UIL in 2008. As on 14.06.2016, total credit facilities sanctioned to the company by Axis Bank was Rs.91.94 crore. As part of the CDR scheme implemented in 2014, Axis Bank subscribed to 5,24,854 equity shares of UIL having a book value of Rs.1.42 crore. The borrower was classified as NPA by Axis Bank in December 2016 w.e.f. 29.12.2014. Resolution and Insolvency Proceedings Axis Bank assigned the entire fund based credit exposure to Asset Care and Reconstruction Enterprises Ltd (ACRE ARC) for Rs.22.50 crore vide agreement dated 27.03.2017. Presently, Axis Bank's exposure in UIL is only in the form of equity shares, issued as part of CDR scheme. Additionally, BGs of Rs.18.04 crore have been issued by Axis Bank on behalf of UIL, which are yet to be invoked. As per the asset sale agreement, ACRE ARC would purchase the non-fund based facilities, as and when invoked, at the assignment value of 30% of the devolved amount. The borrower was admitted for insolvency proceedings vide National Company Law Tribunal (NCLT) order dated 20.06.2017. Resolution Professional has filed an application before NCLT for liquidation of the company on 20.03.2018. NCLT has reserved the order in the said matter. Group Exposure Axis Bank does not have any exposure in the group companies of Unity Infraprojects Ltd as on 30.09.2020. RFA Classification The borrower was classified as RFA by Axis Bank on 06.05.2020, based on fraud

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			classification by CSB Bank. Forensic Audit Observations BDO India LLP was appointed by the Resolution Professional on 26.11.2018 to conduct a forensic audit of UIL with review period from 01.04.2011 to 31.03.2017. Key findings of the forensic audit report dated 25.09.2019 are given below: Payments amounting to Rs.1317 crore were made through LCs to related / interested entity without any underlying purchases during the period from FY2012 to FY2017 Excess payments of Rs.270.95 crore were made to related / interested entities without any supporting documents during the period from FY2012 to FY2017 Loan funds amounting to Rs.111 crore were directly accounted in the ledger of UIL's joint venture. The funds were potentially misrepresented in UIL's books of accounts As on 31.03.2017, total receivables from related/ interested entities amounted to Rs.1337 crore, of which Rs.627 crore were on account of unexplained journal voucher transactions As Axis Bank is not part of Committee of Creditors (CoC), it was not invited in lenders' meetings held for discussion of forensic audit observations and fraud classification of the borrower. Status with other Lenders As per CRILC records, the borrower has been classified as Fraud by 16 lenders. Conclusion The borrower was classified as fraud by Axis Bank, based on following: Adverse findings of the forensic audit report. Classification of borrower as 'Fraud' by majority of lenders. Root Cause: Diversion of Funds Action Taken / Proposed: SBI (lead bank) has already filed the complaint before CBI. The Bank had issued mandate/consent letter for joint complaint. The Bank has made full provision on the MTM value of equity shares as at 30.09.2020. The Bank classified the account as fraud and reported the case to the RBI on 15 December 2020
94	Case of Diversion of Funds by Reliance Home Finance Limited	1532.40	Company Background Reliance Home Finance Limited (RHFL) was incorporated on 05.06.2008, as a wholly owned subsidiary of Reliance Capital Limited (RCL). The company is a part of Reliance Anil Dhirubhai Ambani Group (Reliance ADAG). RHFL is a NBFC offering housing loans, loans against property, lease rental discounting and commercial property purchase loans. Banking Arrangement RHFL availed total debt of Rs.6050.96 crore (credit limits of Rs.3838.46 crore, Non-convertible Debentures of Rs.1728.50 crore and commercial paper of Rs.484 crore) from 26 lenders under multiple banking arrangement as at June 2019. Axis Bank initially sanctioned term loan of Rs.200 crore and cash credit limit of Rs.50 crore to RHFL on 29.06.2010. Subsequently, the cash credit limit was enhanced to Rs.100 crore on 29.04.2013. The term loan was fully repaid in July 2015. Axis Bank invested Rs.100.00 crore in commercial paper (CP) of RHFL on

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						30.08.2017, which matured on 29.11.2017. Axis Bank subscribed to CP of Rs.124 crore issued by RHFL on 16.04.2019. Resolution and Recovery The borrower was classified as NPA by Axis Bank on 28.11.2019. Lenders (83 percent by share) have signed an Inter Creditor Agreement (ICA) in July 2019. Bank of Baroda (BOB) is acting as the lead bank post signing of ICA. The company had submitted a resolution plan in December 2019 which was rejected by the lenders. A revised resolution plan was submitted on 05.03.2020. In the meeting held on 06.08.2020, the resolution advisors advised that Expression of Interests (EOIs) have been received from potential investors. Group Exposure Axis Bank had total outstanding of Rs.5021.89 crore from 15 companies of Reliance ADAG group as on 31.10.2020. RFA Classification The following EWS alerts were generated for the borrower on 17.12.2019: RFA by Yes Bank on 05.11.2019 for default with banks; Poor disclosure of materially adverse information; Substantial related party transactions. Axis Bank classified the borrower as RFA on 03.01.2020 on the basis of above mentioned alerts and adverse observations in the draft forensic audit report. Forensic Audit and Lenders Decision Grant Thornton India LLP was appointed by Bank of Baroda on 29.08.2019 to conduct a forensic audit of RHFL with review period from 01.04.2016 to 30.06.2019. The key findings of the forensic audit report dated 02.01.2020 are as below: Rs.12,573 crore (around 86 percent of corporate loans) were disbursed to 47 Potential Indirectly Linked Entities (PILE), of which: Rs.3,573 crore were utilized towards debt servicing of PILE / group companies Rs.1,610 crore appeared to be potential circular transaction where the funds were routed back to RHFL Rs.9,443 crore were disbursed towards non housing purpose in FY19 (80 percent of loans), in spite of RHFL being a housing finance company Rs.118 crore were extended to a suspicious entity (Valuecorp Securities and Finance Ltd) and written off within 4 months Rs.7,908 crore were disbursed to borrowers with weak financial metrics Rs.1,363 crore were disbursed prior to the date of issuance of loan sanction letter Decision of Lenders and Litigation by the Borrower Post submission of fund tracing report by the auditor, lenders meeting was called on 15.05.2020 and lenders were requested to take internal decisions on the report and communicate the same to the lead bank. However, in the subsequent meeting dated 06.06.2020, lenders agreed that a joint decision to be taken in the matter. No final decision was taken on the forensic audit report after the meetings. A legal notice dated 15.06.2020 was served, on behalf of RHFL, to all the lenders requisitioning for final end use report by GT and that no coercive action be taken until	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			review and response by the company. However, PNB classified Reliance Home Finance Ltd (RHFL) as 'Fraud' on 21.07.2020. In response, RHFL sent a legal notice to PNB on 29.07.2020 calling the declaration of Fraud by PNB as 'unilateral and wrongful'. A lenders' meeting was called on 30.07.2020. In the meeting, the legal counsel (JSA Advocates and Solicitors) advised the lenders to obtain a conclusive audit report from the forensic auditor. The lenders requested the forensic auditor to provide a clear conclusion to the report to enable lenders to proceed further. Bank of Baroda called for a joint lenders meeting on 06.08.2020. In the said meeting: Grant Thornton (forensic auditor) informed that they complied with their scope of work and given observations accordingly. Bank of Baroda and United Bank of India (now merged with PNB) advised the lenders that they propose to classify the borrower as 'Fraud'. Other lenders were asked to take their individual decisions On 14.08.2020, the legal counsels of RHFL sent letters to all the banks informing that the High Court has restrained PNB from taking any coercive action pursuant to declaring the Company's account as 'Fraud'. Further, they requested the banks to not take any further steps and / or any "coercive or precipitative" steps. On 31.08.2020, the legal counsels of RHFL sent another letter to all the lenders stating that "The banks forming part of the Consortium of Lenders are also expected to adhere to the order dated 14.08.2020 passed by the Hon'ble Delhi High Court in letter and spirit. Accordingly, you are also requested not to take any further steps and / or any coercive or precipitative action against the Company, failing which the Company will be constrained to initiate legal proceedings including civil and contempt proceedings against you at your cost and peril." The matter was heard on 25.09.2020 by Delhi High Court, wherein the counsels of RHFL and RCFL sought impleadment of the remaining lenders forming part of the consortium so that the order dated 14.08.2020 is applicable to them. In hearing dated 29.09.2020, the Court stated that it would not issue notice in the impleadment applications at this juncture. In hearing dated 06.11.2020, the counsels of RHFL and RCFL (Reliance Commercial Finance Ltd) requested the Court to permission to withdraw the impleadment applications and instead file writ petitions against the individual banks. The same was permitted by the Court. The matter was again heard on 08.12.2020. The Bench directed that the arguments in the matter be continued on the next date of hearing on account of paucity of time. The matter is now listed for hearing on 21.12.2020. Conclusion Though consensus/majority decision is yet to be arrived at by lenders, 6 lenders have already classified the borrower as 'Fraud' based on adverse forensic audit

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						findings. The borrower has filed petition against PNB and BOB, challenging the 'Fraud' classification and sought to implead all other lenders in the petition to prevent them from taking any further steps. The impleadment application has since been withdrawn by the borrower. Hearing in the petition against PNB and BOB is ongoing and there is no clarity on timeline of disposal of the same. In view of aforementioned, Axis Bank classified the borrower as 'Fraud', and reported the case to the RBI on 29 December 2020 Action Taken / Proposed To continue suitable recovery proceedings. The Bank will be lodging police complaint against the company and its directors. The exposure has been prudentially written-off by the Bank. The Bank had requested lead bank to file CBI complaint. The matter is still sub-judice and lead bank is unable to file the complaint	
95		Case of Diversion of Funds by Reliance Commercial Finance Limited		481.90		Company Background: Reliance Commercial Finance Limited (RCFL) is a wholly owned subsidiary of Reliance Capital Limited (RCL). The company is a part of Reliance Anil Dhirubhai Ambani Group (Reliance ADAG). RCL commenced commercial finance business in May 2007, which focused on secured lending and mortgage and SME loans. In March 2017, RCL de-merged the commercial finance business into its subsidiary Reliance Gilt Limited, which was subsequently renamed as RCFL. RCFL is NBFC offering Small and Medium Enterprises (SME) loans, loans against property, agriculture loans, supply chain financing, micro financing, vehicle loans, infrastructure and construction finance. Banking Arrangement: RCFL has availed total debt of Rs.9068 crore, including credit facilities and debentures, from 24 lenders under multiple banking arrangement, as at November 2019. (As per NPA status note placed in Annexure 2) Axis Bank initially sanctioned cash credit facility of Rs.50 crore to RCL in July 2010. Subsequently, non-fund based working capital limits of Rs.20 crore were also sanctioned, which have since been cancelled. Subsequent to the demerger of commercial finance division, the limits were transferred to RCFL. Resolution and Recovery: The borrower was classified as NPA by Axis Bank on 28.01.2020 Lenders (79 percent by share) have signed an Inter Creditor Agreement (ICA) on 06.07.2019. Bank of Baroda (BOB) is acting as lead bank post signing ICA The company submitted a resolution plan in December 2019 which was rejected by the lenders. A revised resolution plan was submitted on 05.03.2020. Lenders have extended timeline for submission of bids till 21.12.2020. Group Exposure Axis Bank had total outstanding of Rs.5021.89 crore from 15 companies of Reliance ADAG	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			group as on 31.10.2020. RFA Classification The following EWS alerts were generated on 17.12.2019: RFA by Yes Bank Poor disclosure of materially adverse information Substantial related party transaction Increase In 'Other Current Assets' as a percent of turnover The account was classified as 'RFA' by Axis Bank on 03.01.2020, based on the above mentioned EWS alerts and adverse observations in the draft forensic audit report. Forensic Audit and Lenders Decision Grant Thornton India LLP was appointed by Bank of Baroda on 29.08.2019 to conduct a forensic audit of RCFL with review period from 01.04.2016 to 30.06.2019. Key forensic audit findings are given below: Rs.11,219 crore (around 68 percent of wholesale loans) were disbursed to 32 Potential Indirectly Linked Entities (PILE), of which: Rs.1,868 crore were utilized towards debt servicing of PILE / group companies Rs.1,199 crore appeared to be potential circular transaction where the funds were routed back to RCFL Rs.812 crore were transferred to group companies through PILE during review period, which was in violation to regulatory guidelines Rs.280 crore were extended to a suspicious entity (Valuecorp Securities and Finance Ltd) and written off within 4 months Rs.4,204 crore were disbursed to borrowers with weak financial metrics Rs.410 crore were disbursed prior to the date of issuance of loan sanction letter Decision of Lenders and Litigation by the Borrower Post submission of fund tracing report by the auditor, lenders meeting was called on 13.05.2020 and lenders were requested to take internal decisions on the report and communicate the same to the lead bank. However, in the subsequent meeting dated 06.06.2020, lenders agreed that a joint decision to be taken in the matter. No final decision was taken on the forensic audit report after the meetings A legal notice dated 15.06.2020 was served, on behalf of RCFL, to all the lenders requisitioning for final end use report by GT and that no coercive action be taken until review and response by the company. However, PNB classified RCFL as 'Fraud' on 20.07.2020. In response, RCFL sent a legal notice to PNB calling the declaration of fraud by PNB as "unilateral and wrongful". A lenders' meeting was called on 31.07.2020. In the meeting, the legal counsel (JSA Advocates and Solicitors) advised the lenders to obtain a conclusive audit report from the forensic auditor. The lenders requested the forensic auditor to provide a clear conclusion to the report to enable lenders to proceed further. Bank of Baroda called a joint lenders meeting on 06.08.2020. In the said meeting: Grant Thornton (forensic auditor) informed that they complied with their scope of work and given observations accordingly. Bank of Baroda advised the lenders that they propose to classify the borrower as

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			'Fraud'. Other lenders were asked to take their individual decisions On 14.08.2020, the legal counsels of RCFL sent letters to all the banks informing that the High Court has restrained PNB from taking any coercive action pursuant to declaring the Company's account as 'Fraud'. Further, they requested the banks to not take any further steps and/or any "coercive or precipitative" steps. On 31.08.2020, the legal counsels of RCFL sent another letter to all the lenders stating that: "The banks forming part of the Consortium of Lenders are also expected to adhere to the order dated 14.08.2020 passed by the Hon'ble Delhi High Court in letter and spirit. Accordingly, you are also requested not to take any further steps and/or any coercive or precipitative action against the Company, failing which the Company will be constrained to initiate legal proceedings including civil and contempt proceedings against you at your cost and peril." The matter was heard on 25.09.2020 by Delhi High Court, wherein the counsels of RHFL and RCFL sought impleadment of the remaining lenders forming part of the consortium so that the order dated 14.08.2020 is applicable to them. In hearing dated 29.09.2020, the Court stated that it would not issue notice in the impleadment applications at this juncture. In hearing dated 06.11.2020, the counsels of RHFL and RCFL requested the Court to permission to withdraw the impleadment applications and instead file writ petitions against the individual banks. The same was permitted by the Court. The matter was again heard on 08.12.2020. The Bench directed that the arguments in the matter be continued on the next dated of hearing on account of paucity of time. The matter is now listed for hearing on 21.12.2020. Conclusion Though consensus/majority decision is yet to be arrived at by lenders, 4 lenders have already classified the borrower as 'Fraud' based on adverse forensic audit findings. The borrower has filed petition against PNB and BOB, challenging the 'Fraud' classification and sought to implead all other lenders in the petition to prevent them from taking any further steps. The impleadment application has since been withdrawn by the borrower. Hearing in the petition against PNB and BOB is ongoing and there is no clarity on timeline of disposal of the same. In view of aforementioned, Axis Bank classified the borrower as 'Fraud', based on the following: Adverse observations in forensic audit report . The Bank classified the account as fraud and reported the case to the RBI on 29 December 2020. Action Taken/Proposed: The Bank will be lodging Police complaint against the company and its directors. An amount of ₹ 21.6 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank. The Bank had

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			requested lead bank to file CBI complaint. The matter is still sub-judice and lead bank is unable to file the complaint.
96	Case of Forged / Fabricated Financial Statements by DPD Industries Limited	333.40	DPD Industries Limited (DIL) operated a rice processing unit with capacity of 14 MT per hour in Ferozepur, Punjab. Operations of the company are closed for last 3 years. The entity was established as a partnership firm by Mr. Devinder Pal Dhawan and his family members in November 2004. The firm was converted into a company in 20.11.2009. Banking Arrangement: Axis Bank initially sanctioned commodities loan limit (CLWF) of Rs.5 crore to the borrower in October 2009, which was enhanced to Rs.10 crore in November 2010. The said limit was closed in October 2011. Axis Bank sanctioned CC limit of Rs.20 crores, term loans aggregating Rs.2.64 crores and LER of Rs.0.10 Crores to DIL in September 2011, by way of takeover of limits from State Bank of India. Axis Bank is the sole lender to the company. Axis Bank classified the borrower as NPA on 01.05.2016. Resolution Action Recall notice was sent to the borrower and guarantors on 29.08.2016. Demand Notice under section 434 sent was issued on 31.08.2016. SARFAESI notice under section 13(2) was issued on 30.09.2016. Symbolic Possession of 3 properties charged as collateral was taken on 03.02.2017. Original Application (OA) has been filed in DRT, Chandigarh on 18.10.2018. It is being contested by the promoters. Physical Possession of the factory land and building in the name of DIL was obtained on 29.08.2018. Physical Possession of residential plot in Ferozepur in the name of Mr. Devinder Pal Dhawan and Mr. Surinder Pal Dhawan was obtained on 01.02.2019. The borrower was admitted for insolvency proceeding vide NCLT order dated 06.11.2019. Two Collateral properties sold in an auction on 11.11.2020 at a price of Rs.34 lakh (1635 sq ft residential plot) and Rs.18 lakh (open Plot at Zira). Partial sale proceeds of Rs.13 lakh received on 18.11.2020 and 08.12.2020 are adjusted against the outstanding in CC account. Group Exposure Retail loans under Agri-business Retail Segment has been sanctioned to the below mentioned directors of DIL: Devinder Pal Dhawan: Credit exposure Rs.0.68 crore; (IRAC: Doubtful 1). Surinder Pal Dhawan: Credit exposure of Rs.0.75 crore (IRAC: Prudentially written off) RFA Classification The following EWS alert was generated for the borrower: critical issues highlighted in transaction audit report. Axis Bank classified the borrower as RFA on 05.12.2020, based on the mentioned EWS alert. Transaction Audit Observations Resolution Professional (RP) appointed Kumar Sunil and Associates, Chartered Accountants to conduct transaction audit of the borrower on 28.02.2020. Final transaction audit report was received by the Bank on

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						19.11.2020. Key findings are given below: Share application money of Rs.4 crore were repaid to various parties as per books of account. However, there is no record of receipt of share application money from said parties in statement of accounts with Axis Bank Cash withdrawal of Rs.2.20 crore from Adhoc CC account was not appearing in books of account There was mismatch between list of debtors as per the stock statement and debtor balances written off as per books. It seems that the debtors submitted to the bank are not genuine and bad debts were written off as an adjustment in the books There were substantial difference between consumption of finished goods and sales in audited financials for FY 2015 and FY 2016 There were material difference between financial statement for FY 2015 submitted to Income Tax authorities and Axis Bank (sales of Rs.8.25 crore vis-a-vis Rs.98.45 crore) Avoidance Application before NCLT The transaction audit report was discussed in the Committee of Creditors (CoC) meeting held on 24.11.2020. The RP accepted the report as final report and was in the process of filing an avoidance of transaction application before NCLT. The RP filed an Avoidance Application before NCLT, Chandigarh on 08.12.2020, based on the findings of the transaction audit. Conclusion The borrower was classified as 'Fraud', based on following: Adverse findings of the transaction audit report Avoidance Application filed before NCLT by the Resolution Professional The Bank classified the account as fraud and reported the case to the RBI on 29 December 2020. Action Taken / Proposed: The complaint has been lodged in the matter at Economic Offence Wing (EOW), Ferozepur on 05 January 2021. An amount of ₹ 5.20 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.	
97		Case of Diversion of Funds by Karvy Stock Broking Limited		1608.8		I) Karvy Stock Broking Limited (KSBL) is the broking arm of Karvy Group. II) KSBL has been operating in retail broking and distribution business, offering Equity and Derivative trading through National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and Currency Derivative on Metropolitan Stock Exchange of India Limited (MSEI). III) KSBL is registered as a Depository Participant with both NSDL and CDSL and also provides commodity trading on MCX and NCDEX. Banking Arrangement I) KSBL availed credit facilities aggregating Rs.1,612 crore from 6 lenders, led by ICICI Bank under multiple banking arrangement. II) The company has been availing credit facilities from Axis Bank since December 2005. III) The working capital limits were gradually enhanced between 2010 and 2019 to Rs.285 crore. Recent Adverse	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Developments I) SEBI vide Circular No. CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated 20.6.2019 issued directions to the participants in the Securities Market, Stock Exchanges, Clearing Corporations, Depositories, Trading Members-Clearing Members and Depository Participants stating that all clients' securities already pledged earlier (in terms of SEBI Circulars) to be either unpledged and returned to the clients upon fulfilment of pay-in obligations or be disposed of after giving 5 days' notice to the clients by 31.08.2019 (subsequently extended to 30.09.2019, vide SEBI Circular dated 29.08.2019). The above mentioned circular dated 20.06.2019 was an amendment to SEBI's previous circular dated 26.09.2016 relating to handling of clients' securities. II) NSE observed non-compliances with respect to pledging / misuse of clients securities by KSBL during a limited purpose inspection undertaken on 19.08.2019 covering the period from 01.01.2019 onwards. III) In view of above, NSE conducted a forensic audit of KSBL. The forensic audit report and NSE' observations were submitted to SEBI. The said report has not been shared with lenders. Key findings of the report, as mentioned in SEBI announcements, are given below: a) Funds raised by pledging of client securities b) Misuse of Power of Attorney given by clients c) Transfer / Sale of securities IV) Based on the mentioned violations of the Code of Conduct and other provisions of Securities Laws, SEBI passed an ex parte ad interim order dated 22.11.2019 against the company with following directions: a) KSBL was prohibited from taking new clients in respect of its stock broking activities; b) The Depositories i.e. NSDL and CDSL were directed not to act upon any instruction given by KSBL in pursuance of power of attorney given to KSBL by its clients, with immediate effect, to prevent further misuse of clients' securities by KSBL; c) The Depositories were instructed to monitor the movement of securities into and from the DP account of clients of KSBL and ensure that clients' operations were not affected; d) The Depositories were instructed not to allow transfer of securities from DP account no. 11458979 named Karvy Stock Broking Limited (BSE) with immediate effect. e) The transfer of securities from DP account no. 11458979 named Karvy Stock Broking Limited (BSE) shall be permitted only to the respective beneficial owner who has paid in full against these securities, under supervision of NSE; and f) The Depositories and Stock Exchanges were instructed to initiate appropriate disciplinary regulatory proceedings against KSBL for misuse of clients' funds and securities as per their respective bye laws, rules and regulations V) Trading activities of KSBL in capital markets, commodity markets, etc. were suspended vide NSE and	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			BSE notifications dated 02.12.2019. VI) The suspension of trading activity had severe impact on the cash flows of the company. Subsequently, the account was classified as NPA by lenders. VII) NSE declared KSBL as a defaulter and expelled it from its membership w.e.f. 23.11.2020. VIII) SEBI vide order dated 24.11.2020 confirmed its earlier ex-parte order dated 22.11.2019 against KSBL. SEBI further directed Stock Exchanges and Depositories to initiate appropriate action against KSBL and its Directors for violations of their respective bye laws. NPA/Recovery Action I) Axis Bank classified the borrower as NPA on 02.03.2020. II) Axis Bank filed a petition in DRT - II (Hyderabad) dated 28.12.2019 seeking attachment of pledged shares, receivables, mortgaged property and various other identified movable / immovable assets of Mr. C. Parthasarathy (promoter of KSBL) and Karvy Realty India Limited ("KRIL"). DRT vide Order dated 31.12.2019 restrained the defendants from alienating the assets as mentioned in the Order and directed the defendants to deposit sufficient security within 15 days with Axis Bank, failing which all the assets shall stand attached. Sufficient security has not been deposited till date. The matter is currently adjourned till 04.01.2021. III) Axis Bank filed an appeal with Securities Appellate Tribunal (SAT) seeking stay on the communication dated 23.11.2019 received from National Securities Depository Limited (NSDL) directing the bank to keep the securities (shares pledged against ODASB facility) in abeyance, in line with SEBI Orders dated 22.11.2019. SAT vide Order dated 17.12.2019 directed Axis Bank to approach SEBI and status quo was ordered to be maintained till the order of SEBI. Axis Bank had filed its representation with SEBI on 19.12.2019. SEBI vide order dated 14.01.2020 held that only shares amounting to Rs.13.69 crore can be released in favour of Axis Bank provided Axis Bank is able to show valid proof of authorisation by clients in favour of KSBL. Subsequently, Axis Bank filed an appeal with SAT on 15.01.2020 against SEBI's order dated 14.01.2020. The matter is currently adjourned till 27.01.2021. IV) Notice u/s. 13(2) dated 08.07.2020 and notice u/s. 13(4) dated 11.09.2020 under SARFAESI Act, 2002 has been sent to the company and its directors. RFA Classification I) The following EWS alerts were generated for the borrower on 17.12.2019: (a) High value (greater than Rs.1 crore) cheque bounces, (b) Raid in income tax / sales tax / excise department/ ED, (c) 46 outward cheque bounce of value more than Rs.1 lakh each, (d) News dated 24.11.2019 : SEBI unearthed Fraud scam at KSBL. II) Axis Bank classified the borrower as RFA on 22.01.2020 on the basis of above-mentioned alerts. Internal Investigation Findings I) As per the NSE

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			inspection report, KSBL credited the funds raised by pledging of client securities to its own bank accounts and did not report these bank accounts to the exchange. One of these accounts was Axis Bank A/C no. 916030054913843. II) Transaction analysis of A/c. No. 916030054913843 revealed the following outflows to accounts other than Client Accounts: a) First outflows from the account worth Rs.40 crore were to other banks accounts of KSBL via RTGS on 29.11.2016. b) Subsequently till 24.10.2017, there were outflows of Rs.22.90 crore to the GL Expenses Account of the company. c) Subsequently, there was one outflow of Rs.25 crore to GL Expense account (004010203343544) on 03.04.2018. d) Between 09.04.2019 and 15.05.2019, there were 4 NEFT outward transactions worth Rs.15.20 crore to other bank accounts of KSBL. e) Between 25.10.2019 and 02.12.2019, there were 6 debit transactions worth Rs.5.25 crores to KSBL's OD against Receivable Account with Axis Bank. III) Transaction analysis of A/c. No. 916030054913843 revealed the following outflow to Client Accounts: a) From 26.10.2017, outflows from the account began predominantly flowing into Client Accounts maintained with the Bank. b) In total, there were 84 such transactions between 26.10.2017 and 05.09.2019 which were cumulatively worth Rs.138.30 crore. c) From the client accounts, the funds were mostly transferred via RTGS or IMPS to other bank accounts of the company. Forensic Audit I) In the meeting held on 11.03.2020, the lenders discussed the scope of work and prospective agencies for conducting forensic audit. Two agencies, Deloitte and BDO, were shortlisted and lenders were requested to communicate their choice to ICICI Bank. II) Axis Bank requested ICICI Bank to appoint BDO as forensic auditor and followed up with ICICI Bank for the same. III) There was delay by ICICI Bank in appointing a forensic auditor. Finally, ICICI Bank appointed BDO as forensic auditor on 24.09.2020. IV) While lenders have shared majority of the data with BDO, there was no cooperation and information sharing from the company. V) Axis Bank, vide letter dated 22.12.2020, advised ICICI Bank to examine the borrower as non-cooperative and to consider declaring the company as fraud based on the violations highlighted in the forensic audit report conducted by NSE. VI) ICICI Bank vide letter dated 22.12.2020 advised Axis Bank to take necessary action as per the internal policies and guidelines of the Bank. VII) Subsequently, in the lenders' meeting held on 22.12.2020, the borrower informed that data was being submitted to Exchanges at present and sought additional time for submission of data to forensic auditor. Further, it was decided that lenders may take appropriate action as per their

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			guidelines. Conclusion Axis Bank classified the borrower as 'Fraud', based on the following: (a) Adverse findings of the preliminary inspection report of NSE, (b) Disbarment of KSBL by SEBI on the basis of the forensic audit conducted by NSE, (c) Declaration of KSBL as a defaulter by NSE and expelling KSBL from its membership, (d) Axis Bank account being one of the accounts from where the borrower credited the funds raised by pledging of client securities, instead of in clients' accounts. and (e) Transfer of funds disbursed under overdraft facility (availed from the Bank) to other bank accounts of the company . Root Casue: Diversion of funds Date of Occurrence: 19.08.2019 i.e. date of the inspection conducted by NSE wherein several adverse findings were observed. The Bank classified the account as fraud and reported the case to the RBI on 26 February 2021 Action Taken / Proposed: I) Legal recourse for recovery has been initiated by the Bank. II) The complaint has been lodged in the matter at Economic Offence Wing, Mumbai on 26 February 2021. III) 100 percent provisioning has been already done. An amount of ₹ 20 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
98	Case of Forged / Fabricated Financial Statements by Amit Iron Private Limited	143.60	Background: Amit Iron Private Limited (AIPL), incorporated on 19.06.2000, is a Kolkata based authorized distributor of Tata Steel Limited. AIPL is one of the biggest distributors of hot roll sheets (under brand name TATA Stilium) and cold roll sheet (under Brand name TATA Astrum) in eastern India. Banking Arrangement: AIPL availed working capital limits of Rs.110 crore under multiple banking arrangement from 4 Banks (SBI - Rs.60 crore, ICICI Bank - Rs.25 crore, Axis Bank - Rs.15 crore, Yes Bank - Rs.10 crore). The Bank sanctioned a limit of Rs.15 crore to AIPL under 'Tata Steel Limited - Dealer Finance Program' on a platform arranged by Mjunction Services Limited (MJSL), in November 2014. The borrower was classified as NPA by Axis Bank on 03.09.2019. Resolution Action: All the lenders have issued notification to Tata Steel to stop supplying to the company. Axis Bank has issued recall notice to the borrower on 10.02.2020. RFA Classification: The account was classified as 'RFA' by Axis Bank on 16.04.2020, based on classification of the borrower as RFA by Yes Bank. Forensic Audit: SBI appointed Suman Kumar Agarwal and Associates on 16.03.2020 to conduct forensic audit with review period from 01.04.2017 to 29.02.2020. Draft forensic audit report was received on 09.11.2020. Key observations noted in the draft forensic audit are as under: Compensation of

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Rs.1.24 crore was booked from 01.04.2019 to 29.02.2020 (pertaining to FY 2013 to FY 2018) on account of an agreement to supply a minimum quantity of coils to Arya Metals Pvt. Ltd (related party). Receivable outstanding as on 29.02.2020 were Rs.77.38 crore, after write off of bad debts of Rs.12.24 crore. Recklessness in assessing the credibility of the debtors was observed. In many instances, goods had been sold at gross loss on credit basis. These goods had been purchased from party other than Tata Steel Limited. Settlement to these creditors were made either by adjusting the receivables from that party or by making payment. No concrete steps had been initiated by the borrower to recover the dues from parties. In spite of the fact that receivables from these parties were outstanding for a considerable period of time, no legal remedies had been initiated to recover the outstanding dues. It reflected borrower's apathetic nature towards recovery of receivables. Top 10 debtors amounting to Rs.48.84 crore constituted 62.94 percent of the total debtors. However, total sales made to these debtors during the period from April 2018 to February 2020 amounted to Rs.53.19 crore, which constituted 10.14 percent of the total sales during this period. This signifies that liberal credit had been extended only to some of the debtors, out of which most are new parties and no sales had been made to these parties in the earlier years. While finance cost had always been a significant expense of the borrower (debt-equity ratio increased from 4.65 times in FY 2017 to 8.36 times in FY 2019), borrower had provided interest free advances to certain parties (Rs.23.21 crore paid during review period). Out of the advances of Rs.23.21 crore, Rs.13.72 crore was advanced to G K Ispat Pvt Ltd, which is a related party. Borrower has commented that they had paid advances to Star creation, Indian Sculpture, Parton Vinimoy, G K Ispat and MRS Educational Trust for procurement of steel materials. However, no materials were purchased and advances are returned back. Unusual income of Rs.3.25 crore (in FY 2016, FY 2017 and FY 2019) and unusual expenditure of Rs.19.23 crore (during the period from 01.04.2019 to 29.02.2020) which do not seem to be in the normal course of business were observed. Out of unusual expense of Rs.19.23 crore, Rs.13.05 crore was attributed bad debts. This hinted that inflated income had been shown in the books in previous years and that during the period from 01.04.2019 to 29.02.2020 losses had been inflated by booking of expenses which are not in the normal course of business. Lender's meeting: SBI had requested other lenders for their opinion or observations on the report and conveyed that a meeting for the discussion on further course of action will be arranged shortly. However, till date, no such meeting

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			was held. Conclusion: The borrower was classified as 'Fraud', based on adverse findings in the draft forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 11 January 2021. Action Taken / Proposed: The Police complaint has been lodged in the matter at The Office-in charge, Lal Bazar Fraud Section on 14 January 2021. Account has been prudentially written off
99	Case of Diversion of Funds by Modex International Securities Limited	208.70	Company Background: Modex International Securities Limited (MISL) is a SEBI registered stock broker. MISL was a member registered with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) in Capital Market, Future and Option (F and O) and Currency Derivatives segments. Further, MISL is a Depository Participant (DP) of Central Depository Services Limited (CDSL). The company caters to both retail and corporate clients, as well as undertaking proprietary trading. Banking arrangement MISL availed working capital limits of Rs.47 crore (Fund based limit: Rs.10 crore; Non-fund based limit: Rs.37 crore) from IndusInd Bank and Axis Bank under Multiple Banking Arrangement. MISL has availed PCM (Professional Clearing Member) services in NSE F and O, BSE F and O and MSEI F and O from Axis Bank. Axis Bank initially sanctioned working capital limits of Rs.2 crore in 2013. The company's limits have been subsequently enhanced to Rs.32 crore between 2014 and 2019. Resolution and Recovery Axis Bank classified the borrower as NPA on 31.03.2020. SARFAESI action has been initiated for a commercial property owned by Mrs. Sangeeta Sachdeva mortgaged to the Bank. Notice under section 13(2) was issued on 21.07.2020. Symbolic possession of the property was obtained on 15.12.2020. Suit for winding up of the company has been filed with DRT on 13.03.2020. RFA classification The borrower was classified as RFA by Axis Bank on 27.01.2020, based on the following: i) Inability expressed by the client to meet margin shortfall ii) MISL squared off position which led to exchange obligation and upon multiple request, the borrower was not able to arrange funds from its clients or by self. Investigation by NSE and SEBI Order As a part of offsite supervision, NSE observed inconsistencies between security balances reported by MISL in its monthly and weekly client securities balances submissions as on 29.11.2019 with the Depository Participant records and Clearing members' submissions/holdings with Clearing Corporation Accordingly, an inspection was conducted by NSE for the period from 01.03.2019 to 11.12.2019, whereby it was observed that MISL had posted journal vouchers/manual adjustments entries in ledgers/ Register of Securities of its clients, respectively. In view

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			of above, NSE appointed KPMG to conduct forensic audit of MISL with review period from 01.04.2017 to 24.01.2020. The forensic audit report and NSE' observations were submitted to SEBI. The said report has not been shared with lenders. Based on the violations of the Code of Conduct and other provisions of Securities Laws, SEBI restrained MISL and its 9 directors from accessing the securities market, till further directions, vide ex parte ad interim order dated 30.04.2020. The directions issued in the above interim order against MISL and 2 of the directors, Mr. Dharmendra Kumar Arora and Mr. Pavan Kumar Sachdeva, were confirmed by SEBI vide confirmatory order passed on 11.09.2020. Further, stock exchanges and clearing corporations were directed to ensure that shortfall of client funds are made good through realisation from assets of the said 3 parties. NSE declared MISL as a defaulter and expelled the company from its membership on 16.09.2020. Both NSE and BSE have subsequently commenced formalities of compensating investors from investor protection funds of the stock exchanges. As per media reports, investors of MISL have filed an FIR with EOW Delhi against the company. It has been alleged that MISL misused the power of attorney to conduct unauthorised trades in the accounts of the investors, without their knowledge or consent. MISL allegedly used shares as leverage for speculative derivatives trades in order to maximise brokerage earning. Delhi Police has registered FIR against MISL under various sections of Indian Penal Code (IPC) covering breach of trust, forgery and cheating. Forensic Audit Axis Bank appointed Grant Thornton to conduct forensic audit of MISL, with review period from 01.10.2018 to 31.01.2020. There was delay by the borrower in furnishing the information on account of COVID-19 pandemic. The Bank was following up with the borrower for furnishing the information. Final forensic audit report was submitted to the Bank on 25.12.2020. Key findings are given below: i) Non - availability of client balances, misappropriation of client funds and incorrect securities balance through recording of manual adjustments ii) Misutilisation of clients funds for proprietary margin obligations iii) Round payments made to specific set of clients iv) Incorrect submission of weekly report to the stock exchange and short/non collection of margin from the clients which indicates that MISL had misutilised the financial facilities obtained from Bank for exchange margin purpose. v) MISL was engaged in unfair trade practices which were deceitful to the clients as well as the Banks. Conclusion Several regulatory violations were identified in forensic audit conducted by NSE. The said report has not been shared with lenders. However, SEBI has passed interim

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						order penalizing the company and 9 of its directors, based on findings of the said report. Pursuant to review of submissions from the company and its directors, the penal actions were confirmed against MISL and 2 of the directors. The said regulatory violations were also corroborated in forensic audit conducted by the Bank. The forensic auditor has concluded that MISL was engaged in unfair trade practices, which were deceitful to its clients as well as the Bank. In view of the aforementioned, Axis Bank classified the borrower as 'Fraud', based on the following: i) Adverse observations mentioned in forensic audit report ii) Regulatory violations identified in forensic audits conducted by NSE and lenders iii) Punitive action against the company by SEBI and NSE Root Cause Misappropriation of funds. The Bank classified the account as fraud and reported the case to the RBI on 11 January 2021 Action Taken/Proposed i) To continue suitable recovery proceedings ii) The Police complaint has been lodged in the matter at Economic Offence wing (EOW), New Delhi on 12 January 2021 iii) 100 percent provision has already been made.	
100		Case of Diversion of Funds by J.P. Engineers Private Limited		97.80		J.P. Engineers Private Limited (JPEPL) is engaged in trading of prime metal, scraps and extrusion. Banking Arrangement I) J.P. Engineers, a partnership firm engaged in trading of metals, availed credit facilities from Axis Bank since March 2014, under Multiple Banking Arrangement. The other lenders of the firm were Andhra Bank, Yes Bank, and ICICI Bank. II) Subsequently, the business of the partnership firm was taken over by JPEPL w.e.f. 04.11.2016. The credit facilities of the firm was transferred to JPEPL subsequently. III) JPEPL has availed working capital facilities viz. overdraft and Letter of Credit from Union Bank of India (erstwhile Andhra Bank) and inventory funding from Axis Bank, ICICI Bank and Yes Bank, aggregating Rs.183.75 crore under multiple banking arrangement. Andhra Bank has the highest exposure in the banking arrangement. NPA/Recovery Action I) Axis Bank classified the borrower as NPA on 18.02.2020. II) The borrower was admitted for insolvency process vide NCLT order dated 26.02.2020. RFA Classification I) The following EWS alerts were generated for the borrower on 18.09.2020: (a) significant account irregularity, (b) significant drop in half-yearly credit amount in working capital facilities and (c) Fraud by Union Bank of India on 04.08.2020. II) Axis Bank classified the borrower as Red-Flagged Account (RFA) on 11.11.2020 on the basis of above mentioned alerts. Forensic Audit I) Union Bank of India (erstwhile Andhra Bank) appointed A.R. and Co on 28.10.2019 to	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						conduct forensic audit of the borrower with review period from 01.10.2016 to 30.09.2019. II) The forensic audit report was shared by Union Bank of India (erstwhile Andhra Bank) with Axis Bank on 23.12.2020. Key observations are given below: a) The borrower was not co-operative during the course of audit. The auditor has stated that Andhra Bank may pursue necessary action in this regard. b) Unjustified payments to its promoters and related parties indicate diversion of funds towards purposes other than business activities. c) Transfer of Rs.10.14 crore to promoters against unsecured loans indicate that funds have been siphoned-off without creation of assets. d) The company represented that trade receivables aggregated more than Rs.164.06 crore as of June 2019. However, upon verification, none of the customers accepted their dues towards the borrower indicating misrepresentation of facts to Andhra Bank. e) The borrower had maintained accounts with other banks like ICICI Bank. The borrower continued its operations with other banks and did not route any transactions with Andhra Bank, despite classification of account as NPA with Andhra Bank indicating breach of trust with Andhra Bank. f) As per the stock statement as of June 2019, the borrower had trade receivables aggregating Rs45.53 crore from its sister concern SMW Metals. However, transaction analysis of bank accounts revealed that significant payments were made to SMW Metals indicating manipulation of books of accounts. g) Transaction analysis of bank accounts revealed significant transactions with related parties. However, such transactions were not disclosed in the audited financial statements indicating manipulation of books of accounts. III) Conclusion by Forensic Auditor: Basis the above, the borrower can be classified as fraudulent by Andhra Bank. Conclusion Axis Bank classified the borrower as 'Fraud', based on findings of the forensic audit report highlighting manipulation of financial statements and diversion of funds. Root Cause: Manipulation of financial statements and diversion of funds Date of Occurrence: 31.03.2017. The Bank classified the account as fraud and reported the case to the RBI on 13 January 2021 Action Taken / Proposed: I) Legal recourse for recovery has been initiated by the Bank. II) The complaint has been lodged in the matter at Economic Offence Wing, New Delhi on 15 January 2021. III) The exposure has been prudentially written-off by the Bank.	
101		Case of Diversion of Funds by Prince Mfg Industries Limited		228.50		Company background The Prince Group was incorporated in the year 1970 and started with the manufacture of household plastic products using Poly Propylene (PP) and High Density Poly Ethylene	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			(HDPE). Prince Industries (PI), now named as Prince Mfg Industries Pvt. Ltd. (PMIPL), was incorporated in the year 2002, while commercial production commenced in the year 2003. The Company is involved in manufacturing of PVC (Polyvinyl Chloride) and CPVC pipes and fittings for agricultural and Real Estate Sector. The Company initially started its manufacturing operations from its factory situated at Dadra, which was sold to its group company, Prince SWR Systems Pvt Ltd in FY 2010-11. The company is currently operating from its manufacturing unit at SIDCUL, Haridwar, Uttrakhand. The products of the firm find application in wide range of activities viz., housing, construction, infrastructure, industrial activities etc. Banking Arrangement: The borrower availed total working capital limits of Rs.90.78 crore from Axis Bank (Fund based Rs.10.00 crore and Non fund based limits of Rs.15.00 crore), ICICI Bank (Fund based limits of Rs.12.00 crore and Non fund based facility of Rs.8.48 crore) and Canara Bank (Fund based limit of Rs.24.50 crore and non- fund based facility of Rs.10.00 crore) under Multiple Banking Arrangement and Term loan of Rs.10.80 crore from Canara Bank. Resolution and Recovery status Account was classified as NPA on 25.08.2019 by Axis Bank. Bank issued recall on 15.01.2020 and SARFAESI notice on 13.02.2020 and has initiated the process for filing suit with DRT against the borrower and guarantors. Bank has obtained approval for initiating CIRP proceedings in NCLT u/s 7 of IBC against Prince Mfg Industries Pvt. Ltd. RFA Classification The account was classified as 'RFA' by Axis Bank on 17.03.2020, based on the following triggers: i. Default in payment to the banks ii. Delay observed in payment of outstanding dues iii. Frequent devolvement of LCs iv. Non routing of sales proceeds through bank Forensic Audit: Canara Bank appointed BDO India LLP as forensic auditor on behalf of Banks under Multiple Banking arrangement vide appointment letter dated 15.07.2020 with the review period from 01.04.2012 to 31.03.2020. The forensic auditors submitted an interim report on 27.12.2020, in which the following key observations were pointed out: i. Potential Misappropriation of inventory ii. Net Outflow to Promoter Accounts iii. Diversion of Term Loan Funds and Non- compliance to Sanction Terms iv. Supporting Documents for Sales Transactions are Not Available v. Supporting Documents for Purchase Transactions were Not Available vi. Vendors Credit Card Payments Stock audit findings Stock audit was conducted by Umashankar A Gupta and Co, CA on behalf of Canara Bank and report dated 10.04.2020 was submitted. Major observations are as mentioned below: i. Stock declared in the stock statement submitted to the Bank are not

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			correct as gross profit (on material cost) is showing negative trend in the month of April 2019, August 2019, September 2019, and October 2019 ii. Borrower was not declaring item wise stock position in stock statement submitted to the Bank. Monthly stock statement did not contain details of open stock, purchases, consumption / sale and only value of closing stock was declared. iii. The auditor during physical inspection observed non-moving / obsolete stock. However, the stock statement did not reflect and obsolete stock iv. The stock auditor was not provided access to the book of accounts due to which the stock audit has been qualified. The audit was unable to verify / comment the aging of stock, transactions with group concerns, diversion of funds etc. v. Total debtor were 14.97 crore as on 31.10.2020 and almost 75 percent of total debtors were more than 90 days. Out of these debtors, debtors amounting to Rs.3.50 crore were under litigation. However bad debt classified was Nil. Conclusion: Axis Bank classified the borrower as 'Fraud', based on the adverse observations in the interim forensic audit report and stock audit report. Root Cause: Diversion of funds. The Bank classified the account as fraud and reported the case to the RBI on 14 January 2021. Action Taken/Proposed: To continue suitable recovery proceedings. The Bank has already mandated the lead lender viz. Canara Bank to file the complaint with CBI, vide our letter dated 16.02.21. The Bank has reminded Canara Bank several times vide email/in the JLM's. Canara Bank has informed that they shall be filing the complaint after classification of their a/c as Fraud. The exposure has been prudentially written-off by the Bank
102	Case of Diversion of Funds by Prince SWR Systems Private Limited	248.50	Company Background Prince SWR Systems Private Limited (PSWR) is engaged in manufacturing PVC (Polyvinyl Chloride) pipes and fittings for drainage purposes. The company's product portfolio includes mid-range SWR systems, solvent SWR systems, white pipes and fittings, agri-systems, PPR plumbing systems, rainwater harvesting, swept pipes and fittings systems. The company has manufacturing unit at Dadra and Silvasa. Prince SWR Systems Pvt. Ltd. has taken over the manufacturing Unit at Hyderabad of Harshvardhan International, a partnership firm comprising of Mr. Piyush G. Chheda, and Ms.Rupal Piyush Chheda, who are also directors in Prince SWR Systems Pvt. Ltd. Limits availed by the said Harshvardhan International are merged with credit limits of Prince SWR Systems Pvt Ltd. Banking arrangement The borrower availed working capital limits from Axis Bank (FB : 20 crore and NFB : 5.00 crore) , ICICI Bank (FB : 30 crore and NFB : 12.00 crore) , Standard Chartered Bank (FB: 27.50 crore and NFB : 14.00 crore) and Canara Bank

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						(FB : 18.00 crore and NFB : 15.00 crore) under Multiple Banking Arrangement and term loan from Canara Bank and Standard Chartered Bank. Resolution and Recovery Action: Axis Bank has classified the account as NPA on 01.03.2020. Recall notice was sent on 30.07.2020 and SARFAESI notice was issued on 14.08.2020 RFA Classification The account was classified as 'RFA' by Axis Bank on 07.05.2020, based on the following triggers: i. Group company Prince Mfg Industries Pvt Ltd declared as RFA/fraud by Axis Bank ii. Default in payment to the banks iii. Delay observed in payment of outstanding dues iv. Frequent devolvement of LCs v. Large number of transactions with group/inter connected companies, promoters, related parties, etc. vi. Company has acquired land which is not mortgaged to the lenders and transferred funds to individual accounts in promoter family vii. Non routing of sales proceeds through the bank Forensic Audit : Canara Bank appointed BDO India LLP as forensic auditor on behalf of Banks under Multiple Banking arrangement vide appointment letter dated 15.07.2020 with the review period from 01.04.2012 to 31.03.2020. The forensic auditors submitted an interim report on 27.12.2020, in which the following key observations were pointed out: i. Potential Misappropriation of inventory ii. Net Outflow to Promoter Accounts iii. Diversion of Term Loan Funds and Non- compliance to Sanction Terms iv. Supporting Documents for Sales Transactions are Not Available v. Supporting Documents for Purchase Transactions were Not Available vi. Vendors Credit Card Payments Stock audit findings Stock audit was conducted by Umashankar A Gupta and Co, CA on behalf of Canara Bank and report dated 20.03.2020 was submitted. Major observations are as mentioned below: i. The method / calculation for valuation of stock followed for submission of monthly stock statement was not provided to the auditor. However, prima facie the valuation of stock adopted appears to be inconsistent. This was evident from the gross profit analysis (at material cost) statement wherein gross profit on (material cost) was showing negative trend in the month of April 2019, August 2019, September 2019, and October 2019. ii. Borrower was not declaring item wise stock position in stock statement submitted to the Bank. Monthly stock statement did not contain details of open stock, purchases, consumption / sale and only value of closing stock was declared. iii. The auditor during physical inspection observed non- moving/obsolete stock. However, the stock statement did not reflect and obsolete stock iv. The stock auditor was not provide access to the book of accounts due to which the stock audit has been qualified. The audit was unable to verify / comment the aging of stock, transactions with group	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						concerns, diversion of funds etc. v. At time of Unit visit by auditor on 30.01.2020, one unit at Dadra was shut down. Physical inspection of stock and machinery suggest plant was closed for 4-6 months. The other unit were operating much below capacity level. vi. Total debtor were 22.21 crore as on 31.10.2020 and almost 55 percent of total debtors were more than 90 days. Out of these debtors, debtors amounting to Rs.2.18 crore were under litigation. However bad debt classified was Nil. Root Cause: Diversion of funds Conclusion: Axis Bank classified the borrower as 'Fraud', based on the adverse observations in the interim forensic audit report and stock audit report. The Bank classified the account as fraud and reported the case to the RBI on 14 January 2021. Action Taken/Proposed: To continue suitable recovery proceedings. The Bank has already mandated the lead lender viz. Canara Bank to file the complaint with CBI, vide our letter dated 16.02.21. The Bank has reminded Canara Bank several times vide email/in the JLM's. Canara Bank has informed that they shall be filing the complaint after classification of their a/c as Fraud. The same is under process at their end. The exposure has been prudentially written-off by the Bank.	
103		Case of Forged / Fabricated Financial Statements by Infrastructure Leasing and Financial Services Limited		137.90		Company Background Infrastructure Leasing and Financial Services Limited (IL and FS), incorporated on 03.09.1987, was an infrastructure development and finance company, promoted by the Central Bank of India (CBI), Housing Development Finance Corporation (HDFC) and Unit Trust of India (UTI). The company was established with twin mandates of providing financial services and to develop infrastructure projects under a commercial format. IL and FS was a Core Investment Company, engaged in the business of providing financial support for commercialization of infrastructure projects by extending loans and investments in group companies. Banking Arrangement IL and FS availed term loan and working capital (fund based and non-fund based) facilities of Rs.4846.50 crore under multiple banking arrangement from 22 Banks. Axis Bank sanctioned LER facility of Rs.25 crore to the company in April 2005. Subsequently, non-fund based working capital limits (LC and BG) of Rs.500 crore were sanctioned by Axis Bank during 2011 and 2012. The working capital limits of IL and FS were last renewed on 24.05.2018 with reduction to Rs.250 crore. Recent Developments i. Government of India (GOI), based on reports received from Regional Director (Mumbai), Ministry of Corporate Affairs, concluded that the affairs of IL and FS and its group companies were being conducted in a manner prejudicial to public interest. ii. With a view to preventing further mismanagement and	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			protecting public interest, GOI referred the company to NCLT Mumbai for approval to take over its Board and to impose a moratorium on its group entities. iii. The said request for takeover of the company's Board by GOI was approved by NCLT Mumbai vide order dated 01.10.2018. Subsequently, GOI superseded the Board of IL and FS and appointed six new directors. iv. NCLAT passed an order on 15.10.2018, permitting moratorium to IL and FS and its group companies till GOI issue appropriate notification and stayed any proceedings against them. v. SFIO filed a charge sheet against IL and FS Financial Services Ltd (IFIN), a subsidiary of IL and FS, on 30.05.2019 in the court of Additional Sessions Judge-cum-Special Judge (Companies Act) at Greater Mumbai. The following certain allegations against IL and FS were noted in the said charge sheet: Ravi Parthasarathy and Hari Sankaran (both former Managing Directors of IL and FS) received hospitality from C Sivasankaran (founder of Aircel) and used IL and FS group as their personal fiefdom to provide wrongful gains to Sivasankaran illegally. IL and FS had exhausted the regulatory limits beyond which further lending to group entities could not be done. Hence, the accused relied on IFIN to fund the requirements of the group entities. Sanction of loans of Rs.190 crore to Employee Welfare Trust which were used for repayment of loan taken to purchase shares of IL and FS and IL and FS Securities Services Ltd (ISSL) and interest payment of previous loans, which was an abusive exercise of authority. NPA Classification and Recovery Action Axis Bank classified the borrower as NPA on 13.01.2019. Post GOI superseding the Board of the company and commencement of investigation by SFIO into IL and FS group: Axis Bank froze the limits at current outstanding levels for all the group companies where Axis Bank had exposure. The account was classified as Red Flagged Account (RFA) and monitored closely. The Bank filed an application before NCLAT seeking clarification in the matter related to payment to beneficiaries on account of invocation of BGs / devolvement of LCs. RFA Classification The borrower was classified as RFA by Axis Bank on 05.12.2018, based on external developments and adverse media reports. Forensic Audit IL and FS group companies have been classified as RFA by a few lenders including Axis Bank, based on adverse media reports and SFIO investigation into the conduct of the erstwhile Board of the company. Lenders are awaiting the outcome of SFIO investigation for deciding future course of action. Since SFIO investigation is ordered against all the group companies of IL and FS, the management expressed their inability to support separate forensic audit for group companies. It was informed to Axis Bank that, as part of SFIO

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			investigation, forensic audit of IL and FS group entities were being carried out by Grant Thornton (GT). Interim forensic audit report for IL and FS Transportation Networks Ltd (ITNL) has been received. Forensic audits in other group entities are in progress. Group Exposure Axis Bank's exposure to IL and FS group companies, as on 30.09.2020, are as under: IL and FS Transportation Networks Ltd (ITNL): Axis Bank had sanctioned Bank Guarantee facility of Rs.115 crore to ITNL. Additionally, the Bank had invested in the NCDs of ITNL amounting to Rs.206 crore. The account was classified as NPA on 30.12.2018 and reported as Fraud in CRILC on 28.12.2020. Elsamex Maintenance Services Ltd (EMSL): Axis Bank had sanctioned Cash Credit and Bank Gurantee facilities of Rs.11 crore to EMSL. The account was classified as NPA on 21.06.2019. Axis Bank's exposure to other/erstwhile IL and FS group companies, as on 30.09.2020, are as under: Terracis Technologies Ltd (TTL formerly IL and FS Technologies Ltd): Axis Bank had sanctioned Cash Credit and Bank Gurantee facilities of Rs.160 crore to TTL. TTL is a standard account with Axis Bank. The IL and FS management has received a binding bid, which is at advanced stage, with a positive equity value and takeover of entire debt of TTL and its subsidiaries. The bid has been approved by the COC and the approval of NCLAT is in progress. Schoolnet India Ltd (SIL formerly IL and FS Education and Technology Services Ltd): Axis Bank had sanctioned Bank Guarantee facility of Rs.91 crore to SIL. The stake sale of IL and FS was approved through the NCLAT approval dated 30.08.2020 and the company is currently held by Lexington Equity Holdings Ltd (through its subsidiary Falafal Technology Ltd). RFA / Fraud Status with Other Lenders As on 27.12.2020, 20 lenders including Axis Bank have classified the borrower as RFA. No lender has classified the borrower as Fraud. Conclusion Axis bank classified the borrower as 'Fraud', based on the following: i. Internal investigation revealed significant transactions within the group companies of IL and FS ii. SFIO has filed a charge sheet against IL and FS Financial Services Ltd (IFIN), wherein various adverse observations were revealed against the borrower (holding company) and its group companies viz. IFIN and IL and FS Transportation Network Ltd (ITNL) Basis the charge sheet, various directors of the IL and FS group have been arrested. Root Cause Manipulation of financial statements. The Bank classified the account as fraud and reported the case to the RBI on 14 January 2021. Action Taken / Proposed: Legal recourse for recovery has been initiated by the Bank under NCLAT. The Bank has provided authorization/consent to lodge the police

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			complaint to the lead bank/bank with highest exposure Canara Bank vide mail dated 13.02.2021 and via various follow-up emails. The entire defrauded amount has been prudentially written off by the Bank
104	Case of Diversion of Funds by IL and FS Transportation Networks Limited	2204.80	Company Background IL and FS Transportation Networks Limited (ITNL) was promoted by Infrastructure Leasing and Financial Services Limited (IL and FS) to consolidate its existing road infrastructure projects and to pursue projects/ business in surface transportation segment. ITNL executes projects for development, operation and maintenance of state/ national highways on build-operate-transfer (BOT) basis, either on its own or in consortium with other entities. Banking Arrangement ITNL availed working capital limits of Rs.845 crore (FB-Rs.220 crore and NFB-Rs.645 crore) and term loan (TL) / external commercial borrowing (ECB) of Rs.6,056 crore under multiple banking arrangement from 35 Banks / Financial Institutions as on 30.06.2018. Axis Bank's share was Rs.97 crore (only NFB) as on 30.06.2018. Further, Axis Bank has also invested in NCDs of the company. Axis Bank had sanctioned BG limit of Rs.110 crore to ITNL in 2006. The limits were gradually enhanced to Rs.600 crore by 12.02.2014. The BG limit was reduced to Rs.175 crore on 02.08.2017, and further to Rs.115 crore on 01.06.2018. Recent Developments Government of India (GOI), based on reports received from Regional Director (Mumbai), Ministry of Corporate Affairs, concluded that the affairs of IL and FS and its group companies were being conducted in a manner prejudicial to public interest. With a view to preventing further mismanagement and protecting public interest, GOI referred the company to NCLT Mumbai for approval to take over its Board and to impose a moratorium on its group entities. The said request for takeover of the company's Board by GOI was approved by NCLT Mumbai vide order dated 01.10.2018. Subsequently, GOI superseded the Board of IL and FS and appointed six new directors. NCLAT passed an order on 15.10.2018, permitting moratorium to IL and FS and its group companies till GOI issue appropriate notification and stayed any proceedings against them. SFIO filed a charge sheet against IL and FS Financial Services Ltd (IFIN), a subsidiary of IL and FS, on 30.05.2019 in the court of Additional Sessions Judge-cum-Special Judge (Companies Act) at Greater Mumbai. The following observations were noted against ITNL in the said charge sheet: The books of accounts of fourteen existing borrowers or contractors of IFIN or ITNL, were used for onward lending to ITNL or its subsidiaries/SPVs. All the loans to these entities were given on the basis of letter of comfort of ITNL and no security was taken from these borrowing entities/intermediaries. Investigation

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			revealed that such fraudulent transactions were taken up to bypass the RBI directions on group lending. NPA Classification and Recovery Action The account was classified as NPA on 30.12.2018 due to non-repayment of interest for Bank's investment exposure. The lenders meeting was held on 06.11.2019 wherein it was informed that the resolution of the company will be done through Infrastructure Investment Trust (InvIT) structure. As per the update received on 17.12.2019 from claim advisor/manager of IL and FS (Grant Thornton), total claims of Rs.10,398.48 crore were admitted in ITNL. For contingent liabilities (LCs/BGs), claims of Rs.1683.63 crore was admitted. Axis Bank's NCDs exposure is fully admitted. Out of claim of Rs.110 crore for BGs, only Rs.72 crore has been admitted, as the remaining BGs have already expired. However, since the copy of original BGs have not been returned till date, said liabilities of the company still exists. Post GOI superseding the Board of the company and commencement of investigation by SFIO into IL and FS group: Axis Bank froze the limits at current outstanding levels for all the group companies where Axis Bank had exposure. The account was classified as Red Flagged Account (RFA) and monitored closely. The Bank filed an application before NCLAT seeking clarification in the matter related to payment to beneficiaries on account of invocation of BGs / devolvement of LCs. RFA Classification The borrower was classified as RFA by Axis Bank on 06.12.2018, on the basis of ongoing SFIO investigations in IL and FS and its subsidiaries. Forensic Audit IL and FS group companies have been classified as RFA by a few lenders including Axis Bank, based on adverse media reports and SFIO investigation into the conduct of the erstwhile Board of the company. Lenders are awaiting the outcome of SFIO investigation for deciding future course of action. Since SFIO investigation is ordered against all the group companies of IL and FS, the management expressed their inability to support separate forensic audit for group companies. It was informed to Axis Bank that, as part of SFIO investigation, forensic audit of IL and FS group entities were being carried out by Grant Thornton (GT). GT released an interim report on ITNL and its SPVs on 20.12.2019. The report was based on data received till 25.10.2019 and was shared with Axis Bank on 14.08.2020. The final forensic audit report is still awaited by the lenders. Forensic audits in other group entities are in progress. Key observations in the Interim Forensic Audit Report of ITNL are as under: Potential irregularities noted with regards to the operational as well as financial management of ITNL and its SPVs Potential close nexus of vendors, with the then KMPs of IL and FS group and anomalies noted in dealings with

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			them Review indicated that ITNL took properties on lease from the KMPs of ITNL and their family members. Additionally, the same properties were used by the same respective KMPs for their own personal use Potential stress/ liquidity issues which appeared to be known to the then KMPs of the IL and FS Group Group Exposure Axis Bank's exposure to IL and FS group companies, as on 30.09.2020, are as under: Infrastructure Leasing and Financial Services Ltd (IL and FS): Axis Bank had sanctioned Bank Guarantee, Letter of Credit and LER facilities of Rs.260 crore to IL and FS. The account was reported as Fraud in CRILC on 28.12.2020. Elsamex Maintenance Services Ltd (EMSL): Axis Bank had sanctioned Cash Credit and Bank Gurantee facilities of Rs.11 crore to EMSL. The account was classified as NPA on 21.06.2019. Axis Bank's exposure to other/erstwhile IL and FS group companies, as on 30.09.2020, are as under: Terracis Technologies Ltd (TTL formerly IL and FS Technologies Ltd): Axis Bank had sanctioned Cash Credit and Bank Gurantee facilities of Rs.160 crore to TTL. TTL is a standard account with Axis Bank. The IL and FS management has received a binding bid, which is at advanced stage, with a positive equity value and takeover of entire debt of TTL and its subsidiaries. The bid has been approved by the COC and the approval of NCLAT is in progress. Schoolnet India Ltd (SIL formerly IL and FS Education and Technology Services Ltd): Axis Bank had sanctioned Bank Guarantee facility of Rs.91 crore to SIL. The stake sale of IL and FS was approved through the NCLAT approval dated 30.08.2020 and the company is currently held by Lexington Equity Holdings Ltd (through its subsidiary Falafal Technology Ltd). RFA / Fraud Status with Other Lenders As per CRILC database on 27.12.2020, 15 lenders including Axis Bank have classified the borrower as RFA. No lender has classified the borrower as Fraud. Root Cause Diversion of Funds Conclusion Axis bank classified the borrower as 'Fraud', based on the following: Irregularities reported in the Interim Forensic Audit Report of ITNL Internal investigation revealed significant transactions within the group companies of IL and FS SFIO has filed a charge sheet against IL and FS Financial Services Ltd (IFIN), wherein various adverse observations were revealed against the borrower (holding company) and its group companies viz. IFIN and IL and FS Transportation Network Ltd (ITNL) Basis the charge sheet, various directors of the IL and FS group have been arrested. The Bank classified the account as fraud and reported the case to the RBI on 14 January 2021. Action Taken / Proposed Legal recourse for recovery has been initiated by the Bank under NCLAT. The Bank has provided authorization/consent to lodge the police

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			complaint to the lead bank/bank with highest exposure Canara Bank vide mail dated 13.02.2021 and via various follow-up emails. 100 percent provision has been done for fund based principal outstanding amount.
105	Case of Diversion of Funds by Tantia Constructions Limited	398.40	Tantia Constructions Ltd (TCL) is engaged in the business of executing engineering, procurement and construction (EPC) contracts. It focuses on roads and bridge construction. Banking Arrangement: I) TCL availed working capital facilities from 9 lenders under Consortium banking arrangement, led by State Bank of India. II) In addition, TCL also availed equipment finance and term loans from banks/financial institutions. III) Total claims aggregating to Rs.1,474.22 crore by 15 lenders, have been admitted by NCLT under insolvency process. NPA/Recovery Action: I) Axis Bank classified the borrower as NPA in Q1 2018 w.e.f.17.04.2015. II)The borrower was admitted for insolvency proceeding vide NCLT order dated 13.03.2019. RFA Classification: Axis Bank classified the borrower as Red-Flagged Account (RFA) on 07.12.2020 on the basis of adverse observations mentioned in the addendum forensic audit report. Forensic Audit: I) State Bank of India initiated forensic audit in September 2018. The auditor initially concluded the forensic audit report as Non-Fraud in August 2019. II) In the lenders' meeting held in October 2019, lenders' decided to classify the borrower as "Non-Fraud". Accordingly, Axis Bank classified the borrower as Non-Fraud in November 2019. III) Subsequent to classification of borrower as "Non-Fraud" by all lenders, State Bank of India received a letter dated 05.06.2020 from Enforcement Directorate (ED) enquiring about the reason for classification of the borrower as "Non-Fraud", despite adverse observations highlighted in the forensic audit report. IV) State Bank of India vide letter dated 17.06.2020 informed the Enforcement Directorate (ED) that the borrower was classified as "Non-Fraud" basis unanimous decision taken by the lenders since no concrete evidence of diversion of funds was detected during the forensic audit. III) In the lenders' meeting held on 15.07.2020 and 28.07.2020, the letter received from ED was discussed and it was decided that the forensic auditor may be requested to re-examine the audit report and submit additional opinion. IV) Forensic auditor submitted an addendum report to the Bank on 17.10.2020. Key findings of the report were as below: a) Diversion of Rs.240 crore and non disclose of the same in the books of accounts b) Diversion of funds through non-TRA accounts maintained with other banks and non disclosure of the same to the lenders c) Misrepresentation of unrecoverable debtors as recoverable and incomplete disclosure of bank statements and transactions therein to the forensic auditors d) Non initiation of legal action to recover dues

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						from doubtful debtors. V) In the lenders' meeting held on 28.10.2020, SBI advised that they were examining fraud angle basis the addendum report and the proposal had been sent to their Fraud Identification Committee for approval. SBI also advised other banks to individually take a decision, which can be deliberated in the subsequent lenders' meeting. IDBI Bank opined that the forensic auditor should be invited to the next lenders' meeting and the observations in the addendum report should be discussed. All lenders agreed to convene another lenders' meeting to discuss the addendum report along with the forensic auditor, which is yet to be convened. Status with Other Lenders: As per the CRILC data on 31.12.2020, State Bank of India (Lead Bank) classified the borrower as 'Fraud'. Conclusion: I) Axis Bank classified the borrower as 'Fraud', based on adverse findings in the addendum forensic audit report and 'Fraud' classification by State Bank of India (Lead bank). II) Date of Occurrence: 31.03.2016, from when company started diverting funds, as per the forensic audit report The Bank classified the account as fraud and reported the case to the RBI on 22 January 2021. Action Taken / Proposed: I) Legal recourse for recovery has been initiated by the Bank. II) The complaint has been lodged in the matter at Lal Bazar Bank Fraud Section, Kolkata Police Headquarters, Kolkata on 27 January 2021. III) 100 percent provisioning already done.	
106		Case of Fabricated / Inflated Stock / Book Debt Statements by Better Value Leasing and Finance Limited		187.90		Company Background i. Better Value Leasing and Finance Limited (BVLFL), established in 1983, is a NBFC registered with RBI as a non-systemically important non-deposit taking NBFC. It has been classified as an Asset Financing Company (AFC). ii. The company is engaged in equipment financing to SME clients. Banking Arrangement i. BVLFL availed working capital facilities of Rs.27.00 crore under multiple banking arrangement from 3 Banks viz. Axis Bank, IDBI Bank and Union Bank of India. Additionally, BVLFL availed term loan of Rs.100.00 crore from Indo Star Capital Finance Ltd. ii. The company has been availing working capital limits from Axis Bank since 2005. The working capital limits were last renewed on 15.12.2018 at existing level of Rs.20 crore. NPA Classification and Recovery Action i. Axis Bank classified the borrower as NPA on 12.02.2020. ii. Axis Bank recovered Rs.1.88 crore in November 2019 by selling the pledged shares of Kotak Mahindra Bank Limited (2094 shares) and Godrej Properties Limited (18750 shares). iii. Axis Bank issued a notice for recall cum invocation of personal guarantees on 08.07.2020. iv. The Bank filed original application under DRT Mumbai on 24.12.2020. RFA Classification The	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			borrower was classified as RFA by Axis Bank on 09.07.2020, based on critical issues highlighted in the stock audit report, unusual transaction in CC account, significant drop in half-yearly credit amount in working capital facilities and delay observed in payment of outstanding dues. Forensic Audit Axis Bank appointed Pipara and Co LLP on 10.10.2020 to conduct forensic audit of the borrower, covering review period from 01.04.2015 to 31.12.2020. The draft forensic audit report was submitted to the Bank on 01.01.2021. Key findings of the draft forensic audit report are as under: a) Difference of Rs.29.50 crore and Rs.24.03 crore in receivables as per DP statements submitted to the Banks for March 2016 and March 2017 respectively vis-a-vis outstanding receivables as per books b) Loans of Rs.110.14 crore extended to identified linked parties of the borrower in contravention of sanction terms c) Inter corporate deposits provided by the borrower out of CC account in contravention of sanction terms d) Repayments of dues worth Rs.1.24 crore of personal credit cards of promoters and other linked entities of the borrower booked as business promotion expenses. Group Exposure Axis Bank's exposure to group companies of BVLFL, as on 30.09.2020, are as under: i. Talwalkars Better Value Fitness Ltd (TBVFL) and Talwalkars Healthclubs Ltd (THL): Axis Bank had sanctioned term loan and supply chain finance to TBVFL and THL and the Bank had also made investments in the NCDs of TBVFL and THL. The principal outstanding of TBVFL and THL, as on 30.09.2020, was Rs.205.35 crore. The borrowers were classified as Fraud by Axis Bank on 19.06.2020. ii. Aspire Fitness Pvt Ltd (AFPL): Axis Bank had sanctioned overdraft facility of Rs.0.46 crore to AFPL. The account was classified as NPA on 28.08.2020. The RFA status of the account was lifted in CRILC on 29.10.2020 in absence of conclusive evidence of fraud. iii. DLL Talwalkars Club Pvt Ltd (DTCPL): Axis Bank had sanctioned term loan facility of Rs.62.15 crore to DTCPL. The account was classified as NPA on 30.01.2020. iv. Popular Prakashan Pvt Ltd (PPPL): Axis Bank had sanctioned cash credit facility of Rs.1.60 crore to PPPL. The account of PPPL is standard with Axis Bank. Conclusion Axis Bank classified the borrower as 'Fraud' based on adverse observations pertaining to transactions with group companies as observed in draft forensic audit report and internal investigations. Root Cause Inflated Stock / Book Debt Statements The Bank classified the account as fraud and reported the case to the RBI on 22 January 2021. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank under DRT. ii. The complaint has been lodged in the matter at Economic

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Offences Wing on 19 March 2021. iii. The exposure has been prudentially written-off by the Bank.
107	Case of Forged / Fabricated Financial Statements by Saravana Stores (Gold Palace)	818.60	Background i. Saravana Stores (Gold Palace) (SSGP) is a partnership firm established in 2010. It is part of Saravana Stores group, which is engaged in retail trade of apparels (readymade garments, clothes, silk sarees), kitchenware, electronics, gold jewellery, etc. ii. SSGP operates 5 showrooms in Chennai. iii. The partners of SSGP are Mr. Pallaku Durai, his wife Mrs. P. Sujatha and son Mr. Y. P. Shiravan. Banking Arrangement: i. SSGP availed cash credit limits of Rs.160 crore and term loan of Rs.147.30 crore from Indian Bank and Axis Bank under multiple banking arrangement. Indian Bank is the largest lender to the firm. ii. Axis Bank sanctioned cash credit limit of Rs.92 crore and term loan of Rs. 26.88 crore to SSGP in September 2017, including takeover of limits from HDFC Bank. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 30.07.2019 ii. Notice under section 13(2) of SARFAESI Act, 2002 was issued on 02.01.2020. iii. Axis Bank approved a proposal for one time settlement (OTS) for Rs.81.90 crore (against principal outstanding of Rs.81.86 crore) on 14.02.2020. However, the OTS was revoked subsequently due to non-compliance of payment terms by the borrower. iv. Notice under section 13(4) of SARFAESI Act 2002, for symbolic possession of Velacherry property was issued on 10.09.2020 and for other 3 commercial properties at T Nagar, Chennai on 07.11.2020. v.DRT issued a stay order against the symbolic possession of Velachery property on 18.11.2020, subject to the borrower remitting an amount of Rs.10 crore. However, the borrower has not deposited any funds till date. Next hearing in the matter is scheduled on 17.03.2021. vi.Original Application has been filed in Debt Recovery Tribunal (DRT)-II, Chennai on 01.12.2020. Group Exposure: Nil Forensic Audit Observations Indian Bank advised that they have conducted a forensic audit of their exposure in the borrower during lenders' meeting held on 06.08.2020. Subsequently on 17.08.2020, Axis Bank appointed the same forensic auditor to conduct forensic audit of Axis Bank's limits, with review period from 01.09.2017 to 31.12.2019. The forensic audit report was inconclusive due to non-cooperation from the borrower. Axis Bank sought response from the borrower to the forensic audit observations. As on date, no response has been received from the borrower. The forensic auditor submitted addendum report dated 08.01.2021, which highlighted a number of adverse observations as given below : i. Overstatement of inventory reported in stock statements by Rs.65 crore as per audited financials of FY 2018 and Rs.43.16 crore as per the provisional financials of FY 2019 ii. Variance of Rs.33 crore in stock reported as per

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						provisional financial for FY 2019 and FFR I as on 31.03.2019 iii. Transfer of Rs.28.16 crore to related party (Partner, Mr. Y. Pallaku Durai) not disclosed as related party transactions in audited financials of FY 2018 iv. No approval taken from Axis Bank for availing credit facilities of Rs.240 crore from Indian Bank in September 2017 Inspection by Bank Officials Adverse observations highlighted in the site inspection conducted on 12.07.2019 are as below: i.Routing of showroom sales through the POS machine of City Union Bank ii. Non-availability of records of movement of goods from one showroom to other and break-up of items mentioned in the stock statement iii. Non-reporting of slow moving items / obsolete stock iv. Inadequate insurance and pending payment of statutory dues v. The borrower did not cooperate in conducting stock audit since FY 2018. Explanation for non-cooperation in stock audit was not provided. Conclusion The borrower was classified as 'Fraud', based on following: i. Overstatement of inventory in stock statement, as observed in forensic audit and internal investigation ii. Misrepresentation in financial statements as observed in forensic audit iii Adverse observations in site inspection dated 12.07.2019 by the Bank. The Bank classified the account as fraud and reported the case to the RBI on 27 January 2021. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. The Police complaint filed with Chennai Police Station on 06-07-2021. iii. The amount involved has been provisionally held by the Bank.	
108		Case of Forged / Fabricated Financial Statements by Hydroair Tectonics (PCD) Limited		525.40		Background Hydroair Tectonics (PCD) Limited (HTPL), incorporated on 14.08.2001, is engaged in the business of executing turnkey projects on BOOT (Build, Own, Operate and Transfer) basis for common effluent and sewage treatment plants, municipal solid waste management and zero discharge plants. Banking Arrangement: HTPL availed working capital limits of Rs.363.30 crore from a consortium of 6 banks led by Vijaya Bank (since merged with Bank of Baroda). The company also availed project specific term loans and working capital limits outside consortium. Axis Bank initially sanctioned term loan of Rs.9.88 crore to HTPL in 2008 outside consortium. Subsequently in 2009, working capital limits of Rs.12 crore were sanctioned under consortium arrangement and project-specific working capital limits of Rs.44 crore were sanctioned outside consortium by the Bank. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 26.04.2011. ii. The advances were recalled by Axis Bank on 24.10.2011. iii. Lead bank issued notice under section 13(2) of SARFAESI Act, 2002 on behalf	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			on consortium lenders on 25.11.2011. Till date, three properties have been sold. Auction process for the balance properties has been initiated. iv. Lead bank filed a suit in Debt Recovery Tribunal (DRT) on 13.03.2012. Recovery proceedings under DRT are underway. v. Axis Bank issued SARFAESI notice under Section 13(2) on 19.07.2012 for 2 properties (Perundurai and Melvisharam), which are exclusively charged to the Bank. vi. Axis Bank filed Original Application (OA) with DRT on 08.10.2012 and the same was decreed on 25.02.2015. vii. A petition for winding-up of the company was filed by Venilaxmi Import and Export Ltd., a creditor to the company, on 18.02.2014. An Official Liquidator was appointed vide Bombay High Court order dated 05.02.2015. viii. Total recovery in the account by Axis Bank post NPA classification is Rs.2.78 crore, which has been adjusted against outstanding balance in credit limits. Group Exposure: Nil RFA Classification The borrower was classified as RFA by Axis Bank on 28.01.2021 on the basis of the following triggers: i. Category II triggers a) Default in payment to the banks / sundry debtors and other statutory bodies b) Substantial related party transactions c) Large number of transactions with inter-connected companies and large outstanding from such companies d) Material discrepancies in the annual report e) Poor disclosure of materially adverse information and no qualification by the statutory auditors ii. Category III trigger: Non production of original bills for verification upon request. Forensic Audit Observations Vijaya Bank (since merged with Bank of Baroda) appointed Mukund M. Chitale and Co., Chartered Accountants, on 01.08.2018 for conducting forensic audit of the company, with review period from 01.04.2008 to 31.03.2012. There was delay in the forensic audit due to non-cooperation from the borrower. An interim forensic audit report was discussed in JLM on 24.09.2020, wherein the auditor was requested to incorporate certain updates. Subsequently, the final forensic audit report dated 18.12.2020 was submitted by the auditor. Key findings of the forensic audit report are given below: i. Adjustment of bogus purchases of Rs.771.38 crore with corresponding sales of Rs.862.58 crore in the income tax filing for the assessment year 2006-07 to assessment year 2010-11 ii. Booking of fictitious entries, amounting to Rs.666.76 crore, in the nature of purchase and sales to obtain bank finance and foreign equity iii. Confession by director and promoter of the company in a recorded statement that the group was indulging in booking accommodation entries in the form of purchases and sales iv. Write off of debtors worth Rs.220 crore in FY2011, indicating the possibility of inflation of revenues Discussions by Lenders The final forensic audit report was discussed in

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			the Joint lenders Meeting (JLM) held on 22.12.2020. The member banks agreed that there were sufficient grounds to classify the account as 'Fraud'. Clarification was sought from the borrower by Axis Bank regarding the aforementioned ITAT order dated 30.01.2019 over telephone call. The borrower advised that an appeal has been filed against said ITAT order in the High Court. However, the borrower has failed to share any supporting in this regard despite follow-up. Observation regarding lncome Tax Appellate Tribunal (ITAT) order dated 30.01.2019 IT authorities conducted a raid of the company's premises on 28.01.2011. During the course of search and seizure, Mrs. Rajkumari Singh, director and promoter of HTPL, confessed in her statement recorded u/s 132(4) of IT Act, that the group was indulging in procuring bogus purchase bills in order to siphon off money from the business to facilitate payment to various persons for getting contracts / orders. During the course of search, document containing information about bogus purchases and sales were found and seized. When Mrs. Singh was confronted with the said documents, she admitted that the group was indulging in booking accommodation entries in form of purchases and sales in order to show higher turnover in books of accounts, for the purpose of availing loans from banks and financial institutions. Subsequently, IT Department served notice to HTPL for filing revised returns for 6 previous assessment years. This resulted in additions/disallowance of income tax paid by the company by IT Assessing Officer (AO). The company filed an appeal against the same to the Commissioner of Income Tax (CIT) and subsequently to Income Tax Appellate Tribunal (ITAT). As per IT authorities, the company eliminated bogus purchase of Rs.771.38 crore and corresponding sales of Rs.862.58 crore for the 5 year period from AY 2006-07 to AY 2010-11. The said eliminations resulted into reduction of income admitted in IT return filing by Rs.91.19 crore. The representatives of HTPL submitted before the ITAT that the company has booked two types of bogus purchases and sales: i. The first type was accommodation bills which were procured from bogus parties through agents, like Mr. Kishore Jain, etc. It was confessed by the company that such accommodation bills were obtained in order to generate cash, which, in turn was paid as kickback to several persons for procuring orders and contracts. ii. The second type was mere fictitious entries of purchases and sales recorded in the books of account having no corresponding banking transactions. It was done to obtain bank finance and foreign equity. The aggregate amount of such entries is approximately Rs.666.76 crore. In its submissions before ITAT, the company claims to have booked bogus purchases amounting to

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Rs.328,18,70,325 in AY 2010-11. It further claimed that out of total bogus purchases, it has passed fictitious entries without involving monetary transactions from three parties, viz. Ankita Enterprises, Pavitra Infrastructure and Balaji fibre Reinforce Ltd of Rs. 67.72 crore. i. In order to nullify the credit appearing in the books of account, the company passed journal entries to credit share capital and share premium and debited trade creditors' accounts by Rs.62,72,35,875. ii. ITAT, in its order, added the above Rs. 62.72 crore and consequent expenditure of Rs.2.19 crore incurred to raise bogus share capital, to the income of the company. It may be noted that the company did not challenge the existence of bogus purchases and sales, which resulted in falsification / manipulation of books of accounts, in its submission before ITAT. Conclusion Axis Bank classified the borrower as 'Fraud', based on the adverse observations in the forensic audit report and consensus decision by the lenders. The Bank classified the account as fraud and reported the case to the RBI on 19 February 2021. Action Taken / Proposed i. Legal recourse for recovery has been initiated by the Bank. ii. The complaint has been lodged in the matter at Head, BS&F Zone CBI, New Delhi on 20 March 2021 iii. The exposure has been prudentially written-off by the Bank
109	Case of Forged / Fabricated Financial Statements by Freight Net Private Limited	67.30	Background Freight Net Private Limited (FNPL) is engaged in the business of freight forwarding and logistics services to customers for their export / import to and from across the globe. The company started its operations in 2014 and is based in New Delhi. Banking Arrangement Axis Bank sanctioned cash credit limit of Rs.6 crore and term loan of Rs.2 crore to FNPL, including takeover of limits from State Bank of India, in November 2017. The CC limit was further reduced by Bank to Rs.5.50 crore in April 2019. Axis Bank is the sole lender to the company. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 29.02.2020. ii. Loan recall cum guarantee invocation notice was issued by Axis Bank on 30.01.2021. Group Exposure Axis Bank presently has exposure in the below mentioned group entity of FNPL: Dart Air Services Private Limited : Credit exposure Rs.4.38 crore (IRAC: Doubtful 1) RFA Classification The following EWS alerts were generated for the borrower on 18.06.2020: i. Significant a/c irregularity ii. Significant drop in half-yearly credit amount in working capital facilities iii. Critical issues highlighted in the inspection The borrower was classified as RFA by Axis Bank on 18.08.2020 based on irregularity in the account and discrepancies observed in debtor's position reported to the Bank. Forensic Audit Observations Axis Bank

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						appointed Mukesh Raj and Co. on 09.10.2020 to conduct forensic audit of the borrower with review period from 01.04.2017 to 30.09.2020. The borrower did not fully co-operate with the forensic auditor and did not share information/ back-up documents and clarifications sought from them. Draft forensic audit report was submitted on 29.01.2021. Subsequently, clarifications to the adverse findings in the report were sought from the borrower, which were received by the auditor from the borrower on 06.02.2021. The final forensic audit report was submitted on 15.02.2021. Key findings of the report are given below: i. Submission of CA certificate stating that share capital of Rs.0.50 crore was infused, in spite of no infusion being done ii. Non disclosure of transactions with group concern in audited financials, in spite of outstanding receivables worth Rs.1.56 crore iii. Repayment of unsecured loan of Rs.0.04 crore to directors without permission of the Bank iv. Payment of Rs.0.44 crore made to a director during a period from 01.04.2017 to 30.09.2020 in excess of remuneration payable. Conclusion by Forensic Auditor The company is a non-cooperative borrower, which appears to have perpetrated fraud upon the lender as evident from the findings derived on the basis of information/documents provided. Conclusion Axis Bank classified the borrower as 'Fraud', based on the adverse findings of the forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 03 March 2021 Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. The complaint has been lodged in the matter at Economic Offence Wing (EOW), Mandir Marg Police Station, New Delhi on 17 March 2021. iii. The amount involved has been provisionally held by the Bank.	
110		Case of Forged / Fabricated Financial Statements by Eastern Gases Limited		191.50		Company Background i. Eastern Gases Ltd (EGL), incorporated on 14.02.1994, is engaged in bottling and trading of LPG cylinders and other allied activities. ii. EGL commenced LPG bottling operation in 1998 at its plant in Durgapur, West Bengal. The company had also acquired two LPG bottling plants at Telangana and Bengaluru. Banking Arrangement i. As at June 2017, EGL availed working capital limits of Rs.47 crore from a Consortium formed by Central Bank of India (Lead Bank), DBS Bank and Axis Bank. Additionally, ICICI Bank had sanctioned OD limit of Rs.11.95 crore and DBS Bank had sanctioned TL of Rs.15.46 crore to EGL outside Consortium. ii. Axis Bank sanctioned CC limit of Rs.7 crore to EGL in June 2012. The limit was enhanced to Rs.19 crore in 2015. Resolution and Insolvency Proceeding i. The borrower was classified as NPA by Axis Bank on 23.04.2017. ii. EGL was admitted for Corporate Insolvency Resolution Process (CIRP)	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						vide NCLT order dated 08.11.2017. iii. NCLT issued an order for liquidation of the company on 21.08.2018. The company is still under liquidation. iv. During January 2021, the liquidator informed that a successful bid was received for the property at Durgapur. Distribution of the auction proceeds will be done only after transfer of leasehold rights to the bidder. Group Exposure Axis Bank does not have any exposure in the group companies of Eastern Gases Limited. RFA Classification The borrower was classified as RFA by Axis Bank on 03.09.2020, based on fraud classification by ICICI Bank. Forensic Audit Manish Barelia and Co was appointed by the Resolution Professional to conduct a forensic audit of EGL with review period from 07.11.2015 to 07.11.2017. Key findings of the forensic audit report are as follows: i. Write off of inventory of LPG cylinders valued at Rs.11.57 crore in FY2018. No supporting documents for purchases of said LPG cylinders over the previous two years were provided to the auditors ii. Write off of trade receivables of Rs.18.98 crore (over 33% of total receivables) in FY2018. No supporting documents for the said receivables were provided to the auditors iii. Receivables of Rs.6.85 crore outstanding from a company which had not filed audited financials with MCA after March 2008 iv. As against sales of Rs.25 crore in Q4 of FY2017, sales invoices of only Rs.3.20 crore were available for verification v. Rs.30.10 crore was paid to a company, which has been struck off from ROC, during the review period. Lenders' Discussions Post reporting of the borrower as fraud by ICICI Bank on 26.07.2020, Axis Bank requested the Lead Bank to call a lenders' meeting to discuss the same. Lenders' meetings were held on 13.08.2020 and 20.11.2020 to discuss the issue. Lenders requested ICICI Bank to share the rationale for their fraud classification. ICICI Bank, vide mail dated 26.11.2020, advised that they have classified the borrower as 'Fraud' based on findings of the forensic audit report from Manish Barelia and Co. The matter was further discussed in lenders meeting held on 05.12.2020. a) It was noted by Central Bank of India that ICICI Bank was not part of the lending Consortium and an unsecured creditor. Further, the COC had not taken any decision on fraud/non-fraud classification based on the said forensic report. b) Further, NCLT has not taken cognizance of fraudulent transactions under section 66. c) Central Bank of India proposed to conduct a fresh forensic audit to establish fraudulent transactions conclusively. In the meetings dated 05.12.2020 and 11.02.2021, Axis Bank requested the lenders to take final decision on fraud classification based on findings of the forensic audit report. However, no consensus/majority decision was taken by Consortium with respect to fraud classification. Draft	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			minutes of the meeting were shared on 12.02.2021. Status with other Lenders As per CRILC records, the borrower has been classified as RFA by Axis Bank and Fraud by ICICI Bank. Conclusion The borrower was classified as fraud by Axis Bank, based on adverse findings of the forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 03 March 2021 Action Taken / Proposed i. Legal recourse for recovery has already been initiated by the Bank. ii. The complaint has been lodged in the matter at Jt. CP (Crime) Kolkata on 04 March 2021. iii. An amount of ₹ 13.5 million was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
111	Case of Diversion of Funds by Tribhovandas Bhimji Zaveri and Sons Retail Private Limited	353.60	Company Background i. Tribhovandas Bhimji Zaveri and Sons Retail Pvt. Ltd. (TBZSRPL), incorporated on 26.03.2015, is engaged in retail sales of plain and diamond studded jewelry. The company's showrooms are located in Mulund (Mumbai) and Nagpur. ii. The company is jointly promoted by the Zaveri and Gawande families. Mr. Hemant Zaveri and Mr. Sagar Zaveri together holds 65 percent of the shares of TBZSRPL, whereas balance 35 percent of shares were held by Vans Scientific Information Pvt Ltd (promoted by Mr. Anant Gawande). iii The Gawande family have co promoted various business like Talwalkar Better Value Fitness Ltd (chain of gymnasiums), Talwalkar Club Ltd., India Cookery (chain of restaurants), Brainworks pre-school Pvt. Ltd. (chain of pre-primary schools). Banking Arrangement i. Axis Bank sanctioned cash credit limit of Rs.40 crore to the company in 2015. The limit was reduced to Rs.36 crore in 2019. ii. Axis Bank is the sole lender to the company. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 29.08.2019. ii. The borrower has been admitted for insolvency proceedings vide NCLT order dated 16.12.2019. The Committee of Creditors (CoC) approved for filing of liquidation in the meeting dated 23.11.2020. Liquidation order is yet to be issued by NCLT. Group Exposure Axis Bank does not have any exposure in the group companies of Tribhovandas Bhimji Zaveri and Sons Retail Pvt. Ltd. Forensic Audit: Mazars India LLP was appointed by Axis Bank to conduct a forensic audit of TBZSRPL with review period from 01.09.2015 to 18.06.2020. Key findings of the forensic audit report are as follows: i. The company has not been cooperative in arranging visit to its showrooms to verify stock of Rs.48.30 crore reported in stock statement, which raises suspicions about the veracity and genuineness of the reported stock. ii. 20,117 grams of gold was purchased from an interested party for Rs.7.08 crore and sold to another interested party for

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			a lower amount of Rs.6.69 crore during October 2018 to March 2019. iii. Receipt and payments for sale and purchase of Rs.80.80 crore to / from BG Jewellers, Bharat Gems and National India Bullion were not recorded in the books of accounts iv. Receipt and payment entries of Rs.8 crore with Anfin Investments Pvt. Ltd. recorded in books of accounts, were not reflected in the bank statements v. Payments of Rs.0.64 crore made to promoter and family members; cash payment of Rs.0.11 crore made to a relative of the promoter Transaction Audit: Mazars India LLP was appointed by Resolution Professional to conduct a transaction audit of TBZSRPL with review period from 16.12.2017 to 16.12.2019. The following trasactions were categorized under section 66 of Insolvency and Bankruptcy Code (Fraudulent trading and wrongful trading transactions): i. Irregularities in Financials ii. Transaction with interested parties. iii. Knocking off transactions to inflate the books of accounts iv. Unexplained payments on behalf of Mr. Vanraj Zaveri. The findings of the report were similar to the findings of teh forensic audit report. RP has filed an avoidance application with NCLT citing transactions under section 43 and section 66 of Insolvency and Bankruptcy Code. Conclusion i. Conclusive forensic audit report containing material adverse observations along with borrower's explanations was submitted on 22.02.2021. ii. Transaction audit report containing adverse observations with respect to misrepresentation of financials and diversion of funds was also submitted. Further, avoidance application was also filed by Resolution Professional under section 43 and section 66 of Insolvency and Bankruptcy Code. iii. Based on the above, Axis Bank classified the borrower as 'Fraud'. The Bank classified the account as fraud and reported the case to the RBI on 12 March 2021 Action Taken / Proposed: i. Legal recourse for recovery has already been initiated by the Bank. ii. The complaint has been lodged in the matter with Economic Offence Wing on 19 March 2021. iii. The exposure has been prudentially written-off by the Bank.
112	Case of Forged / Fabricated Financial Statements by Dr. Gandhi's Laboratory Private Limited	25.10	Background i. Dr. Gandhi's Laboratory Pvt Ltd (DGLPL), based in Kolkata, is engaged in manufacturing of oral pharmaceutical products, mainly lifestyle drugs, and fruit juices and hydrants. ii. DGLPL is promoted by Dr. Chetan Gandhi, a cardiologist consultant. iii. A partnership firm named Dr. Gandhi's Laboratory was established in 2004. DGLPL was incorporated on 27.01.2014 and subsequently all assets and liabilities of the partnership firm were transferred to it. Banking Arrangement i. Axis Bank has sanctioned cash credit limits of Rs.1.00 crore and term loans of

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Rs.1.30 crore to the company, by way of takeover of limits from IDBI Bank and Federal Bank, on 09.07.2018. ii. The CC facility was subsequently enhanced to Rs.1.50 crore on 10.05.2019. iii. Axis Bank is the sole lenders to the company. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 29.01.2020. ii. The advances were recalled by the Bank on 22.09.2020. iii. SARFAESI notice u/s 13(2) was issued on 21.10.2020 and notice u/s 13 (4) for taking symbolic possession of properties charged to the Bank was issued on 19.01.2021. Group Exposure Axis Bank has credit exposure of Rs.2.95 crore in Cygnus Pharmaceuticals Pvt Ltd, which is an associate concern of DGLPL. (IRAC: Substandard) RFA Classification Axis Bank classified the borrower as RFA on the basis of change in management without prior consent from the Bank. Investigation Findings i. Substantial variation between provisional and audited financials of FY18, with net profit overstated by 60 percent, TNW overstated by 48 percent and term liabilities understated by 68% in the provisional financials. ii. The borrower had showed equity infusion of Rs.1.65 crore in provisional financial of FY18. Further, a CA certificate was submitted prior to disbursement confirming said equity infusion, as per terms of sanction. However, no equity infusion was done by the promoter. iii. Non routing of sales proceeds through cash credit account of the Bank. iv. Transfer of 51 percent shareholding by the promoter to two new directors without taking approval from the Bank. Conclusion The borrower was classified as 'Fraud' by Axis Bank, based on the following: i. Misrepresentation in financial statement and CA certificate submitted to the Bank for availment of limits. ii. Potential diversion of funds by non-routing of transactions through Axis Bank, as pointed out in stock audit report. The Bank classified the account as fraud and reported the case to the RBI on 22 March 2021 Action Taken / Proposed i. Legal recourse for recovery has been initiated by the Bank. ii. The complaint has been lodged in the matter at Joint C.P. (Crime), Lal Bazar Bank Fraud Section, Kolkata Police Headquarters, 18., Lalbazar Stree on 18 March 2021. iii. The amount involved has been provisionally held by the Bank.
113	Case of Misappropriation of funds – Staff by Mr. R. Satish	15.47	Mr. Neerukonda BR Prasad, customer of the Bank and his family maintain savings bank accounts with our Tagarapuvalasa Branch. The customer alleged misappropriation of funds, aggregating to Rs.54.76 lakhs, from his daughter's, Ms. Ahutluri Prathima Neerukonda and his son in law's, Mr. Pavan Atluri accounts without their knowledge and consent. He also complained about mis-appropriation of funds to the tune

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			of Rs.100.00 lakhs from his daughter's account. The customer had further alleged issuance of fabricated/fake account statements for the above accounts. Review of the transactions in the accounts of Ms. Atluri Prathima Neerukonda and Mr. Pavan Atluri revealed that, an aggregate amount of Rs.54.76 lakhs was misappropriated from their accounts by way of cash withdrawal and internal transfer transactions. The cheques, used for the disputed transactions, were scrutinized and it was found that the customer's signatures were forged on those cheques. The cash payments were received by the Branch Head, Mr. R. Satish. It was also revealed that, Mr. R. Satish had fraudulently opened account in the name Ms. Atluri Prathima Neerukonda by forging her signature on the account opening forms and misusing her KYC documents/photographs from her existing account. An amount of Rs. 100.00 lakhs debited to savings bank account of the customer, Mr. Neerukonda Prasad as per his mandate, for onward credit to his daughter's, Ms. Atluri Prathima Neerukonda, actual account, was credited to the fraudulent account opened in the name of Ms. Atluri Prathima Neerukonda. Mr. R. Satish, had taken custody of undelivered cheque books of these three accounts. He had used the cheques from these cheques book to withdraw/transfer the funds by forging customers' signatures. Mr. R. Satish had subsequently provided fabricated account statements to the customers'. Mr. R. Satish has confessed to his misdeeds and entire mis-appropriated amount has been recovered and restored to the customer's accounts. Root Cause of fraud i. Misuse of the authority by Mr. R. Satish while working as Branch Head. ii. Non-adherence of the Bank's guidelines by the Branch officials. The Bank classified the account as fraud and reported the case to the RBI on 13 April 2021 Action Taken/being taken i. Entire amount involved in the fraud has since been recovered. ii. Staff, Mr. R. Satish has been dismissed from the services of the Bank. iii. The Police complaint has been lodged in the matter at Bheemili Police Stations as on 17 April 2021.
114	Case of Diversion of Funds by PGC Corporation Limited	472.2	Company Background i. PGC Corporation Ltd. (PCL), was established as a proprietorship concern in 1984 and was subsequently incorporated as a company on 20.06.2006. The company was engaged in the manufacture and export of readymade garments with a production capacity of 2,25,000 pieces of garments. ii. The company was originally known as Premdurai Export Pvt. Ltd. and was merged with a group company named Premdurai Spinning Mills Ltd. in July 2011. Post merger the merged entity was named as PGC Textile Corporation Pvt. Ltd. The company again changed its

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						name to PGC Corporation Ltd w.e.f. 19.11.2012. Banking Arrangement i. Axis Bank sanctioned working capital credit limits of Rs.50 crore to the company in 27.06.2011. ii. Axis Bank also sanctioned a Foreign Currency Term Loan of Rs.47.25 crore on 29.09.2011 for the purpose of acquisition of 35% stake in Switcher Holdings SA, Switzerland. The loan was repaid and closed on 06.04.2015. iii. As on 23.12.2015, PCL was availing working capital credit limits of Rs.326.56 crore and term loan outstanding debt of Rs.34.71 crore from 5 lenders. Presently, credit facilities from 3 lenders are outstanding, with Indian Overseas Bank being the largest lender. Resolution and Recovery Proceeding i. The borrower was classified as NPA by Axis Bank on 30.07.2016. ii. Axis Bank filed Original Application (OA) in Debts Recovery Tribunal (DRT) Coimbatore on 11.08.2017. Recovery proceedings in DRT are in process with the next hearing scheduled on 20.09.2021 Group Exposure Axis Bank does not have any exposure in the group companies of PGC Corporation Limited. RFA Classification The borrower was classified as RFA by Axis Bank on 30.09.2020, based on "Fraud' classification by Indian Overseas Bank. Forensic Audit The borrower was classified as 'Fraud' by Indian Overseas Bank (IOB) on 05.03.2020. As per submissions to Central Fraud Registry (CFR) by IOB, it is understood that IOB appointed M/s Thakker and Sanghani, Chartered Accountants to conduct a forensic audit of the borrower. The forensic audit report was submitted on 18.02.2019, based on which the borrower was classified as 'Fraud' by IOB. Axis Bank repeatedly requested IOB to call a lenders' meeting to discuss the same and share the forensic audit report. In spite of multiple requests by Axis Bank, IOB did not call a meeting and did not share the forensic audit report. In view of aforementioned, Axis Bank appointed J C Kabra and Associates to conduct forensic audit of PCL on 24.12.2020, with review period from 01.07.2013 to 31.07.2016. The final forensic audit report was shared with Axis Bank on 25.03.2021. Key findings were as below: i. Adjustment of trade receivables of Rs.393.21 crore from related parties against trade payables from other related parties between FY12 and FY14 ii. Utilization of packing credit disbursements of Rs.32.56 crore for unauthorized purposes like investing in another company, extending unsecured loans and payment to parties not directly related to export sale. iii. Rs.26 crore paid from the cash credit account as an unsecured loan to T-Mart Textiles Pvt. Ltd., an entity with whom company did not have significant business transactions. iv. FCTL disbursement of Rs.43.15 crore, sanctioned for investment in Switcher Holdings SA, Switzerland, was brought back in the company as share application	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			money. Conclusion The borrower was classified as fraud by Axis Bank, based on adverse findings of the forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 15 April 2021 Action Taken / Proposed i. Legal recourse for recovery has already been initiated by the Bank. ii. The Bank had informed IOB (Lead Bank and PSU) on 07.04.2021 on Fraud classification and advised to file complaint with CBI by including Axis Bank as one of the complainants. iii. The exposure has been prudentially written off by the Bank.
115	Case of Forged / Fabricated Financial Statements by Pyramid Saimira Theatre Limited	123.70	Company Background Pyramid Saimira Theatre Limited (PSTL) was engaged in the business of film production, distribution and exhibition. Banking Arrangement i. PSTL availed credit limits of Rs.137.85 crore from 10 banks as at 06.11.2009. ii. Axis Bank sanctioned working capital limits of Rs.25 crore to the company on 31.10.2008. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 30.09.2009. ii. The advances were recalled by Axis Bank on 07.10.2009. iii OA was filed by Axis Bank on 01.02.2010 before DRT, Chennai. DRT passed order dated 09.06.2015 in favor of the Bank. However, there was no subsequent recovery due to lack tangible assets of the borrower. iv. The Bank filed a petition against the borrower u/s 138 in 2010 pursuant to dishonoring of a cheque of Rs.40 lac. Hearing is ongoing in the case. Last hearing, scheduled on 08.03.2021, has been ajourned. Next date of hearing is yet to be notified. Group Exposure Axis Bank does not have any exposure in the group companies of the borrower. RFA Classification i. The following EWS trigger was generated for the borrower: Account declared as fraud by Bank of India. ii. The borrower was classified as RFA by Axis Bank on 16.02.2021 based on the above trigger. Forensic Audit The borrower was classified as 'Fraud' by BOI on 14.10.2020. We understand from submissions made by BOI to Central Fraud Registry (CFR) that they had appointed M/s Chaturvedi and Co. to conduct forensic audit of the borrower with review period from 31.03.2005 till 29.03.2009. The forensic audit report was submitted on 31.08.2018, based on which the borrower was classified as "Fraud". BOI is yet to share the forensic audit report with Axis Bank, despite repeated follow-ups for the same. As per the submissions made by BOI in CFR, key findings of the forensic audit were as below: i. PSTL, being a listed company, did not adhere to rules and regulations laid down by SEBI. ii. The following terms of sanction were not complied with: a) Submission of end use certificate for the limits disbursed; b) Obtention of external rating on or before 30.09.2008. iii. Net worth statement

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			provided by one of the guarantors, Mr. Saminathan, included an immovable property in which he had only 50% shareholding. As per forensic auditor, this amounted to misrepresentation to the bank. SEBI Observation i. The company inflated its profits and revenues in quarterly and annual financials for FY 2008 disclosed in the stock exchanges, by passing fictitious entries in books accounts. ii. PSTL did not provide records pertaining to receivables and agreements with theatres even after time granted by the investigation authority, which was a breach of law and indicated PSTL's intention to hide information. iii. PSTL allotted share warrants to promoter Mr. Saminathan without receiving the subscription amount for the same. Conclusion Axis Bank has been regularly following up with BOI for sharing of the forensic audit report and scheduling a lenders' meeting to arrive at a consensus decision on the matter. However, BOI is yet to share the report or schedule a lenders' meeting. In view of the aforementioned, the borrower was classified as 'Fraud' by Axis Bank, based on the following: i. Adverse observations in SEBI order dated 23.12.2010 regarding misrepresentation in financial statements. ii. Adverse findings of forensic audit conducted by BOI, as reported by them in CFR. The Bank classified the account as fraud and reported the case to the RBI on 26 April 2021 Action Taken / Proposed i. Legal recourse for recovery has already been initiated by the Bank. ii Lead Bank has been informed to file CBI compliant as per RBI guidelines. The Bank will be lodging Police complaint against the company and its directors. iii. The exposure has been prudentially written off by the Bank.
116	Case of Diversion of Funds by Sembmarine Kakinada Limited	3680.2	Background Sembmarine Kakinada Limited (SKL), incorporated on 11.11.2009, was engaged in the business of building, repair and servicing of offshore vessels and structures. SKL is a joint venture of Sembawang Shipyard Pte. Limited (Singapore), Kakinada Infrastructures Holding Private Limited and India Infrastructure Pte. Limited (Singapore). Banking Arrangement The borrower availed limits from a consortium of 4 banks lead by Axis Bank. Total claims of Rs. 835.87 crore from consortium lenders have been admitted under Corporate Insolvency Resolution Process (CIRP). Axis Bank sanctioned various credit facilities to the company commencing from December 2010, with initial sanction of a Bank Guarantee of Rs.2.67 crore. Axis Bank sanctioned ECB facility of USD 115 mio and LER of USD 7.50 mio to SKL in August 2011. Hold position of Axis Bank post syndication of the ECB facility was USD 60 million, out of which only USD 48.30 million was disbursed and the balance limit was cancelled. NPA and Recovery Action

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			The borrower was classified as NPA by Axis bank on 01.03.2017. A suit was filed against the borrower and guarantors in DRT Hyderabad on 22.03.2019. The borrower was admitted for Corporate Insolvency Resolution Process (CIRP) vide NCLT order dated 23.09.2019. CIRP process is ongoing. Total claims from financial creditors admitted till 24.03.2021 was Rs.897.51 crore, including claims of Rs.835.87 crore from lending banks (Axis Bank's share was Rs.491.57 crore) and Rs.61.64 crore from related parties. RFA Classification Axis Bank classified the borrower as Red Flagged Account (RFA) on 03.01.2020, on the basis of adverse observations in draft forensic audit report. Forensic Audit Observations Axis Bank appointed T. R. Chaddha and Co. LLP on 02.05.2018 to conduct forensic audit of the borrower covering review period from 01.04.2016 to 31.03.2018, pursuant to direction received from Ministry of Finance (initiation of forensic audit in cases where total banking exposure is in excess of Rs.50 crore). The forensic audit report received on 11.07.2020 was inconclusive. Transaction Audit The Resolution Professional appointed M/s Sarath and Associates to conduct Transaction Audit of SKL covering two year period prior to CIRP commencement date (i.e. 23.09.2019). The transaction audit report was received on 28.07.2020. No transactions were classified under section 43 (Preferential Transactions), section 45 and 46 (Undervalued Transactions) and section 49 (Defrauding creditors) of IBC. The following transaction was classified under section 66 (Fraudulent or Wrongful trading): Purchase of a crane worth Rs.45 crore in FY2014 from a related party, whose financials did not reflect commercial standing to support the assets supplied to the borrower. Lenders' Discussion and Extension of Review Period The forensic audit findings were discussed in lenders' meeting held on 17.07.2020, wherein all lenders agreed that the forensic audit report is not conclusive and prima facie does not conclusively establish any incident of fraud. The lenders decided that the borrower may not be classified as fraud based on said report. The transaction audit conducted under CIRP reported one transaction under section 66. However, it was outside the review period of the audit. In the meantime, the RP appointed M/s Sarath and Associates on 11.06.2020 to carry out transaction cum forensic audit of the borrower with an extended review period from 01.04.2011 to 31.03.2017. Transaction-cum-forensic Audit Report with Extended Review Period M/s Sarath and Associates submitted the final transaction cum forensic audit report with the lenders on 05.04.2021. Key findings of the report are as following: The borrower purchases a dry dock in 2012 at a price of USD 42.22 mio from a related party, which had bought

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						the same in 2011 for USD 21.65 mio. Avoidance Application: The RP filed an avoidance application with NCLT citing classification of the above mentioned transaction u/s 66 of IBC. Lenders' Discussion: A meeting of the lenders was held on 12.04.2021 to discuss the latest forensic audit report. The lenders unanimously agreed to classify the borrower as 'Fraud' based on adverse finding of the report, subject to approval from competent authorities in respective banks. The minutes of the meeting were received on 15.04.2021. Conclusion: Axis Bank classified the borrower as 'Fraud', based on the following: i. Adverse observations in transaction-cum-forensic audit report dated 05.04.2021. ii. Avoidance application for transactions under section 66 of IBC filed with NCLT. iii. Consensus decision by lenders to classify the borrower as 'Fraud'. The Bank classified the account as fraud and reported the case to the RBI on 14 May 2021 Action Taken/Proposed i. The Bank to continue suitable recovery proceedings under NCLT. ii. The complaint filed with Economic Offence Wing on 23-08-2021. The Bank has issued mandate letter to Union Bank of India for filing of CBI complaint. iii. 100% provision has already been made.	
117		Case of Forged / Fabricated Financial Statements by Paras Bhavani Steel Private Limited		146.9		Background Paras Bhavani Steel Private Limited (PBSPL), incorporated on 03.10.2007, was engaged in manufacturing of stainless steel ERW (electric resistance welded) pipes, tubes, U-tubes, etc. The company's manufacturing facilities are located at Odhav, Ahmedabad and Rajpur, Mehsana (Gujarat). The operations of the company have stopped since October 2019. Banking Arrangement i. PBSPL availed working capital limits of Rs.52.70 crore and term loans of Rs.10.39 crore from a consortium of Bank of Baroda (lead bank) and Axis Bank, as on 31.01.2020. ii. Axis Bank sanctioned working capital limits of Rs.18 crore and term loan of Rs.0.5 crore to PBSPL in 2015. iii. The company also availed unsecured loans from HDFC Bank (Rs.0.29 crore), Capital Float (Rs.0.33 crore), ICICI Bank (Rs.0.21 crore) and Aditya Birla Finance Limited (Rs.0.29 crore) as at 31.03.2019. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 19.01.2020. ii. Notice under section 13 (2) of SARFAESI has been issued on behalf of the consortium lenders by BOB on 29.02.2020. Symbolic possession of the assets charged to the lenders have since been obtained. An Enforcement Agency have been appointed by BOB for taking physical possession of the assets. iii. Recall notice has been issued on behalf of consortium lenders by BOB on 19.06.2020. iv. Original Application has been filed on behalf of consortium lenders by BOB with DRT - I Ahmedabad on 25.08.2020. Ex-parte	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			interim order dated 11.12.2020 was passed by DRT on the OA. v. Two collateral properties were sold in an auction on 12.03.2021 for sale proceeds of Rs.1.27 crore (a residential property at Vadaj, Ahmedabad) and Rs.10.69 crore (factory land at GVMM, Odhav, Ahmedabad). Partial sale proceeds of Rs.2.90 crore have been received and distributed proportionately between the lenders. vi. Axis Bank's share in realized sale proceed was Rs.0.72 crore, which has been adjusted against outstanding in CC account. Group Exposure: Nil RFA Classification The borrower was classified as RFA by Axis Bank on 04.11.2020 on the basis of adverse observation in draft forensic audit report. Forensic Audit Observations BOB (lead bank) appointed J Gupta and Co LLP on 05.03.2020 to conduct forensic audit of the borrower for a review period from 01.01.2018 to 31.03.2020. The forensic audit report was received on 20.10.2020. Findings of the report were discussed in the lenders meeting held on 18.12.2020. No consensus decision on fraud/non-fraud classification was arrived at in the meeting. In the lenders meeting held on 16.01.2021, the forensic auditor was advised to incorporate clarifications from the management in the forensic audit report. Based on instructions from the lenders, forensic auditors sought clarifications regarding their findings from the management of the company. Certain clarifications were received from the borrower on 08.02.2021. The forensic auditors subsequently requested the management for a meeting to discuss the responses further. However, no response was received from the borrower. Forensic auditor submitted an additional report dated 01.03.2021, incorporating the responses from the borrower. The key findings of the report are given below: i. Closing position as at 31.03.2020 with respect to a number of counterparties was not consistent with transactions executed during the review period as seen below: (a)In case of 6 key suppliers / customers of the borrower, payable position as at 31.03.2020 was assessed at Rs.17.45 crore, against Rs.0.65 crore as per the books of accounts (b)In case of 19 key parties of the borrower, receivables position as at 31.03.2020 was assessed at Rs.5.96 crore, against Rs.0.30 crore as per the books of accounts ii. There was understatement of inventory value by Rs.35 crore as on 31.03.2020 iii. No supporting documents (lorry receipts, weighment slips) were held on record for devolved LCs amounting to Rs.6.68 crore iv. Based on the above observations, the forensic auditor have concluded fraudulent encashment through forged instruments, manipulation of books of account or through fictitious accounts and conversion of property. Discussions by lenders i. Axis Bank has been regularly following up with BOB (lead bank) for scheduling a lenders' meeting

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			to discuss the forensic audit findings and to arrive at a consensus decision on fraud/non-fraud classification of the borrower. However, BOB is yet to schedule a meeting. Conclusion In view of aforementioned, Axis Bank classified the borrower as 'Fraud', based on the adverse observations in the forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 14 May 2021 Action Taken / Proposed i. Legal recourse for recovery has been initiated by the Bank. ii. The Bank will be lodging Police complaint against the company and its directors. iii. 100% provisioning has been done as per guidelines.
118	Case of Fake KYC Documents by R.A.Himasinka and Co (Prop. Mr. Sambhu Saran Sharma)	33.07	A proprietorship current account was opened in the name of M/s. R.A.Himasinka and Co, at our Samantarapur Branch, where Mr. Sambu Saran Sharma was proprietor of the firm. As stated in the Economic Offences Wing Notice, twenty three demand drafts, aggregating to Rs.1,93,70,000, issued by 'Odisha Gramya Bank' favouring 'R.A.Himatsingka and Co' were wrongly collected through current account, 'R.A.Himasinka and Co' with our Bank. Scrutiny of the KYC documents of the current account, R.A.Himasinka and Co, revealed discrepancies. The firm's proprietorship rubber stamp affixed on the account opening form (AOF) and other KYC documents (Rental agreement for address proof, learner's driving licence and VAT certificate towards proof of proprietorship firm) were in the name of 'R.A.Himatsingka and Co' and not as per the title of the account, 'R.A.Himasinka and Co'. The VAT certificate, held with AOF, and the PAN details mentioned on the AOF were found to be invalid. Further, during the fresh field verification, it was found that the firm was not existing at the given address. Scrutiny of statement of account and other records relating to this current account, it was observed that four demand drafts/bank's cheques issued by Andhra Bank and Bank of India, aggregating to Rs. 1,36,97,055, favouring 'R.A.Himatsingka and Co' towards loan disbursement were wrongly collected through current account, 'R.A.Himasinka and Co'. Subsequently, both Andhra bank and Bank of India, have submitted letters to the Bank stating that they have no claim against the Bank as their borrowers have repaid their dues. Lapses were observed on part of the staff for being negligent during onboarding of current account of R.A.Himasinka and Co and for collection of other banks demand drafts in the third party account. Root Cause: Failure of the staff to adhere to extent guidelines on onboarding of current account and for collection of demand drafts. Actions recommended / taken: i. Rs. 193.70 lakhs is probable loss to the Bank, hence a provision for the loss

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			amount has been made as contingent liability. In case of balance amount Rs.136.97 lakhs towards amount involved, the concerned parties have submitted letters stating no claim against the Bank. ii. STR has been filed in the account of M/s. R.A.Himasinka and Co, iii. Police complaint lodged with Lingaraj police station on 12-05-2021: A suitable action has been taken against the employees for the lapses observed on their part.
119	Case of Diversion of Funds by JMT Auto Limited	589.70	Background i. JMT Auto Limited (JAL), incorporated on 16.01.1997, is a part of Amtek group. ii. JAL is engaged in manufacturing of auto components. Its products are used in light, medium and heavy commercial vehicles, tractors, farm equipment, construction equipment and diesel engines. iii. JAL is listed on BSE and NSE. Banking Arrangement i. JAL availed outstanding debt of Rs.156.16 crore (as on 21.04.2021) from Axis Bank, IDBI Bank, State Bank of India and Bank of India, under Multiple Banking Arrangement. ii. Axis Bank sanctioned working capital facilities of Rs.45 crore to JAL on 20.05.2011. The limits were enhanced to Rs.75 crore during 2012-2015. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 17.05.2019. ii. The advances were recalled by Axis Bank vide notice dated 27.10.2020. iii. Axis Bank has filed a petition with NCLT for initiation of Corporate Insolvency Resolution Process (CIRP) in JAL on 28.11.2020. The borrower is yet to be admitted under NCLT. The next hearing in the matter is scheduled on 05.07.2021. Group Exposure Axis Bank had the following exposure in the group companies of JMT Auto Limited. i. Amtek Auto Limited - Rs.36.56 crore (prudentially written off) ii. Castex Technologies Limited - Rs.404.61 crore (prudentially written off) RFA Classification The following EWS alert was generated for the borrower on 18.10.2020: i. Significant increase in inventory as a percent of turnover ii. Increase in Fixed Assets as a percent of sales iii. Increase in working capital borrowing as a percent of turnover. The borrower was classified as RFA by Axis Bank on 26.11.2020, based on default in payment to banks and non routing of sales proceeds through banks. Forensic Audit Subsequent to RFA classification, a lenders' meeting was convened by Axis Bank on 04.12.2020 for discussion on appointment of forensic auditor. SBI and IDBI Bank informed that their decision on the matter will be advised post approval from appropriate authority in their bank. The meeting was not attended by Bank of India. Axis Bank regularly followed up with the other lenders for their concurrence on appointment of forensic auditor. However, the same has not been received. In view of the above, Axis Bank appointed Mazars India LLP on 08.02.2021 for conducting forensic audit of the borrower, with review period from 01.04.2017 to 31.12.2020. The final forensic audit was submitted to the Bank on 25.05.2021. The key findings are as under: i. Unsecured loan of Rs.25 crore to holding company was incorrectly classified as advance to sundry creditors in financial statements. ii. Loans of Rs.11.05 crore were extended to related party, Stride Autoparts Ltd. in FY 2019, for which no supporting documents were available for verification. iii. Purchase of used fixed asset worth

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Rs.10.74 crore from a linked entity, wherein advance payment was made in FY 2013 but the asset was delivered in FY 2020. iv. Write off of receivable of Rs.5.22 crore from holding company in FY 2019, without adjusting payable balance of Rs.1.36 crore to the same. Conclusion The borrower was classified as fraud by Axis Bank, based on adverse findings of the forensic audit report. Action Taken / Proposed i. Legal recourse for recovery has already been initiated by the Bank. ii. Police complaint filed with Bistupur Police Station on 17-06-2021. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv.100 percent provisioning has been done in the account.
120	Case of Diversion of Funds by M S Retail Private Limited	301.40	Company Background M S Retail Private Limited (MSRPL), incorporated on 10.02.2009, is a distributor of sanitary ware products of 'Jaguar' brand. It also engages in trading of tiles and other fittings procured from local vendors. Banking Arrangement i. MSRPL availed working capital limits of Rs.40 crore from Axis Bank (share of 70 percent in total limits), IDFC First Bank (20 percent share) and Standard Chartered Bank (10 percent share), under multiple banking arrangement as on 19.11.2020. ii. Additionally, the company had outstanding equipment loans of Rs.2.60 crore from Tata Capital Financial services Ltd and Rs.0.09 crore from Siemens Financial Services Pvt Ltd as on 19.11.2020. iii. The company also had outstanding unsecured business loans of Rs.3.30 crore as on 19.11.2020, from 12 different NBFC and Banks (Shriram City Union Finance Ltd., Fullerton India, Hero Fincorp Ltd., Magma Fincorp, Indiabulls Ventures Ltd., Capital First, Oxyzo Financial Services, HDFC Bank, Clix Capital, Ugro Capital Ltd., Rattan India Finance Pvt Ltd., Incred Financial Services). iv. Axis Bank initially sanctioned cash credit facility of Rs.11 crore and term loan of Rs.1.50 crore to the company on 03.01.2011 by way of takeover of existing limits from Canara Bank. v. The cash credit limit was enhanced gradually to Rs.40 crore by 2017. The limit was subsequently reduced to Rs.28 crore in March 2019. vi. MSRPL is also availing corporate card limit of Rs.2 crore from Axis Bank. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 26.11.2020. ii. Axis Bank is in the process of recalling the advances and filing Original Application with DRT. Group Exposure Axis Bank has the following exposure in the group companies of M S Retail Pvt Ltd. i. Spectra Pipes Pvt Ltd - Rs.33.99 crore (SMA1 as on 31.03.2021) RFA Classification The following EWS alerts were reported for the borrower on 18.11.2020: i. High value (greater than Rs.1 lakh) cheque bounces ii. Delay in submission of stock statement. The account was classified as 'RFA' by Axis Bank on 25.11.2020, based on the following: i. Adverse account conduct ii. Allegation against Borrower by GST Authorities for involvement in illegal circular trading and subsequent cancellation of GST registration. Forensic Audit A lenders' meeting was held on 11.01.2021 for discussion on appointment of forensic auditor. However, other lenders requested for some time for seeking internal approvals on the matter. Axis Bank appointed JC Kabra and Associates to conduct forensic audit of the borrower, with review period from 03.02.2011 to 02.02.2021. The borrower did not

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						cooperate in the forensic audit despite repeated follow up reminders from both the forensic auditors and the Bank. Sharing of information was delayed by more than 2 months by the promoters on various pretexts. The forensic audit report was received by the Bank in May 2021. The key findings are as below: i. During the review period, sale and purchase transactions of Rs.316.13 crore and Rs.355.63 crore respectively, were entered into with 97 entities, with multiple duplicate ledger accounts being operated under the name of several of these parties. ii. Discrepancies in related party transactions were observed as under: a) All sale and purchase transactions recorded with M S Watertech Pvt Ltd had consecutive numbering of vouchers and dates b) No journal entry recorded against payment of Rs.4.49 crore to M S Watertech Private Limited in FY 2019. c) Sales recorded to Spectra Pipes Private Limited in ledger did not contain any details (items, rates, quantities) under sales description iii. Between FY2017 and FY2019, sales of Rs.79.47 crore (19 percent of total sales) and purchases of Rs.88.91 crore (23 percent of total purchases) were entered with 6 entities, who were notified as fake input credit issuers by the Central Board of Indirect Taxes and Customs Lenders' Decision i. The forensic audit findings were discussed by IDFC First and Axis Bank in a lenders' meeting. It was noted that the forensic auditor has concluded that the borrower may be classified as Fraud based on the observations in the report. Both the lenders agreed to take up with their respective competent authorities for fraud classification. ii. It was noted that the promoters of the company have sought unspecified time for replying to forensic audit observations. However, in view of continuous non-cooperation of the promoters in forensic audit and inordinate past delays in information sharing, it was decided to close the forensic audit. Cancellation of GST Registration i. As per reports in a local daily newspaper in July 2019, GST officials conducted a raid on group company Spectra Pipes Pvt. Ltd. and arrested the promoter, Mr. Anil Mehra, who was granted bail subsequently. ii. RBI sent a letter to Axis Bank on 30.09.2019, advising issuance of bogus sales invoices by the borrower and sought certain details regarding the exposure. The details were submitted to RBI on 19.10.2019. iii. Names of the following counterparties of MSRPL were mentioned in the said letter from RBI: Bhavani Steel Corporation, Aradhya Wire Ropes Private Limited, Aradhya Steels Private Limited, Bhava Steel Metal Alloys Private Limited, Vedik Ispat Private Limited and Spiegel Enterprise Pvt. Ltd. iv. On review of documents shared by the company with Axis Bank in September 2020, the following were noted: a) MSRPL was served with show cause notice by GST Authorities on 23.12.2019 with allegation that it has entered into purchase transactions without receipts. As a result, input tax credit to the tune of Rs.11.32 crore availed by MSRPL for FY 2018 and FY 2019 was sought to be classified as irregular. It was further alleged that MSRPL was indulging in illegal circular trading by issuing fake invoices without actual supply of goods, with an intention to shore up its turnover. b) Subsequently, tax authorities passed an order for cancellation of the company's GST registration on 06.06.2020. c) The company was seeking legal remedies for restoration of	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			its GST registration. Conclusion The borrower was classified as fraud by Axis Bank, based on adverse findings of the forensic audit report. Action Taken / Proposed i. The Bank will continue suitable recovery proceedings. ii. Police complaint lodged with Halasure Police station on 15-07-2021. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv. Full provision against the exposure has been done.
121	Case of Fake Title Deeds by Rajiv Jain	27.33	Gist of the case: Mr. Ankush Suri, an imposter, posing as son of Mrs. Satya Suri (owner of a plot of land) executed a agreement to sale with Mr. Rajiv Jain, borrower, on the basis of a registered landed property transfer deed, purportedly executed by Mrs. Satya Suri in favour of Mr. Ankush Suri. The purchaser of the plot, Mr. Rajiv Jain availed home loan from the Bank for purchase of the said property, located at Gurgaon, Haryana and construction thereupon. Findings: Home loan was sanctioned to the borrower, Mr. Rajiv Jain in November 2019 as per product / policy guidelines of the Bank. The loan amount for purchase of the landed property was disbursed in favour of Mr. Ankush Suri, purported owner of the property and part to Mr. Rajiv Jain for initiating construction. The loan amount for construction of house was to be disbursed in stages. It transpired that the landed property financed by the Bank was owned by Mrs. Satya Suri; however, one Mr. Ankush Suri had got executed a landed property transfer deed in favour of himself, where an unknown person had posed as Mrs. Satya Suri as the owner of the property. Based on this transfer deed, Mr. Ankush Suri, imposing as a son of the property owner Mrs. Satya Suri, entered into an agreement to sale for the landed property with Mr. Rajiv Jain, borrower. The loan amount for purchase of property was disbursed was remitted to the purported seller, Mr. Ankush Suri's, account with other bank, which was withdrawn immediately. Subsequently, actual owner of the landed property Mrs. Satya Suri approached the Bank and stated that she had not executed any transfer deed in favour of Mr. Ankush Suri and that she does not know him. The borrower after learning the fact related to the landed property had stop paying EMIs and the account has turned NPA. Action Taken: 1) Police complaint filed with Janakpuri Police Station on 18-06-2021
122	Case of Fraudulent Encashment of Cheques / DD by Mr. Vijhay Prajapati (Proprietor of the account 'The Assistant Mumbai A/c Commissioner of Customs')	15.60	A proprietorship account was opened in the name of 'The Assistant, Mumbai' at our Andheri East Branch, Mumbai. The proprietor of the firm was Mr. Vijhay Prajapati. Subsequently, the name of the account name was modified to 'The Assistant Mumbai A/c Commissioner of Customs'. The Registration Certificate of Establishment (issued under Bombay Shops and Establishment Act, 1948) was issued in the name of 'The Assistant, Mumbai' and 'The Assistant Mumbai A/c Commissioner of Customs' and the same were submitted as entity proof to the Bank. Funds aggregating to Rs.156 lakhs were credited in the account through clearing, RTGS/ NEFT and transfers. The payee name in 21 demand drafts aggregating to Rs.120 lakhs collected in the account, was different from the title of the account. The funds were subsequently routed to other accounts of the proprietor and siphoned off. The said account has since been closed. Basis above the case is classified as Fraud. No claims have been received from Government

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						authorities / Financial Institutions against the Bank. Root Cause of fraud Due diligence failure at account on-boarding stage. Failure to detect mismatch in payee name and account name prior to collection of demand drafts in the account. Action Taken/being taken STR has been filed in the account. Police complaint filed with Nhvasheva Police Station on 16-06-2021	
123		Case of Cheating and forgery by Mr. Akash Gupta and 1 Other		26.28		The builder, M/s. Biodiversity Conservation (India) Pvt Ltd sold both flats to third party without any intimation to Bank and the borrower. Mr Akash Gupta, availed 2 home loans for purchase of properties consisting of two flats from the builder, M/s. Biodiversity Conservation (India) Pvt Ltd (BCIL) and a villa from builder, M/s. BCIL Red Earth India Pvt Ltd. (M/s Biodiversity Conservation (India) Pvt Ltd being parent company). Home loans of Rs 1.24 crore for purchase of two flats and Rs 1.39 crore for purchase of a villa were disbursed in July 2013 and August 2013 respectively and both the projects were covered under Approved Project Funding (APF) of the Bank. The two flats were unregistered properties. The borrower had stopped paying the EMIs and subsequently when Bank's team started following up for the repayment, the borrower provided a MoU executed between himself and the builder (BCIL Group). Upon review of the MoU, it transpired that the borrower had invested funds into the builders' projects, which were to be repaid with interest, where the part payment would be from the proceeds of home loans disbursed by the Bank. It thus, clearly indicates that the end use of the funds with respect to the home loans availed from Axis Bank was not ensured for the purpose for which they were granted. Further, the builder had sold both the unregistered flats to a third party without any intimation to Bank and the borrower. The said arrangement was not informed by both the parties to the Bank leading to breach of trust. The builder, M/s. Biodiversity Conservation (India) Pvt Ltd. sold both the flats to a third party violating tripartite agreement executed with Bank. The encumbrance check of other property, villa, financed by the Bank revealed no registration had taken place. The fraud has been perpetrated by both the parties wherein borrower colluded with builder and engaged raising funds by way of home loan from Axis bank. Action taken: (i) Staff lapses examination has been completed (ii) DRT proceeding against the borrower and builder has been initiated and OA filed on 12.11.2020 vide OA No. 1377/2020 (iii) Police complaint lodged at Halasuru Police Station on 16-06-2021.	
124		Case of Multiple Sale By Builder(s) by VDB Whitefield Development Pvt. Ltd.		23.35		The borrower, Mr. Ravikumar Umashankar, co-borrowers Ms. Devika Hanumantha Rao and Mr. Bharath Kashyap Umashankar was sanctioned a housing loan for purchase of under construction property in an approved project being constructed by the builder, M/s. VDB Whitefield Development Pvt Ltd. Subsequently, a complaint was raised by the borrower that the builder had registered the property (flat) booked by him in the name of third party (an existing borrower of the Bank). The borrower was self-employed and based on the financial statements of the borrower a home loan of Rs.2.54 crore was sanctioned and Rs.2.34 crore was disbursed as per product/policy of the Bank basis the allotment letter issued by the builder in August 2016. A tripartite agreement was also executed between the	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						borrower, the builder and the Bank. The mortgage in favour of the Bank was pending to be created on the property as the final sale deed was not executed between the builder and the borrower. It transpired that the builder had covertly sold the aforementioned financed flat alloted to Mr. Ravikumar Umashankar to Mr. Christopher Richard (another borrower of the Bank) without intimation to the Bank. The account of the borrower, Mr. Ravikumar Umashankar had slipped into a NPA as the borrower had stopped paying the EMI instalments. The borrower, Mr. Umashankar Ravikumar had filed a police complaint against the Builder. The builder has stated that that cancellation of Agreement to Sale was done on the request of the borrower, Mr. Ravikumar Umashankar and amount paid by the borrower was refunded to him; however the builder could not provide any evidence to that effect. The borrower, Mr. Ravikumar Umashankar is reported to be absconding and not contactable. Action Taken: Police complaint lodged at Whitefield police Station on 16-06-2021. Post sanction verification process is being strengthened.	
125		Case of Cheating and forgery by Mr. Moorthy Elumalai and 1 Other		25.95		The borrower, Mr. Moorthy Elumalai and co-borrower, Mrs. V Lakshmi, existing customer of the Bank, had availed a loan against property (LAP) of Rs.259.51 lakhs as a balance transfer of an existing loan of the borrower with M/s. Religare Finvest Ltd.(RFL) The KYC documents of the borrowers were found to be in order and the loan was sanctioned and disbursed as per product / policy guidelines of the Bank. As per balance transfer process, the disbursal proceeds pay order was issued in favour of the loan account of the borrower with RFL. The documents were not immediately delivered by RFL. Subsequently, the borrower had covertly collected the title documents from RFL without knowledge of Bank. The borrower got the charge of RFL removed from the property. It was further identified that the borrower had created charge of another bank for credit facility availed from them on same property in July 2017 (as per encumbrance certificate obtained by Axis Bank). During September 2017, borrower, Mr. Moorthy Elumalai had sent title documents to the Bank (which are suspected as fabricated) and never turned-up for creation of mortgage charge on the property in favour of Axis Bank. The loan account turned NPA in December 2020. Presently, borrower Mr. Moorthy Elumalai and co-borrower, Mrs. V Lakshmi are not contactable and as per visit of Bank's collection team at their parental residence, it was reported that Mr. Moorthy Elumalai was in jail for unknown offences. Action Taken: - Police complaint filed with CCTNS citizen portal on 17-06-2021. Bank is in the process of filing original application with DRT for recovery of the amount.	
126		Case of Clandestine selling off of hypothecated/mortgaged security by Mr. Amit Chhokra and 2 Others		27.02		The borrower Mr. Amit Chhokra had availed home loan of Rs.243.42 lakhs for purchase of plot and construction of house thereon. The borrower had covertly entered into a development agreement with a builder. The builder had constructed nine residential flats, on the plot financed by Bank, which were sold to different buyers. Investigations revealed: Borrower was a non-resident and working overseas. Based on his financial statements a housing loan was sanctioned and disbursed as per product/policy guidelines of the Bank. An equitable mortgage was created on the plot financed by the Bank.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						After the borrower started defaulting on EMI payments, Bank conducted verification of the properties financed. It came to the notice of the Bank that the borrower had covertly entered into a development agreement with M/s. CMRS Builders, Bengaluru for construction of residential flats on the plot secured to the Bank without permission and NOC of the Bank. The builder had constructed a building consisting of nine flats on the plot along with commercial space on ground floor and the flats were sold to different buyers. The commercial space is occupied by the builder. The borrower had also availed a second housing loan for purchase of flat at other location, Pijore Panchkula Haryana. The borrower had occupied this residential flat financed by Bank in Pinjore Punkula. Action Taken i. Legal action has been initiated through SARFAESI and symbolic possession of the litigated property has been taken by the Bank. ii. Police complaint has been lodged at kodigehalli Police Station on 21-06-2021. iii.100% provision is has been made in the account.	
127		Case of Cheating and forgery by Mr. Shaileshkumar Ishwarbhai Patel and 2 Others		12.51		Home loan of Rs. 125.13 lacs was disbursed to, Mr. Shaileshkumar Ishwarbhai Patel, borrower and Ms. Dakshaben Shailesh Kumar Patel, co-borrower on 04.07.2017 for purchase (resale) of flat from Mr. Praful Jadhav (seller). As the borrower was irregular in repayment of instalments, the loan account turned NPA and the Bank, thereafter, served notice under SARFAESI Act to the borrower. In response to the said Notice, the occupant of the property, Mr. Pankaj Bafna, submitted a letter to the Bank claiming to be rightful owner of the property. Based on this letter the matter was investigated. The borrower had submitted a registered agreement to sale between seller and the borrowers, agreement to sale between the builder and seller and NOC of the Cooperative Housing Society. As the NOC of the housing society was obtained, Bank did not undertook title search of the property in the Government records. It transpired that after availing loan amount, borrower and seller covertly cancelled the registered agreement to sale without knowledge of the Bank. The NOC of the Housing Society submitted was also found to be fabricated. Post receipt of complaint from occupant of property, Bank undertook title search of the property and it was revealed that the flat was already sold to a third party i.e. Mr. Pankaj Bafna, by the seller, Mr. Praful Jadhav, prior to the agreement to sale with our borrower/co-borrower. It also transpired that the current occupant (Mr. Pankaj Bafna) had purchased (resale) flat from Mr. Praful Jadhav, and the loan of Mr. Praful Jadhav with other financial was transferred (balance transfer) to Mr. Pankaj Bafna. Hence, the agreement to sale between the builder and seller, Mr. Praful Jadhav, submitted to the Bank during availing loan by the Bank's borrowers, Mr. Shaileshkumar Ishwarbhai Patel and Ms. Dakshaben Shaileshkumar was suspected to be fabricated. The above findings indicates collusion between the borrower and the seller to defraud the Bank. Action Taken: - Police complaint lodged with DCP zone 5 Wagle Estate Thane on 21-06-2021.	
128		Case of Clandestine selling off of hypothecated/mortgaged security by Mr. Sureshbhai Vishnubhai Patel and 1 Other		22.22		Gist of the case: Agriculture credit facility was sanctioned and disbursed to a partnership firm, Shree Vimal Cold Storage and to eight borrowers aggregating to Rs 2.84 crore. The loans were secured by collateral security jointly held in the name of Mr. Sureshbhai	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Vishnubhai Patel and Mr. Vipulbhai Vishnubhai Patel, partners of borrower M/s. Shree Vimal Cold Storage. All these thirteen loans of 9 borrowers were sanctioned and disbursed as per Bank's policy. Subsequently, all these loan accounts turned into NPA and the Bank initiated legal proceedings against all these borrowers and took physical possession of the property/ collateral security under SARFAESI Act. Further, auction of the property was also initiated. The borrowers approached Debt Recovery Tribunal (DRT), Ahmedabad for a stay order on the auction sale; however DRT did not grant stay order to them. The Bank thereafter, conducted an e-auction of the collateral security and sale certificate was issued to the highest bidder as per auction policy of the Bank. However, when Bank and the bidder / Buyer approached the sub registrar office for registration of sale certificate/ sale deed, it transpired that the mortgaged property was clandestinely sold to a third party by the borrowers, post e-auction, despite property being mortgaged with the bank. Further, DRT Ahmedabad afforded the judgement in favour of the bank. The Bank had received the amount finalised in the bidding process and thereafter, had registered the property in the name of bidder. The amount received has been apportioned towards outstanding dues with the Bank. Action Taken 1. FIR against borrower Mr. Sureshbhai Vishnubhai Patel and Mr. Vipulbhai Vishnubhai Patel has been filed as per instructions from DRT. 2. DRT has given judgement in favour of the Bank. 3. Examination of staff accountability has been completed.	
129		Case of Clandestine selling off of hypothecated/mortgaged security by Mr. N. Raja Mohammed and 1 Other		14.65		The borrower Mr. N. Raja Mohammed and Co-borrower Mrs. Noorjahan R (spouse), availed home loan (Balance Transfer). The loan was sanctioned towards takeover of borrower's dues with other financial institution, M/s. Cholamandalam Investment and Finance Company Limited. The foreclosure and settlement amount of CIFCL identified was Rs.185.87 lakhs which was to be settled through disbursement of loan of Rs.144.87 lakhs and Rs.41 lakhs was borrower's own contribution. The borrower defaulted on loan repayment and Bank started following up for recovery, during which Bank identified that the borrower had surreptitiously sold off the mortgaged property to a third party. A loan of Rs.146.50 lakhs was sanctioned as per the Bank's policy which included payment of insurance premium amount and other charges. Further, as per mutual consent the customer agreed to remit the remaining amount of Rs.41 lakhs to CIFCL towards pre-closure of the loan outstanding with them. Accordingly, a demand draft for Rs.144.87 lakhs, as a loan amount, and a cheque for Rs.41 lakhs (being his contribution) drawn by the borrower was handed over to CIFCL. Subsequently, the cheque of Rs.41 lakhs returned unpaid due to which CIFCL did not release the title deeds of the borrower. The Bank then initiated legal action in the Debt Recovery Tribunal (DRT), Madurai against the borrower for recovery of dues and also made CIFCL as a party. During the recovery process, it was then identified that the borrower had paid off outstanding loan amount with CIFCL and took custody of the original title deeds without informing the Bank. It further transpired that the borrower had thereafter sold off the financed property to a third party without the	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Bank's knowledge and consent. Action Taken: (i) Suitable action has been completed against the errant officials (ii) The Bank has filed a suit against the parties involved in DRT Madurai. Police complaint lodged at Trichy Police Station on 22-06-2021.	
130		Case of Multiple Sale By Builder(s) by M/s. Golden Gate Properties Ltd. and 2 Others		14.80		Gist of the Case: Mr. V. Ravi Chandra, borrower and Ms. Mamta Shri, co-borrower had availed two home loans for purchase of two under-construction flats in an approved project of the builder M/s. Golden Gate Properties Ltd. at Bengaluru. Also, a third home loan was availed by them for purchase of plot and construction of a house thereon. As the borrower had stopped paying EMI, the account turned NPA. The borrower, Mr. V. Ravi Chandra, was employed at a senior position with M/s. Prisha Properties India Pvt. Ltd. (a group company of builder, M/s. Golden Gate Properties Ltd.). The KYC and other loan documents were found in order and all three loans were sanctioned as per product / policy guidelines of the Bank. The first two home loans were disbursed based on flats allotment letters issued by the builder, NOC of HDFC Ltd. (as project was financed by them), sale agreement between borrower and builder and tripartite agreement among borrower, builder and Bank. An aggregate amount of Rs.148.00 lakhs was disbursed as per the stage of constructions and purchase of plot. After borrower's default in EMI repayment, it came to notice of the Bank that the services of the borrower was terminated by the builder, which was not informed to the bank. Further, the builder had covertly sold both the flats, allotted to the borrower which were financed by the Bank, to the third parties without the knowledge of the Bank. Hence, it is suspected that borrower and builder, in connivance with each other, availed loans to defraud the bank. Since the final sale deed was not executed, hence a charge of mortgage could not be created by the Bank for two flats. The mortgage charge was created for the third property and the process of recovery through auction has been initiated by the Bank. The borrower is presently not contactable and his whereabouts are not known to the Bank. Action Taken: (i) Proceedings under DRT have been initiated by the Bank. (ii) Police complaint filed at kodigehalli Police Station on 21-06-2021.	
131		Case of Multiple Sale By Builder(s) by M/s. Landmark Housing Projects Chennai Private Limited		40.33		Gist of the case: Borrower, Mr. Vipul Mehta and Mr. Hemant Mehta had availed home loan for purchase of a under construction residential apartment in an approved APF project 'Vertica' situated at Gopalapuram, Chennai from the builder M/s. Landmark Housing Projects Chennai Private Limited. The loan documents and other documents of the borrower were found to be in order and the home loan was sanctioned as per Bank's policy and guidelines. Since the flat was under-construction, builder and borrower executed an agreement of sale and a tri-partite agreement was executed between borrower, builder and Bank at the time of disbursement of the loan. The borrower stopped had stopped paying EMI since December 2020 and the account turned NPA. The Bank's collection team visited the borrower for recovery of the loan post which they ascertained that the borrower had filed an FIR against the builder for covertly selling the flat to a third party. The encumbrance certificate of the flat reflects that the builder had sold the flat which was financed by the Bank to a third party in June 2017 without intimation to Bank. Action Taken: - Police	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						complaint filed with Vepry Police Station on 22-06-2021.	
132		Case of Clandestine selling off of hypothecated/mortgaged security by Ms. Shivani Puri and 4 Others		40.00		A home loan of Rs.400.00 lakhs was sanctioned to Mr. Rahul Puri, Ms. Shivani Puri, Ms. Tripta Puri , Mr. Rajiv Puri and Edit Factory (Partnership firm) for purchase a new house property (Ground plus 2 floors) situated at Safdarganj Encalve Delhi. The loan was disbursed on 27.12.2006 and the borrower had repaid the loan instalments September 2020 which were stopped subsequently. Visits by the Bank's team were paid at the residential and business addresses of borrowers which revealed that the premises were locked and neighbours were unaware about the present whereabouts of the borrowers. Further, a visit was also done at the mortgaged property and it was found that the property was occupied by third parties. There was no deficiency in sanction and disbursement of the loan. The property was in the name of Mrs. Shivani Puri and Mrs. Tripta Puri and they had deposited title deed (Sale Deed) of the entire property with the Bank towards security of the loan facility. A power of attorney was given by the borrowers in the name of the Bank which specified that the Bank can create the mortgage of the property in its name and in it's nominees name and can register the property in the land registry or Municipal records. Post account becoming delinquent, the Bank's Collection Team found that the property was in possession of third parties and also borrowers were untraceable and not contactable. Fresh search report of the property was carried out which revealed that the entire property was sold to third parties. It was also found that the third floor was constructed subsequent to the sanction of the loan and that too was also sold. Borrowers, vide execution of loan agreement have provided undertaking that during the tenure of the loan agreement they would not part with possession or create third party rights on the property or any part of it (whether by way of sale, exchange, lease, mortgage, agreement, or option or otherwise). The borrowers had contravened the agreed terms of sanction by creation of third party interest and therefore committed the act of fraud. Root cause: Covert sale of property funded by the bank, without any intimation to the Bank by the borrowers. Action Taken/Proposed: (1) 100% provision has been done, (2) Police complaint filed at Economic Offences wing Mandir Marg Police Station, New Delhi on 01-07-2021.	
133		Case of Cheating and forgery by Mr. Tapan Mukesh Shah		12.10		A loan against property facility was sanctioned in the name of Mr.Tapan Mukesh Shah, Mr. Mukesh Jayantilal Shah and Mrs.Nisha Mukesh Shah against two house properties (flats) which were in the name of Mr. Mukesh Jayantilal Shah and Mrs. Nisha Mukesh Shah. Mr. Tapan Mukesh Shah is son of the Co-borrowers. The loan was sanctioned and disbursed as per product / policy guidelines of the Bank. As per process the loan documents were executed by the borrower and both Co-borrowers of the loan. Further, the legal report, obtained at the time of sanction, stated that a valid mortgage can be created by the co-borrowers (owners of the property). The title deeds of the properties were deposited with the Bank and a charge of equitable mortgage was created in respect of both the properties. The loan documents were not executed infront of the Bank's staff. Subsequently when the account turned irregular and the Bank contacted the Co-borrower Mr. Mukesh Jayantilal Shah	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						for the recovery of the loan, he denied having taken any loan against the properties and having executed any security documents with the Bank. As the Co-borrower, Mr. Mukesh Jayantilal Shah denied having taken any loan against his properties or having executed any security documents with the Bank, the documents were subjected to the forensic examination to verify the genuineness of the signatures on those documents. The empaneled forensic examiner had opined that the signatures on application, other documents submitted along with loan application and all the security documents were not matching with actual signature of Mr. Mukesh Jayantilal Shah. The borrower, Mr Tapan Shah was the beneficiary of the loan as the loan disbursement proceeds were remitted to his saving bank account with other bank. It is suspected that the borrower may have fraudulently executed the loan documents on behalf of the Co-borrower. The borrower, Mr. Tapan Mukesh Shah was not contactable and there appears to be a family dispute between the borrower and co-borrower of the loan. Mr. Mukesh Jayantilal Shah has lodged a police complaint against his son (the borrower) and the Bank. Action taken: (i) Police complaint filed with Chatushrunghi police station on 22-06-2021 (ii) 100% Provision has been done in the account.	
134		Case of Diversion of Funds by Kaygee Shoetech Private Limited		177.30		Background Kaygee Shoetech Private Limited (KSPL), based in Kolkata, was engaged in manufacturing of footwear and related components. Banking Arrangement I) KSPL earlier availed credit facilities from HDFC Bank and HDB Financial Services, under multiple banking arrangement. II) Credit facilities availed from HDB Financial Services were taken over by Tata Capital Housing Finance Ltd in FY 2017. III) Axis Bank sanctioned credit facilities aggregating Rs.18 crore to the company in March 2017, including takeover of cash credit limit of Rs.13 crore from HDFC Bank. NPA/Recovery Action I) Axis Bank classified the borrower as NPA on 30.04.2018. II) Notice u/s 13(2) of the SARFAESI Act, 2002 dated 06.10.2018 was sent to the company and its directors. III) The District Magistrate ordered physical possession of the mortgaged properties located in Kolkata, in favour of Axis Bank, vide order dated 24.08.2020. IV) The borrower was admitted for insolvency proceeding vide NCLT order dated 19.01.2021. Axis Bank is sole member of the COC. Axis Bank's claim of Rs.24.55 crore has been admitted by NCLT. RFA Classification I) Axis Bank classified the borrower as Red-Flagged Account (RFA) on 27.01.2021 on the basis of claim of tenancy from a third party on a property mortgaged to the Bank. Transaction Audit I) Resolution Professional appointed Rajesh Jalan and Associates to conduct transaction audit of the borrower on 01.03.2021 with review period from 01.04.2018 to 31.03.2020. II) Transaction audit report was shared with Axis Bank on 18.05.2021. Key findings of the report are given below: a) Write off of debtors aggregating Rs.17.02 crore in FY19 without supporting documents to justify the same b) Scrapping of trading goods returned by customers at NIL value, without making efforts to return them to vendors, resulting in loss of Rs.4.27 crore in FY18 c) Write off of fixed assets of Rs.0.74 crore in FY20 without appropriate reason or explanations d) Occupation of 2 floors in the company's factory	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						premises in Kolkata by a vendor without any supporting documents justifying the arrangement. The said tenancy was not disclosed at the time of mortgaging the property to the Bank III) The Bank sent a mail to the borrower on 07.06.2021 for submitting clarification/responses on the adverse observations of the transaction audit report. No satisfactory clarification/response on any of the adverse observations of the transaction audit report has yet been received from the borrower. IV) Resolution Professional filed an avoidance application with NCLT on 18.06.2021, on the basis of the transaction audit report. Claim of Tenancy on mortgaged property I) Notice u/s 13(2) of the SARFAESI Act, 2002 dated 06.10.2018, was sent to the company and its directors. II) Possession Notice u/s 13(4) of the SARFAESI Act, 2002 dated 08.02.2019, was sent to the company and its directors. Possession Notice was published in two newspapers, viz. Times of India and Aajkal on 08.02.2019. Subsequently, symbolic possession of all the properties mortgaged to the Bank was taken. III) The District Magistrate ordered physical possession of the mortgaged properties located in Kolkata, in favour of Axis Bank vide order dated 24.08.2020. IV) A letter from Metal Craft Engineering Private Limited (MCEPL) dated 11.12.2020, addressed to the District Magistrate, was received by the Bank, wherein MCEPL claimed to be the tenant of a property located in Kolkata (since November 2016), which has been mortgaged to the Bank. V) As per Memorandum of Entry dated 26.04.2017 executed between the Bank and the borrower, the said property was free from encumbrances. VI) Additional documents relating to the properties which are held on record, wherein details of any encumbrances were not highlighted, are given below: Valuation reports dated 16.02.2017, Title Search Reports dated 01.03.2017, Legal Audit Reports dated 28.04.2017. VII) The matter was referred to an external legal counsel, Mr. Shaktipada Banerjee. The following legal opinion was received from the external counsel on 21.04.2021: a) The mortgagor did not disclose the fact about the tenancy. b) Mortgagor has used devious practice to obstruct the right of bank. c) Hence, SARFAESI action can be initiated over the said plot of land as mortgagor / borrower has wilfully defrauded the bank. Conclusion I) Axis Bank classified the borrower as 'Fraud', based the adverse observations in transaction audit report. Action Taken / Proposed I) Legal recourse for recovery has been initiated by the Bank. II) Police complaint filed with Kolkata Police headquarters on 02-07-2021. III) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. IV) 100% provisioning already done in the account.	
135		Case of Forged / Fabricated Financial Statements by Sanona Infotech and Services Private Limited		30.50		Background: Sanona Infotech and Services Private Limited (SISPL), incorporated on 10.02.2012, was the distributor of antivirus software of its parent company, Sakri IT Solution Private Limited. SISPL was a distributor of Micromax branded products in western part of India. Banking Arrangement: SISPL availed working capital limits of Rs.3.48 crore from Axis Bank and Corporation Bank (since merged with Union Bank of India) under multiple banking arrangement. Axis Bank initially sanctioned cash credit limit of Rs.2.00 crore to the company on 19.11.2013. The limit was subsequently enhanced to Rs.3.25 crore in 2016.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Resolution and Recovery : The borrower was classified as NPA by Axis Bank on 08.01.2018. The advances were recalled by Axis Bank in July 2018. Axis Bank has filed suit with DRT Pune against the borrower and guarantors in February 2019. Axis Bank has initiated action under SARFAESI act in July 2018. Physical possession of the collateral property (non-agricultural land) was taken in November 2018. RFA Classification: Axis Bank classified the borrower as Red Flagged Account (RFA) on 27.01.2021, in view of classification of its group company, Sakri IT Solutions Private, as Fraud Forensic Audit: Axis Bank appointed VCAN and Co. (Chartered Accountants) on 08.02.2021 to conduct forensic audit of SISPL with the review period from 19.11.2013 till 31.12.2020. Final forensic audit report was submitted to the Bank on 17.05.2021. Key observations are given below: i) Overstatement of inventory and debtors by Rs.4.64 crore and understatement of creditors by Rs.0.92 crore reported in stock statement as per audited financials of FY16, resulting in excess drawing power. ii) Transfer of trade receivable worth Rs.2.36 crore to parent entity (Sakri IT Solution Private Limited) by passing journal entries. iii) Sales of Rs.0.55 crore reported in FY15 to a party, which had last filed accounts with ROC for FY13 and whose name has since been struck off. iv) Unsecured loan of net Rs.1.00 crore was availed in FY14, for which no corresponding entry was observed in bank statements. Lenders Decision: A lenders' meeting was held to discuss the forensic audit observations. The forensic auditor presented the audit findings to the lenders. The auditor further advised that the findings have been shared with the borrower, seeking their explanation. However, even after various reminders and calls, no proper replies / explanations were received from the borrower for majority of the observations. Axis Bank informed in the meeting that the case will be put up to appropriate authority recommending 'Fraud' classification based on forensic audit findings. Union Bank of India also agreed to put up the audit findings to their internal authorities for final decision in the matter. The Bank sent a mail to the borrower on 07.06.2021 for submitting clarification/responses on the adverse observations of the forensic audit report. A telephonic discussion was held with the borrower on 11.06.2021 to discuss the observations. No satisfactory clarification / response on any of the adverse observations of forensic audit report were provided by the borrower. Conclusion: In view of aforementioned, the borrower was classified as Fraud based on the adverse observations of forensic audit report. Action Taken / Proposed: i) The Bank will continue suitable recovery proceedings. ii) The Bank will be lodging Police complaint against the company and its directors. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) 100% provision has already been made.
136	Case of Cheating and forgery by Madhavrav Manikrav Ugle and 2 Others	41.98	Mr. Madhavrav Manikrav Ugle is holding a savings bank account with Bhandup Branch. The account was KYC compliant at on-boarding stage; however, during fresh field verification the customer was not available at the given address. Mr. Madhavrav Manikrav Ugle is a stock broker and his wife Mrs. Vidya Madhavrav Ugle is a salaried person by a profession. Mr. Madhavrav Manikrav Ugle was having a credit card facility with

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			aggregate credit limit of Rs.2.55 lakhs. The usage of cards was found to be in order till October, 2020. Mrs. Vidya Madhavrav Ugle was also issued two credit cards with a credit limit of Rs0.45 lakh each. On 09.11.2020, Mr. Madhavrao Manikrav Ugle lodged a cheque of Rs.1.50 lakhs in clearing, towards repayment of his credit card dues of Rs.2.55 lakhs (same as the card limit). After lodgment of the cheque, the customer was sent SMS alert, as a service gesture, on his registered mobile number about receipt of payment of Rs.1.50 lakhs in his credit card account and available limit is restored to the extent of Rs.1.50 lakhs, which should not have been available till the clearance of the said cheque. Post receipt of this message, the customer executed transactions on his credit card to the extent of restored limit, even though the cheque was not cleared. The cheque had subsequently returned unpaid on same day and was debited to the card account leading to overdrawing of his credit card limit. The customers realizing this, have taken advantage of availability of card limits during intermittent period (between processing of credit of cheque and debiting post it is returned unpaid during day) for several times. Preliminary Investigation identified vulnerabilities in process relating to repayment of credit card dues through cheques, as the customers, Mr. Madhavrav Manikrav Ugle and Mrs. Vidya Madhavrav Ugle were able to transact beyond approved limits by lodging cheques with higher amounts (over and above credit card dues and sanctioned limit) in their respective card accounts and, as there was a time gap available between posting of credit / debit transactions for cheques deposited and returned unpaid during the day. The customers have also converted their credit card purchase transactions and balances into EMIs' leading to outstanding dues getting reflected in the credit card statement to the extent of billed EMIs only, instead of total outstanding. The transactions through these three credit cards were undertaken with several merchants; but majority transactions were executed through M/s. Badshah Enterprises run by Mr. Khadarbasha Shaikh, which was apparently found to be facilitating routing of transactions. Root Cause: A window was available between posting of credit / debit leg of the returned cheques that led to release of the limit equivalent to the cheque deposited (but not cleared). The limit available during the short duration was misused by the customers. Action taken/being initiated: FIR has been filed at Rabale Police Station, Navi Mumbai on 13.07.21 in the matter. Examination of Staff accountability has been completed. Recovery proceedings have been initiated. The discrepancy in process relating to repayment of credit card dues repayment through cheques has been rectified.
137	Case of Forged / Fabricated Financial Statements by GEI Industrial Systems Limited	402.90	Background GEI Industrial Systems Limited (GISL), set up in 1971, was in the business of manufacturing air cooled heat exchangers (ACHE) and air cooled steam condensers (ACSC). ACHE finds application in oil and gas sector, where ACSC are mainly used in thermal power plants. The company's manufacturing units are located in Bhopal. Banking Arrangement GISL availed working capital facilities of Rs.400 crore from a consortium of 7 banks led by ICICI Bank in 2011. The other member banks are Axis Bank, IDBI Bank, State

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Bank of India, Yes Bank, Kotak Mahindra Bank and Standard Chartered Bank. GISL had also availed unsecured loans from HSBC, Citi Bank and other few financial institutions, outside the consortium arrangement. Total borrowings outside consortium was Rs.68.00 crore. Axis Bank sanctioned working capital limits of Rs.75.00 crore to GISL in 2011. The limits were subsequently reduced to Rs.40.00 crore as per the limit allocation by the Lead Bank. Resolution and Recovery In view of financial stress of the borrower, 4 consortium member banks (ICICI Bank, IDBI Bank, SBI and Axis Bank) permitted restructuring of their limits under bilateral terms in FY 2015. Axis Bank had implemented the restructuring on 20.12.2014, with a cut-off date of 01.04.2014. The company continued to face liquidity issues post restructuring and was classified as NPA by Axis Bank on 29.07.2016. The advances were recalled by Axis Bank vide notice dated 28.12.2016. ICICI Bank has filed a recovery suit against the borrower and guarantors before DRT Jabalpur in May 2017, on behalf of the consortium. The borrower was admitted for insolvency proceedings vide NCLT order dated 20.07.2017. Total claims of Rs.456.09 crore from secured financial creditors have been admitted by NCLT, including Axis Bank's claims of Rs.46.95 crore. The Resolution Professional (RP), Mr. Naveen Kumar Sood, filed a liquidation report with NCLT after expiry of extended CIRP period on 16.04.2019. NCLT, vide its order dated 08.11.2019, directed the COC to re-look the resolution proposal submitted by erstwhile promoter (Mr. C.E. Fernandes), provided it does not hit the provisions of Section 29A and provisions of IBC. The matter was discussed in COC meeting held on 10.02.2020 wherein ineligibility of Resolution Applicant (RA) was discussed and it was decided to refer the matter to NCLT. However, the RA (Mr. C.E. Fernandes) had withdrawn their resolution plan on 12.06.2020. The withdrawal of resolution plan by the RA was discussed in COC meeting held on 16.06.2020 wherein the COC requested RP to submit a report with NCLT requesting expeditious disposal of the case since a considerable time had already been lost post completion of CIRP period. The NCLT vide its order dated 20.08.2020 directed the RA to approach RP and COC with their resolution plan. However, the RA (Mr. C.E. Fernandes) filed an appeal before NCLAT challenging NCLT order dated 20.08.2020. The outcome of appeal filed, under NCLAT, by the RA is awaited. RFA Classification Axis Bank classified the borrower as Red-Flagged Account (RFA) on 15.06.2021 on the basis of adverse observations in the forensic audit report. Group Exposure Axis Bank do not have any exposure in group companies of GISL. Forensic Audit IDBI Bank appointed P V R and Associates on 23.09.2018 to conduct forensic audit of the borrower, covering review period from 01.10.2013 to 19.07.2017. A draft forensic audit report was submitted on 30.12.2020. A lenders' meeting was held on 16.03.2021 to discuss the report, wherein the forensic auditor was advised to send a letter to the company/ promoters, detailing findings of forensic audit and requesting them to submit clarification within 15 days. Accordingly, the forensic auditor sent mail dated 17.03.2021 to the borrower, seeking clarification. After several reminders,

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						response was received from the promoters on 29.05.2021. In lenders meeting held on 02.06.2021, forensic auditors advised that the response given by promoters did not address the forensic audit findings. The final forensic audit report, incorporating the management responses, was received by the Bank on 16.06.2021. Key findings of the forensic audit are as under: i) Amount of work in progress inventory was inflated by Rs.102.80 crore in the balance sheet, which was written off in FY 2018. ii) Inter-party adjustment entries of Rs.46.33 crore were passed to nullify balances of various parties without any supporting documents. iii) Expired work orders of Rs.112.26 crore were shown in stock statements as work in progress. iv) While the borrower claimed that a fire occurred in its IT server room shortly after the appointment of forensic auditor, supporting documents like surveyor report, insurance document, FIR and police inquiry status were not submitted. Lenders Decision The final forensic audit findings were discussed in joint lenders meeting held on 09.06.2021. i) The forensic audit report points towards misrepresentation of Financial Statement/ Stock Statement with excess credit facilities being availed based on fictitious work-in-progress, etc. and concludes that the company had committed fraud with bankers as per RBI guidelines. ii) Lenders also took cognizance of additional clarifications provided by Mr. Fernandes, Director, vide email dated 07.06.2021. iii) Lenders were of the view that the account is fit to be declared as Fraud. iv) As the date of occurrence of fraud had not been specifically mentioned in the forensic audit report, lenders decided to consider 01.04.2013 as the date of occurrence. Conclusion Axis Bank classified the borrower as 'Fraud', based on adverse observations in the forensic audit report and consensus decision by lenders to classify the borrower as 'Fraud'. Action Taken / Proposed i) The Bank will continue suitable course of recovery. ii) The Bank informed lenders about classification of fraud by our Bank vide mail dated 14.07.2021 and also requested IDBI Bank to lodge a complaint with CBI. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) The exposure has been prudentially written-off.	
138		Case of Forged / Fabricated Financial Statements by Shree Vigneshkumar Jewellers		247.30		Background Shree Vigneshkumar Jewellers (SVJ) is a partnership firm set up by Mr. NS Chengalvarayan and his wife Mrs. Nagalakshmi in Chennai in 1998. The firm is engaged in manufacturing and trading of gold, silver and diamond jewelry. The firm has one showroom in NSC Bose Road, Chennai. Banking Arrangement Axis Bank is the sole lender to SVJ. Axis Bank sanctioned cash credit facility of Rs.25 crore to the firm in 2012, by way of takeover of limits from Indian Overseas Bank. Resolution and Recovery i) The borrower was classified as NPA by Axis Bank on 29.05.2020. ii) Axis Bank issued notice under section 13(2) of SARFAESI Act on 17.12.2020 iii) Mr. NS Chengalvarayan, the managing partner of SVJ, passed away in December 2020. Legal Heirship Certificate was received on 21.07.2021. Symbolic possession of the properties charged to the Bank is being planned. iv) Original Application (OA) has been filed with Debts Recovery Tribunal (DRT) - 2 at Chennai on 15.07.2021. RFA Classification Axis Bank classified the borrower as Red-Flagged Account	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			(RFA) on 02.03.2021 based on non-availability of stock in the showroom. Group Exposure Axis Bank do not have any exposure in group companies of SVJ. Forensic Audit Axis Bank appointed M/s. Sagar and Associates, Chartered Accountants on 19.03.2021, for conducting forensic audit of the company, with review period from 01.06.2015 to 30.06.2020 The final forensic audit report was submitted to Axis Bank on 09.07.2021. Key findings of the forensic audit are as under: i) Entire jewelry stock was removed from the borrower's showroom in Chennai without proper records ii) No supporting documents were available for verification for payments of Rs.132.99 crore made purportedly for 'purchase of old jewelry' during FY 2017 to FY 2019 iii) Receivables of Rs.8.21 crore from 6 parties, due for over 1 year, were included in stock statements in violation of sanction terms iv) Major part of book debts in stock statements for November 2019 (Rs.8.07 crore out of Rs.18.86 crore) and September 2020 (Rs.22.36 crore out of Rs.33.96 crore) consisted of dues from sister / associate concerns, which were not disclosed as related party dues. The Bank sent a mail to the borrower on 14.06.2021 for submitting clarification/responses on the adverse observations of the forensic audit report. No response was received from the borrower. Conclusion Axis Bank classified the borrower as 'Fraud', on the basis of adverse observations in the forensic audit report. Action Taken / Proposed i) The Bank will continue suitable course of recovery. ii) Police complaint filed with City Crime branch Vepery Chennai on 04-10-2021. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) 100% provision has been done in the account. v) An amount of Rs.2.76 crore received through release of property.
139	Case of Fabricated / Inflated Stock / Book Debt Statements by IMECO Limited	354.80	Background: IMECO Limited (IL) was engaged in manufacturing of pollution control equipment and medium/heavy fabrication products like electrostatic precipitators, industrial fans, industrial heat exchangers, cold formed products, compressor and pneumatic, locomotive spares, etc. Banking Arrangement: IL availed credit facilities aggregating Rs.80.93 crore from a consortium of 2 lenders - Axis Bank (lead bank) and State Bank of India (SBI). The company originally availed working capital limits from SBI for its Engineering Division. Axis Bank sanctioned working capital limits of Rs.25 crore in November 2007 for operations of the newly formed Railway Division. Resolution and Recovery: Credit facilities sanctioned by Axis Bank were restructured in April 2012 based on bilateral terms. As part of the restructuring scheme: i) Outstanding under CC/invoked BG/devolved LC aggregating Rs.23.83 crore was converted into WCTL. ii) FITL limit of Rs.7.24 crore was sanctioned for funding interest for the period from April 2012 to June 2014. iii) Fresh CC limit of Rs.5.10 crore was sanctioned and existing LC/BG limit was continued at reduced level of Rs.0.73 crore. SBI also approved restructuring of its limits in October 2012. However, the scheme was implemented only in March 2013. The borrower continued to face liquidity constraint post restructuring, due to low capacity utilization and non-recovery of dues from Bharat Earth Movers Limited (BEML) for it Railways Division. Axis Bank classified the borrower as

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						NPA in Q4 of FY 2016 w.e.f. 26.04.2012. The advances were recalled by Axis Bank vide notice dated 25.04.2016. Notice u/s. 13(2) of the SARFAESI Act, 2002 dated 10.05.2016 was sent to the borrower, its directors and owners of collateral. A suit was filed against the borrower in DRT, Kolkata on 04.07.2016. The borrower was admitted for insolvency process vide NCLT order dated 29.08.2019. Total claims of Rs.80.93 crore from financial creditors, including Rs.63.80 crore from Axis Bank, have been admitted under CIRP. RFA Classification: Axis Bank classified the borrower as Red-Flagged Account (RFA) on 28.01.2021 on the basis of discrepancies regarding ownership of a property exclusively charged to the Bank. Group Exposure: Axis Bank do not have any exposure in group companies of IL. Forensic Audit: Post RFA classification, Axis Bank regularly followed up with SBI for holding a meeting to discuss appointment of a forensic auditor. However, SBI decided not to participate in forensic audit. Subsequently, Axis Bank appointed Kansal Singla and Associates on 31.03.2021 to conduct forensic audit of the borrower with review period from 01.04.2007 to 31.03.2020. The borrower did not cooperate in the forensic audit and there was substantial delay in sharing of information with the auditor. The forensic auditor shared a draft report in June 2021, which was inconclusive. The Bank shared the observations of the draft forensic audit report with the borrower and Resolution Professional and sought clarifications / responses on the same on 09.06.2021. The borrower has provided certain clarifications on 08.07.2021 and 09.07.2021. The final forensic audit report, incorporating the responses from the borrower, was received on 14.07.2021. Key findings were as below: i) Inclusion of non-moving / slow-moving inventory of Rs.14.37 crore and non-disclosure of trade payables of Rs.15.10 crore in the stock statement for March 2016, resulting in excess drawing power availed from the Bank. ii) Over valuation of inventory as on 31.03.2019 (Fair market value and liquidation value was estimated at Rs.0.84 crore and Rs.0.21 crore, respectively, as against value of Rs.6.77 crore disclosed in audited financials of FY 2019). iii) Borrower maintained current accounts with non-lending banks, through which receivables of Rs.7.35 crore were routed during the period from FY 2015 to FY 2020. Conclusion: Axis Bank classified the borrower as 'Fraud', based on the adverse observations in the forensic audit report regarding inflated stock statements. Action Taken / Proposed: i) Legal recourse for recovery has been initiated by the Bank. ii) Police complaint filed with Joint Commissioner Police Kolkata police headquarters on 02-09-2021. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) The exposure has been prudentially written-off.	
140		Case of Diversion of Funds by Ramsarup Industries Limited		1428.60		Background: Ramsarup Industries Limited (RSIL), incorporated on 09.07.1979, was engaged in manufacturing of iron and steel, steel wires and thermo-mechanical treatment (TMT) bars, power generation, laying of power transmission lines and other turnkey projects. RSIL had six operating units - Ramsarup Industrial Corporation (Unit I), Ramsarup Utpadak (Unit II), Ramsarup Vidyut (Unit III), Ramsarup	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Infrastructure (Unit IV), Ramsarup Nirman Wires (Unit V) and Ramsarup Lohh Udyog (Unit IV). Banking Arrangement: Each of the company's 6 operating units had independent lending arrangements. As per claims admitted from financial creditors under CIRP as at 08.03.2019, RSIL availed credit facilities of Rs.5853.09 crore from 28 lenders under multiple banking arrangement as on 08.03.2019. As per claims admitted under CIRP, Asset Reconstruction Company India Limited (ARCIL) was the largest lender to the company. ARCIL sold its exposure to CFM Asset Reconstruction Company Private Limited on 23.04.2021. Axis Bank initially sanctioned working capital limits of Rs.20 crore to the company in 2007. Subsequently in 2008, working capital limits were enhanced to Rs.50 crore and fresh project finding limits of Rs.95 crore (RTL and Capex LC/LOU/Line of Credit) were sanctioned for part funding of plating line, chain link and welded mesh and steel fibre facilities at Unit-V of RSIL. Subsequently in 2009, WC limits of Rs.50 crore were converted into a Short Term Loan (STL) and a Funded Interest Term Loan (FITL) of Rs.4.70 crore was sanctioned for funding interest of the STL from April 2009 to December 2009. The STL and FITL were repaid and closed in June 2010. In August 2010, Axis Bank sanctioned a STL of Rs.55 crore for a period of three months for meeting temporary cash flow mismatches. NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 24.11.2010. Notice under section 13(2) of SARFAESI Act was issued by Axis Bank on 17.07.2015. The borrower was admitted for insolvency proceedings vide NCLT order dated 08.01.2018. A resolution plan submitted by a consortium of two resolution applicants (namely, S.S. Natural Resources Limited and Shyam SEL and Power Limited) was approved by NCLT vide order dated 04.09.2019. The resolution applicants challenged the said order in National Company Law Appellate Tribunal (NCLAT). NCLAT issued an order in February 2021 directing implementation of the resolution plan. Subsequently, the resolution applicants appealed against the said order before Supreme Court, who dismissed the petition on 04.05.2021. Group Exposure: Axis Bank does not have exposure in group entities of RSIL. RFA Classification: The borrower was classified as RFA by Axis Bank on 28.01.2021, based on the following EWS alert: Fraud classification by United Bank of India and Bank of India. Status with other lenders: As per CRILC data, the borrower was reported as 'Fraud' by United Bank of India (UBI, subsequently merged with PNB) on 02.05.2014 (which was reported in CRILC only on 13.02.2020). Axis Bank followed up with UBI to ascertain reasons for the same. However, no details were shared by UBI. As per submission of UBI to Centralized Fraud Registry (CFR) and its FIR filed with CBI, the following key findings were noted: i. Diversion of funds amounting to Rs.130.95 crore to a related party concern, RAV Dravya Private Limited from United Bank of India As per submissions to CFR by ICICI Bank, it is understood that a stay order on the CBI proceedings was granted by Calcutta High Court in July 2018 and the order is still in force. As for CFR submissions, the borrower has been classified as 'Fraud' by Bank of India (BOI) and ICICI Bank on the basis of 'Fraud'

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						classification by UBI and its subsequent FIR with CBI. Forensic Audit: Subsequent to RFA classification, Axis Bank informed other lenders about RFA classification vide email dated 29.01.2021. Lenders' meetings called in February and March 2021 to discuss appointment of forensic auditor were adjourned due to absence of majority of lenders. In the lenders' meeting convened by Axis Bank on 27.05.2021, appointment of forensic auditor was agreed upon by majority of the participating lenders (CFM Asset Reconstruction Ltd., the largest lender, conveyed that it will not participate in the forensic audit). Axis Bank appointed A Choudhary and Co. as forensic auditor on 12.06.2021 (with a review period from 01.04.2007 to 31.03.2021), on behalf of the participating lenders. The forensic audit is in progress. Conclusion: The borrower was classified as fraud by Axis Bank, based on a) classification of the borrower as 'Fraud' by United Bank of India, Bank of India, ICICI Bank, and b) filing of FIR with Central Bureau of Investigation (CBI) by United Bank of India. Action Taken / Proposed i. The Bank will continue suitable course of recovery. ii. The Bank will be lodging Police complaint against the company and its directors. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv. The exposure has been prudentially written off by the Bank. An amount of Rs.4.70 crore recovered from borrower.	
141		Case of Misappropriation and criminal breach of trust by Subham Das		11.02		Khanapara Branch, Guwahati received complaint from multiple customers alleging non-deposit of cash in their accounts and fraudulent debits in their account. Mr. Subham Das, was working as sales manager at our Khanapara branch. It transpired that, Mr. Subham Das, over the period of 14 months, had collected an aggregate amount of Rs.102.62 lakhs from the customers; however, did not deposit the cash in customers' account on the same day and misappropriated the same. He later on deposited the amount in the customers' account with substantial delay. Further, Mr. Subham Das also carried out fraudulent debits, aggregating to Rs.3.78 lakhs in the customers' account towards investment in insurance products without knowledge/consent of customers, by forging their signatures to achieve his business targets. It was also noted that, Mr. Subham Das, had fraudulently opened a Current Account in the name of one of the customer by using the KYC documents of customer's existing Savings Bank account, by forging customer's signatures. Mr. Subham Das, was able to link the fraudulently opened current account with all the existing accounts of the customer. Mr. Subham Das, then availed overdraft facility through online mode by pledging the customer's existing term deposits and transferred the amount in fraudulent current account. He had also transferred the amount online from customer's existing saving bank account to fraudulent current account and thereafter, both the transferred amounts, aggregating to Rs.3.30 lakhs, were withdrawn in cash through cheque by forging customer's signature. Additionally, he had also duped another customer by gaining access to customers debit card details and changing mobile number in the account and effected fraudulent transactions aggregating to Rs.0.49 lakh in customer's account. Mr. Subham Das, had also issued fabricated statement of accounts to customers to mislead them about the existing balances in the account. Mr. Subham	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Das has confessed of his misdeeds. Further, an amount of Rs.98.39 lakhs has been recovered from Mr. Subham Das and restored to the customers' accounts. The cancellation of the insurance policies and refund of pending premium amount of Rs.3.36 lakhs, has been initiated with the respective insurance companies. Further, Rs.8.44 lakhs was still pending to be recovered from staff concerned. Lapses were observed on the part of various officials. Basis the above findings the case has been classified as "Fraud" Action Taken/being taken i. Staff, Mr. Subham Das has been dismissed from the services of the Bank ii. Police complaint filed with Dispur Police Station on 27-08-2021. iii. Bank is in process of restoring the mis-appropriated amount in the customer's account. Staff Accountability: Suitable action has been taken against the errant staffs.	
142		Case of Fake Title Deeds by Ashwani Kumar Sharma & Shweta Sharma		27.32		Borrowers, Mr. Ashwani Kumar Sharma and Ms. Shweta Sharma were sanctioned and disbursed two home loans aggregating to Rs.273.19 lakhs during October 2017 and November 2019. In respect of home loan disbursed during October 2017 for purchase of a plot located at Dwarka, New Delhi and construction thereupon, Bank had received a legal notice from Ms. Poonam Batra and Mr. Rakesh Batra stating that the land property belongs to them as the original documents related to the property were in their possession and they were not aware of borrowers, Mr. Ashwani Kumar Sharma and Ms. Shweta Sharma. As per the documents held with Bank, the property was sold by one Mr. Pawan Kumar Garg to Mr. Ashwani Kumar Sharma during October 2017. Mr. Pawan Kumar Garg (seller) was owner of the property as per the conveyance deed executed during May 2005 by Delhi Development Authority (DDA). The complainant Mr. Rakesh Batra claimed that he had acquired the mentioned property in November 2005 from Mr. Pawan Kumar Garg. During March 2006, he sold the property to Mr. Harjit Singh who had finally sold it to Ms. Poonam Batra (wife of Rakesh Batra) in September 2019. The details provided by the complainant were matching with the Government records. This fact was not verified by the Bank's legal firm, while providing the title certificate during sanction of loan to the borrowers. The photograph and signature of seller Mr. Pawan Kumar Garg on the conveyance deed executed during May 2005 and as per sale deed executed with borrower, Mr. Ashwani Kumar Sharma during October 2017 were not matching. The seller was not available at the address as per records with Bank. Hence, it is suspected that the sale deed executed with borrower was by a person with fake identity. The documents related to other another housing loan disbursed to the borrowers, Mr. Ashwani Kumar Sharma and Ms. Shweta Sharma, for purchase of property located at Rohini, New Delhi from Mr. Sanjeev Kansal and Ms. Micky Rani during November 2019 were also scrutinized. The unregistered agreement for sale executed during October 2019 between Mr. Sanjay Bansal and Ms. Micky Rani (sellers) and borrowers, Mr. Ashwani Kumar Sharma and Ms. Shweta Sharma (purchasers) and conveyance deed executed in favour of Mr. Sanjeev Bansal and Ms. Micky Rani during December 2012 by Delhi Development Authority (DDA) were held on record. As per the Government records the property was transferred to Mr. Ravinder	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Singh Sejwal, Smt. Krishna Devi and Smt. Anita Devi during March 2013 by Mr. Sanjeev Bansal and Ms. Micky Rani, which was not verified by the Bank's legal firm while providing the title certificate during sanction of loan to borrowers. Further scrutiny of the documents revealed that signatures of sellers, Mr. Sanjeev Kansal and Ms. Micky Rani as per conveyance deed executed during December 2012 and as per agreement to sale executed with the borrowers during October 2019 were not matching. The photographs of sellers could not be verified as the copy of final sale deed and KYC of the sellers were not available. During field verification at the seller's address, the house was found to be locked and the neighbors did not confirm about identity of the sellers, Mr. Sanjeev Kansal and Ms. Micky Rani. Hence, it is noted that an unknown persons have impersonated themselves as sellers and have sold the properties to the borrower/s. The title clearance report provided by the Bank's empanelled legal firm at the time of sanction of loan was thus defective. Basis the findings, the case has been classified as Fraud. Action Taken: (i) Police complaint filed with Barakhamba Police Station on 24-09-2021 filed in the matter. (ii) Suitable action is being initiated against the legal advisors who had provided defective title clearance report. (iii) 100% provision has been made in the account.	
143		Case of Diversion of Funds by Arcadia Share and Stock Brokers Private Limited		77.60		Background Arcadia Share and Stock Brokers Private Limited (ASSBPL), incorporated in 1995, is a SEBI registered stock broker. The company is promoted by Mr. Anthony Sequeria and Mr. Nitin Bhrambhatt. The company was a member registered with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) in Capital Market, Future and Option (F and O) segments. The company is also a Depository Participant (DP) of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Banking arrangement The borrower availed limits under multiple banking arrangement with Axis Bank, Kotak Mahindra Bank, Union Bank of India and State Bank of Mauritius. The total limits availed under Multiple Banking Arrangement was Rs.276 crore. The borrower availed various credit facilities from Axis Bank, commencing from 2010. It has also availed PCM (Professional Clearing Member) services in NSE (F and O) and BSE (F and O) from Axis Bank. NPA and Recovery NSE withdrew trading rights of the company across all segments for failing to adhere to regulatory provisions related to client collateral segregation, vide its order dated 07.02.2021. Consequent to withdrawal of trading rights, the company was restricted from creating any new positions, which resulted into a square-off of its open positions between 08.02.2021 and 11.02.2021. The company had pay-in obligation of Rs.12.20 crore post squaring-off its open positions, which was fulfilled by Axis Bank, since the compoany's bank accounts were under freeze. The above dues have been partially recovered by the Bank by liquidating collateral security. The borrower did not clear the balance dues despite regular follow-up from the Bank. Axis Bank classified the borrower as NPA on 10.07.2021. Axis Bank has filed Original Application (OA) in DRT - 1, Mumbai on 27.05.2021. RFA Classification Axis Bank classified the borrower as RFA on 03.03.2021 based on its inability to meet pay-in obligations Forensic Audit Kotak Mahindra	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Bank, on behalf of the lenders, appointed T R Chadha and Co LLP on 20.04.2021 to conduct forensic audit of ASSBPL, with review period from 01.04.2018 to 31.03.2021. However, the borrower has not shared any data with the forensic auditor, in spite of multiple reminders from Kotak Mahindra Bank. Investigation by NSE and Declaration as Defaulter As per media reports, NSE received alert about an off-market transfer of securities by Arcadia during September- October 2020. In its offsite supervision, NSE found off-market transfer of securities worth Rs5.51 crore to clients' demat accounts without sufficient quantity of securities available in the client collateral account maintained by Arcadia on behalf of the clients. NSE asked Arcadia for clarification through 16 emails sent between September 2020 and December 2020. However, the company did not submit satisfactory response (on the grounds of COVID-19 pandemic and personal and family problems), despite several follow-ups by NSE. In the meantime, NSE received alert from depositories regarding invocation of pledged securities by banks from proprietary demat accounts of the company between October 2020 and December 2020 worth Rs20 crore. Officials of NSE visited the company's office three times in December 2020 and obtained relevant supporting documents. On review of said documents, NSE observed certain mismatches in the clients' fund balances between trial and client ledger balances. In view of aforementioned, NSE appointed KPMG for conducting forensic audit of the company, with a review period from 01.04.2018 to 08.02.2021. A preliminary analysis of the data submitted by KPMG revealed that there was a shortfall of clients' funds against non-related client payables for around 10,000 clients, as on 31.03.2020. NSE called Mr. Antony Sequeira, founder-promoter of ASSBPL, who promised to share the required information by 19.01.2021. In its email dated 20.01.2021, ASSBPL acknowledged shortfall of clients' funds of Rs. 37.92 crore as on 31.12.2020. Mr. Sequeira subsequently assured the NSE that the company would sell off their proprietary shares, currently pledged with banks, and utilise the proceeds to settle the client payables within 15 days' time. However, the same was not done. The company claimed to have paid Rs10.20 crore to about 360 creditors between 27.01.2021 and 02.02.2021, as against the client payable of Rs47.51 crore as of 31.12.2020. However, no documentary evidence for the payment was shared with NSE. NSE subsequently ordered to disable trading terminals of ASSBPL on 07.02.2021 and instructed the lenders to put a freeze on all bank accounts of the company. BSE issued similar order on 08.02.2021. A preliminary forensic audit report from KPMG, dated 12.04.2021, was shared with the lenders by NSE in May 2021. The key findings of the report dated 12.04.2021 are given below: i) The borrower had under-reported its clients' securities payable obligations to NSE by Rs.306.64 crore ii) The borrower underreported trade payables for potential connected parties by Rs.374.62 crore and non-related parties by Rs.149.78 crore. The borrower over-reported trade payables to related parties by Rs.7.71 crore iii) Funds available with the borrower, exchanges and clearing member was not sufficient to meet its payable obligation to clients iv) Related parties

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						exchange trade obligation of Rs.265.45 crore was potentially funded by misappropriated funds and securities of non-related and potentially connected parties v) Analysis of assets and liabilities indicated doubtful assets of Rs.868.63 crore and unrecognised liability of Rs.207.46 crore, i.e. a negative net asset (i.e.net liability) of Rs.507.38 crore Axis Bank has been following up with NSE for sharing the final forensic audit report by KPMG. However, the final report has not been received till date. The borrower has been expelled from membership and declared as a defaulter by the NSE vide notification dated 05.07.2021. Further details in the matter are awaited. Conclusion In view of regulatory violations and punitive action against the company by NSE , account was classified as Fraud by Axis Bank on 30.08.2021 Action Taken / Proposed i) Legal recourse for recovery has been initiated by the Bank. ii) The Bank will be lodging police complaint/ against the company and its directors iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) 100% provision has been in the account. An amount of Rs.0.55 crore received from borrower as part recovery.	
144		Case of Forged / Fabricated Financial Statements by Penta Gold Limited		214.30		Penta Gold Limited (PGL), incorporated in 2012, is engaged in trading, e-commerce and retail of gold jewellery and bullion trading. The company purchases gold bars and converts them into jewellery, gold coins, etc. by outsourcing to third parties. The company operates two jewellery showrooms located in Mumbai (Zaveri Bazar) and Ahmedabad. Banking Arrangement PGL availed working capital facilities of Rs.38.69 crore, under multiple banking arrangement, from Axis Bank, State Bank of India and Karur Vyasa Bank. Axis Bank sanctioned working capital limits of Rs.15 crore to PGL in November 2013. The limits were enhanced to Rs.20 crore in October 2015. NPA and Recovery Action The borrower was classified as NPA by Axis Bank on 01.12.2020. Axis Bank issued a recall notice on 30.08.2021. Further, legal action for recovery of the Bank's dues is being initiated. RFA Classification Axis Bank classified the borrower as Red-Flagged Account (RFA) on 10.03.2021, based on a) significant increase in inventory as a percentage of turnover and b) delay in submission of stock statement. Group Exposures Axis Bank do not have any exposure in group companies of PGL. Forensic Audit Observations Axis Bank appointed J C Kabra and Associates on 05.04.2021 to conduct forensic audit of the borrower, covering review period from 01.01.2013 till 31.03.2021. The findings of the forensic audit were shared with the company, seeking clarification from its management. The final forensic audit report, incorporating the management responses, was received by the Bank on 20.08.2021. Key findings of the forensic audit are as under: i) Purchase (Rs.43.08 crore) and sale (Rs.41.58 crore) transactions were observed with 3 inter-linked parties, resulting in losses of Rs.1.49 crore. These purchase and sales were done on same days, which indicates rotation of bills ii) Purchase (Rs.38.52 crore) and sale (Rs.38.42) transactions, incurring loss, were observed with inter-connected parties and entities in unrelated line of business. These purchase and sales were done on same days, which indicates circular trading iii) Duty-free import of 1450 kg of gold under Advances Authorization Scheme by	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						PGL was observed. As per Directorate of Revenue Intelligence (DRI) report, the imported gold was sold in the local market in violation to customs law. Lenders' Decision The final forensic audit findings were discussed in joint lenders meeting held on 24.08.2021: i) Certain concerns were raised by the lenders with respect to non-inclusion of SBI's limits in the forensic audit report, quantification of amount involved in the conclusion section of report, etc. ii) Forensic auditor informed that SBI's limits were not captured in the report since documents were not provided by SBI. Forensic auditor was instructed to capture exposure details of SBI in the report and quantify amount involved with respect to fraudulent observations in the report. iii) Axis Bank informed other lenders that they have recommended 'Fraud' classification in the account to the competent authority, based on adverse observations of forensic audit report. All lenders took cognizance of the same. Conclusion Axis Bank classified the borrower as 'Fraud', based on adverse observations related to circular and suspicious transactions in the forensic audit report. Action Taken / Proposed i) The Bank will continue suitable course of recovery. ii) The Bank will be lodging Police complaint against the company and its directors. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) 100% provision has been made in the account.	
145		Case of Forged / Fabricated Financial Statements by ATCIndia Agro Private Limited		45.00		ATCIndia Agro Private Limited (AAPL), incorporated in 2016, was engaged in trading of different varieties of rice like IR-36, Basmati, Minikit, Gobindabog etc. Banking Arrangement Axis Bank is the sole lender to the company. Axis Bank sanctioned cash credit facility of Rs.5 crore to AAPL in 2016. Resolution and Recovery The borrower was classified as NPA by Axis Bank on 05.03.2021. Legal action for recovery of dues is being initiated. RFA Classification Axis Bank classified the borrower as Red-Flagged Account (RFA) on 12.03.2021, based on the following EWS alerts: a) non-coperation from the borrower and guarantor, b) irregularity in the account, and c) non-functional unit of borrower. Group Exposure Axis Bank has exposure in the following group entities of the borrower: ATC India Electronics Pvt Ltd (Rs.4.97 crore) and Tanushka Auto (Rs.1.75 crore). Investigation Findings i)On comparison of audited financial statements filed with Registrar of Companies (ROC) with audited financial statements submitted to the Bank for FY2017, discrepancies were observed. ii) Value of inventory and trade receivables were overstated and trade payables understated in the audited financials submitted to the Bank. iii) Drawing Power (DP) calculated based on the financials filed with ROC works out to Rs.2.64 crore, compared to DP of Rs.5 crore availed by the company for March 2017. Further, the DP of Rs.2.64 crore was not adequate to cover the outstanding in CC account as at 31.03.2017. iv) From the aforementioned, it is evident that the borrower had misrepresented in audited financials for FY2017 submitted to the Bank for availing higher DP. The Bank sent a mail to the borrower on 10.08.2021 for submitting clarification/responses on the adverse observations of internal investigation. No response was received from the borrower. Conclusion Axis Bank classified the borrower as 'Fraud', based on misrepresentation in financial statement for FY 2017	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						submitted to the Bank. Action Taken / Proposed i) Legal recourse for recovery will be initiated by the Bank. ii) Police complaint filed with Joint Commissioner Police crime Kolkata on 07-10-2021 against the company and its directors. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) Full provision will be created as per guidelines. An amount of Rs.0.20 crore recovered from Guarantor.	
146		Case of Fabricated / Inflated Stock / Book Debt Statements by Arihant Retail Private Limited		117.90		Background: Arihant Retail Private Limited (ARPL), inc orporated on 21.05.1996, is engaged in wholesale and retail trading of textiles and clothing. ARPL was operating through a total of 9 showrooms located in Chennai. Presently, all the premises are non-functional. Banking Arrangement: ARPL availed credit facilities of Rs.94.19 crore from 5 lenders, under Multiple Banking Arrangement, as on 14.05.2020. Axis Bank sanctioned an overdraft limit of Rs.4.50 crore on 29.06.2017 and a cash credit limit of Rs.8.75 crore to ARPL on 18.09.2017 by way of takeover of limits from IndusInd Bank and Standard Chartered Bank respectively. NPA and Recovery Action: The cash flows of ARPL were impacted due to covid-19 pandemic as its shops and showrooms remained closed during lockdown. The borrower was classified as NPA by Axis Bank on 29.12.2020. Axis Bank issued a recall notice on 03.09.2021. Group Exposure: Axis Bank has no exposure in group entities of ARPL. RFA Classification: Axis Bank classified the borrower as RFA on 12.03.2021, based on the following EWS alerts: i. Non-payment of statutory dues, i.e. GST. ii. Transactions in accounts other than working capital accounts. iii. Non submission of stock statements and FFRs. Forensic Audit: Subsequent to RFA classification, Axis Bank informed other lenders about RFA classification vide email dated 25.03.2021. A lenders' meeting was convened by Axis Bank on 17.04.2021 for discussion on appointment of forensic auditor. However, there was no consent from the others lenders regarding the matter. Axis Bank appointed Sagar and Associates on 26.04.2021 for conducting forensic audit of the borrower, with review period from 01.10.2017 to 31.03.2021. The other lenders did not participate in the forensic audit. The final forensic audit report, incorporating the borrower's responses, was received by the Bank on 03.09.2021. The key findings of forensic audit report are as under: i. As per the stock statement for the month of March 2020, sundry creditors were reported as Rs.0.43 crore. However, sundry creditors as per audited financial statements of FY2020 were Rs.21.30 crore. This resulted in an excess drawing power of Rs.15.01 crore (Axis Bank share was 48% - Rs.7.20 crore). ii. The borrower did not cooperate in physical inspection of stock by the auditors. During inspection of one of the showrooms, it was found to be closed. Conclusion: The borrower was classified as fraud by Axis Bank, based on the following: i. Adverse observations in the forensic audit report regarding under-reporting of creditors in stock statement for claiming higher drawing power. Action Taken / Proposed: i. The Bank will initiate suitable course of recovery. ii. Police complaint has been lodged in the account on 26-11-2021. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Frauds. iv.100% provisioning has been made in the account.	
147		Case of Staff - Embezzlement of Cash by 1. Ms. Pantula Rama Lavanya 2. Mr. M. Venkatakiran 3. Mr. Mellaki Pushparaju (Suspected)		11.84		A cash shortage of Rs.118.37 lacs was reported by the Branch Head, Chodavaram Branch, Andhra Pradesh Circle. The Circle Head, Chennai Circle, was informed by a relative of the Branch Operations Head that there was a major cash shortage at the Branch. The Branch Bank Operations team, Andhra Circle verified the physical vault cash of the Branch and post verification of the Branch vault cash, a physical cash shortage of Rs. 118.37 lacs was identified. Investigations revealed that vault cash was mis-utilised by Mellaki Pushpa Raju, the Branch Head, in connivance with P. Rama Lavanya, the Operations Head and M. Venkata Kiran, the Teller. During investigation, the Branch Operations Head admitted that the vault cash was used by her for personal purposes to the extent of Rs.30 lacs. She accused the Branch Head of misappropriating the remaining cash, which the Branch Head denied. The Teller informed that the cash shortage issue was prevalent since June, 2020 as he had handed over cash from Teller Counter/ Vault to the Branch Operations Head at the verbal instructions of the Branch Head, from time to time. The Branch Operations Head indicated that the Branch Head started it in order to scale up the CASA deposits where cash from the vault was used to fund few Savings Bank accounts. The cash withdrawn from the vault was routed through certain accounts with the Branch initially to artificially inflate the branch CASA balances to project higher business performance but was misused subsequently. Funds were also found to be routed through accounts of the wife of the Branch Head and mother of the Operations Head. The Operations Head was also found involved in theft of cash as revealed during investigation on 2 occasions in the month of June 2021. Staff accountability has been identified against the Branch Head, Branch Operations Head and Teller who are already placed under suspension. Lapses have also been attributed to 2 more staff in addition the Cluster Head and Cluster Operations head for supervisory failure. An amount of Rs.15 has been kept under lien in the savings bank account of the Branch Operations Head. An FIR has been filed with the Chodavaram, Vishakhapatnam Rural, Police Station. Recovery efforts are underway.	
148		Case of Staff - Embezzlement of Cash by Ms. Darshelshang Saka and 2 Others		41.22		The Cluster Head, during his visit to the Branch, carried out surprise cash verification of the Branch vault cash and detected physical cash shortage of Rs.412.23 lacs. A practice was prevalent in the branch to pay cash to a few customers without debiting / recording entries in their respective accounts maintained with the Branch. The Cluster Head, during his visit to the Branch carried out surprise cash verification of the Branch vault cash and detected a physical cash shortage of Rs.412.23 lacs. M/s AL Enterprise and M/s Huthukali T Chopthi were maintaining Current accounts with the branch since 09.05.2019 and 21.08.2020 respectively. A practice was prevalent in the branch to pay cash to a few customers without debiting / recording entries in their respective accounts. The Branch Head, permitted cash payments aggregating to Rs.412.23 lacs to two customers to meet their urgent need of funds, without receiving any valid mandate to debit their respective current accounts. The	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Teller, joint cash custodian did not raise any red-flags and acted in connivance with the Branch Head. The Branch was not identified for Risk Based Visit (RBV) / System & Process (S&P) visit and hence no visit was made to the branch by the Cluster since 01.03.2020. Last two Local Oversight by Cluster Head (LOC) visits were conducted by the Cluster Head on 09.03.2021 and 05.07.2021. Out of the latest 10 fortnightly cash verifications done in the branch since 01.04.2021, on 9 occasions the verification was done by the Branch Head who was not a joint custodian of cash. In the remaining one instance, the fortnightly cash verification was done by another staff, who was also not a joint custodian of cash. The Branch has cash retention limit of Rs. 8.50 crores. 127 instances of cash retention limit breach was observed from 01.04.21 till 14.09.21. Branch faced severe constraint in remitting cash locally. There is no CIT arrangement for Nagaland branches and Guwahati Currency Chest which is 280 km away is unable to support adequately. From 01.04.2021 to 14.09.2021 only 3 remittances were made locally aggregating Rs.6 crores. The Branch Head, Branch Operations Head and Teller have been placed under suspension Supervisory failure has been identified in respect of 2 staff from the Circle Office. The entire amount of cash shortage of Rs.412.23 lacs has since been recovered. Police complaint has been filed with Sub Urban Police Station, Dimapur.	
149		Case of Staff - Embezzlement of Cash by Suman Tarafder		13.88		Kalyani Branch, had received 42 complaints from 35 customers against Mr. Suman Tarafder, Branch Sales Officer, alleging misappropriation of cash, misuse of credit cards / loans and transfer of funds under the pretext of offering investments fetching higher returns. Investigation revealed that Mr. Suman Tarafder was a one-point contact for multiple customers of the Branch and thereby gained their confidence. Over the period of time, he had collected cash, aggregating to Rs.49.15 lakhs, from 28 prospective customers for account opening, deposit in customers account and creation of fixed deposit. However, the funds were misappropriated by Mr. Suman Tarafder. On scrutiny it was observed that, the Mr. Suman Tarafder had provided cash acknowledgement slips duly signed / stamped to 19 customers aggregating to Rs.42.51 lakhs. The remaining complainants could not provide proper acknowledgement of having given cash to Mr. Suman Tarafder. In case of one another complainant, the customer herself had transferred an amount of Rs.0.75 lakh through NEFT to the other bank account of staff, allegedly for opening of her account with Axis Bank. It was also observed that the staff had also misused the credit cards/debit card of 7 other customers for amount aggregating to Rs.3.10 lakhs, wherein the customers have allegedly compromised the confidential details of their cards viz. PIN/OTP with Mr. Suman Tarafder. It was also revealed from the complaints that pre-approved insta loans, aggregating to Rs.10.18 lakhs, were offered to 3 customers, which were allegedly availed by the staff in their name. The proceeds of loan were credited to the customers accounts which were later withdrawn either through ATM or transferred to other accounts through ATM/Mobile. The customers had themselves shared the confidential data related to the transactions with Mr. Suman Tarafder. Further, on the advice of the Mr.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Suman Tarafder, three customers had transferred funds to other customer accounts with the Bank aggregating to Rs.75.57 lakhs under the pretext of investments which will fetch higher returns for them. The funds were also received in the above 3 customer accounts through ATM/ Mobile transfer as the proceeds of those alleged investments/returns. The aggregated amount of misappropriation of customer funds, as alleged by the customers, by the staff Mr. Suman Tarafder was Rs.138.75 lakhs out of which Bank's liability is considered for Rs.42.51 lakhs based on the evidences provided by way of acknowledgement slips bearing Branch stamp/staff initial. The liability of Rs.96.24 lakhs was not considered by the Bank since the customers themselves had compromised the confidential details viz. PIN/OTP with the staff, Mr. Suman Tarafder and also evidence of handing over the cash to the staff was not provided by those customers. The investigation was conducted basis complaints received from the customers. While no further complaint has been received by the branch against Mr. Suman Tarafder till the completion of the investigation, however, the possibility of receiving similar customer complaints in future could not be ruled out. Mr. Suman Tarafder is not reporting to the Branch since July 2021 and is also not contactable. Based on the above findings, the case is concluded as 'Fraud'. Due diligence and supervisory failure were identified against the other branch staff in the said case. Action Taken/being taken Police complaint has been filed in the matter. Bank is in process of restoring the mis-appropriated amount to the complainant's account. Branch to block debit/credit card of selected customer's post receiving confirmation from them. STR has been filed in the account. Staff Accountability: Bank is in the process of initiating suitable action against the errant staff.	
150		Case of Fabricated / Inflated Stock / Book Debt Statements by Sri Padmavati Energy Solutions (India) Private Limited		114.70		Sri Padmavati Energy Solutions (India) Private Limited (SPESIPL) is a Hyderabad based company engaged in processing and manufacturing of lead, lead oxide and other related by-products used in battery cell. The company's manufacturing unit is located at Udityal village, Telangana. Banking Arrangement: The borrower availed working capital limits of Rs.14.80 crore from Axis Bank and Indusind Bank under multiple banking arrangement. Axis Bank initially sanctioned cash credit limit of Rs. 5.00 crore to the company in FY 2016 by way of takeover of limits from Bank of Baroda . The limits were subsequently enhanced to Rs. 11.50 crore during FY 2017 to FY 2019. WCTL of Rs. 2.00 crore was sanctioned to the company under Emergency Credit Line Guarantee Scheme (ECLGS) in July 2020. NPA and Recovery: The borrower was classified as NPA by Axis Bank on 07.05.2021. The advances were recalled by Axis Bank in September 2021. Axis Bank issued demand notice under Section 13(2) of SARFAESI Act in October 2021. RFA Classification: The borrower was classified as 'RFA' by Axis Bank on 20.04.2021 based on sale of collateral security without Bank's approval and adverse observations in stock audit report. Forensic audit : Axis Bank appointed M/s Raju and Prasad to conduct forensic audit of the borrower on 01.06.2021, covering review period from 01.10.2015 to 31.05.2021. IndusInd Bank did not participate in the forensic audit. Final forensic audit report, incorporating	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						response from the borrower, was submitted on 06.10.2021. Key findings are as below: i)Stock and/or debtors were overstated in stock statements submitted to the Bank, compared to figures in audited financial statements, resulting in excess drawing power of Rs.3.28 crore, Rs.7.56 crore and Rs.7.40 crore in March 2018, March 2020 and March 2021, respectively ii) Stock of only Rs.4.74 crore was observed during physical verification by forensic auditor on 01.09.2021, against stock of Rs.9.94 crore as per books, indicating shortfall to the extent of Rs.5.19 crore iii) Part of the collateral property located at Kattedan (Telengana) was sold by the borrower between December 2019 and August 2020, below market price, without NOC from/intimation to Axis Bank Conclusion: The borrower was classified as Fraud based on adverse observations in forensic audit report relating to misrepresentation in stock statement for availing higher drawing power and sale of mortgaged property without obtaining NOC from Axis Bank. Action taken/Proposed: i) The Bank to initiate suitable legal action for recovery of dues. ii) The Police complaint is lodged with Panjagutta Police Station on 25-11-2021 against the company and its directors. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) 100% provision has been done.	
151		Case of Fabricated / Inflated Stock / Book Debt Statements by Dart Air Services Private Limited		44.00		Dart Air Services Private Limited (DASPL), incorporated in 2000, is engaged in international freight forwarding and logistics services. Banking Arrangement: Axis Bank is the sole lender to the company. Axis Bank sanctioned cash credit limit of Rs.4.50 crore to DASPL in September 2017, including takeover of limits of Rs.4.00 crore from State Bank of India. The cash credit limit was reduced to Rs.2.50 crore and drop line overdraft limit of Rs.2.00 crore was sanctioned in March 2019. NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 29.06.2020. The advances were recalled by Axis Bank on 30.01.2021. Notice u/s 13(2) of SARFAESI was issued to the borrower on 01.03.2021. RFA Classification: Axis Bank classified the borrower as Red-Flagged Account (RFA) on 14.04.2021, based on the following EWS alert: i. Group company Freight Net Private Limited classified as Fraud by Axis Bank. Group Exposure: Axis Bank has exposure in the following group company of DASPL, which was classified as Fraud by Axis Bank on 16.02.2021: i. Freight Net Private Limited: Cash Credit, Term Loan and Retail Auto Loan aggregating to Rs.6.71 crore. Forensic Audit: Axis Bank appointed Pipara and Co on 03.05.2021, to conduct forensic audit of the borrower, covering review period from 01.09.2017 to 31.03.2021. Draft forensic audit report received on 21.09.2021 was inconclusive. The forensic auditor was advised to submit a conclusive report. The final forensic audit report, incorporating the responses from the borrower, was submitted to Axis Bank on 07.10.2021. The key findings are given below: i. On comparison of stock and book debt statements submitted to the Bank and figures as per the books of account, discrepancies were observed, which resulted in excess drawing power between December 2017 and March 2020 ii. Receivables of Rs.2.53 crore, Rs.2.12 crore and Rs.0.76 crore were outstanding from related party, Dart Air Services - London (DASL) as per audited	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						financials for FY 2018, FY 2019 and FY 2020, respectively. However, the same were not disclosed as related party transactions iii. Payments of Rs.0.14 crore were made to related party, Freight Net Private Limited (FNPL) during FY 2019 and FY 2020, in spite of net receivable balance from the party Conclusion: Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the forensic audit report regarding misrepresentation in stock statements for availing higher drawing power. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. The Police complaint filed with EOW Delhi on 30-10-2021 against the company and its directors. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv.100% provision has been made in the account.	
152		Case of Diversion of Funds by Padmavati India Private Limited		158.20		Background: Chowel India Private Limited (CIPL), incorporated in 2001, was engaged in manufacturing of automobile components such as cowl bar, seat frames and other spare parts. CIPL is a wholly-owned subsidiary of Chowel Corporation Limited, Korea. Presently, the company is not operational. Banking Arrangement: Axis Bank is the sole lender to the company. Axis Bank sanctioned working capital limits of Rs.16.50 crore to CIPL in October 2016, including takeover of limits of Rs.10.00 crore from Bank of India. NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 03.07.2019. Notice u/s 13(2) of SARFAESI was issued to the borrower on 07.01.2020. The borrower was admitted for insolvency proceedings vide NCLT order dated 05.05.2020. The Resolution Professional has filed an application for liquidation of company in May 2021. The liquidation order from NCLT is awaited. RFA Classification: Axis Bank classified the borrower as Red-Flagged Account (RFA) on 27.04.2021, based on the following EWS alert: i. Adverse observations in draft forensic audit report Group Exposure: Axis Bank do not have any exposure in the group companies of CIPL. Forensic Audit: Resolution Professional appointed Sekharan Associates on 15.11.2020 to conduct forensic audit of CIPL, covering review period from 01.04.2014 to 01.03.2019. A number of draft reports were submitted by the forensic auditor during April 2021 to September 2021, which were inconclusive. The forensic auditor was advised to submit a conclusive forensic audit report. The final forensic audit report, incorporating the responses from the borrower, was received by the Bank on 13.10.2021. The key findings of forensic audit are as under: i. Cash payments of Rs.3.87 crore were made to Mr. Choi Yong Suk, Managing Director of CIPL, including withdrawal of Rs.0.19 crore from locker maintained by CIPL. ii. Cash payments of Rs.2.95 crore were made to 11 parties, ostensibly towards repayment of loans availed. However, receipt of loan from these parties were not evidenced. iii. Payments of Rs.0.56 crore were made to related parties, including Rs.0.20 crore paid to the wife of Managing Director Conclusion: Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the forensic audit report. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. The Bank will be lodging Police complaint against the company and its directors. iii. The fraud has been reported to the	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Special Committee for Monitoring of Large Value Frauds. iv.100% provisioning has been done.
153	Case of Clandestine selling off of hypothecated/mortgaged security by A P Nirman Limited	20.4	A P Nirman Limited (APNL) is a Raipur, Chattishgarh based company engaged in road construction works for various government schemes. The company is managed by Rajesh Kumar Agrawal. Banking Arrangement: Axis Bank sanctioned cash credit limit of Rs.2.00 crore and Bank guarantee limit of Rs.3.00 crore to APNL on 07.02.2011. Axis Bank is the sole lender to the company. NPA and Recovery Action: Axis Bank classified the borrower as NPA on 29.12.2016. Notice under section 13(2) of SARFAESI was served on 03.03.2017. Symbolic possession of collateral properties located in Khapri, Raipur and Transport Nagar, Raipur were taken on 17.04.2018 and of property located in Korba on 16.07.2018. Application under section 14 for physical possession was filed with District Magistrate on 13.06.2018. Order for physical possession of the properties located in Raipur was received on 13.05.2019, while order for the property in Kota is awaited. Physical possession of property in Transport Nagar, Raipur was obtained on 17.01.2020. The Bank thereafter put the property for auction on 04.03.2021. The same has so far not been successful due to non-availability of bids. Execution of DM order for physical possession of property in Khapri, Raipur is pending with Tahsildar. Internal Investigation Findings: i. A property located at Mouza - Korba, Dist. Korba, Chhattisgarh was mortgaged with Axis Bank. ii. It was noted from a Title Search Report conducted in October 2020 that the property was partially sold to third parties on 30.05.2015. iii. However, the said transaction was not captured in earlier Title Search conducted in 2016. Conclusion: Axis Bank classified the borrower as 'Fraud' based on the following: i. Sale of mortgaged security without obtaining NOC from the Bank. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. Police complaint filed with Raipur Police Station on 22-12-2021. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv. The exposure has been prudentially written off by the Bank.
154	Case of Diversion of Funds by Arasu Autos-Thiruvarur	49.4	Background : Arasu Autos-Thiruvarur (AAT), a partnership firm incorporated in 2011, is a dealer of automobiles, mainly from Bajaj Autos, at Tanjavur (Tamil Nadu). Banking Arrangement : AAT availed working capital facilities from Axis Bank and Tamilnad Mercantile Bank Limited (TMB), under multiple banking arrangement. Axis Bank sanctioned overdraft limit of Rs.5.00 crore, under the Mpower scheme, to AAT in July 2013. NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 29.01.2021. The advances were recalled by Axis Bank on 05.11.2021. RFA Classification: Axis Bank classified the borrower as Red-Flagged Account (RFA) on 01.06.2021, based on the following EWS alert: i. Dispute between partners and ii. non-repayment of Bank's dues. Group Exposure: Axis Bank has exposure in the below mentioned group company of AAT, which has been classified as RFA by Axis Bank on 02.08.2021: i. Arasu Jewels: Overdraft facility of Rs.4.57 crore. Forensic Audit: Subsequent to RFA classification, Axis Bank had requested TMB to hold a lenders' meeting to discuss appointment of forensic auditor. However, there

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			was no revert from TMB. Axis Bank appointed Raj Niranjan Associates on 12.07.2021, to conduct forensic audit of the borrower, covering review period from 01.07.2017 to 30.06.2021. The forensic auditor shared their findings with the borrower on 30.08.2021, seeking clarifications/ responses on the same. No response has been received from the borrower. The final forensic audit report was submitted to Axis Bank on 16.11.2021. The key findings are given below: i.The borrower made net payment of Rs.0.90 crore during the period from FY2015 to FY2018 to related party Arasu Jewels, which was not engaged in related line of business. ii. The borrower made net payment of Rs.0.82 crore during the period from FY2015 to FY2017 to related party Arasu Hyundai, which was not engaged in related line of business. iii. The borrower did not cooperate in forensic audit exercise. Fraud classification by Tamilnad Mercantile Bank (TMB): The borrower was classified as 'Fraud' by TMB on 02.09.2021. Axis Bank followed up with TMB for sharing the reasons for their fraud classification. However, no response was received from them. Key findings, as per the submissions made by TMB in Central Fraud Registry (CFR), are as under: i. AAT had submitted fabricated stock and book debts statement for availing credit facilities from TMB. ii. The borrower had sold / removed all the hypothecated stocks without remitting the proceeds in cash credit account maintained with TMB. iii. Variations in the stock figure were noted on comparison of stock statement vis--vis ABS for FY 2019. iv. TMB had appointed RSK and Associates to conduct stock audit of the borrower. The following observations were noted in stock audit report dated 23.11.2020: a. Bajaj Auto Ltd stopped supplying vehicles to the borrower since July 2020. No stock was available during unit verification done between 04.11.2020 to 06.11.2020. b. The stock declared in stock statement was not available for verification during unit verification done between 04.11.2020 to 06.11.2020. The stock statement submitted to the bank was incorrect. c. Physical stock was not available as on date of physical verification of stock at the borrower's godown. d. Huge variations were observed between the purchases made and the payments made to Bajaj Auto Ltd during the period FY 2018 and FY 2019. e. As per the account statements, net outflow/ diversion of Rs.6.69 crore to sister concerns and partners account were noted during the period from 2014 to 2021. Internal Investigation: i. It was noted that TMB had sanctioned CC limit to the borrower and their fraud classification was based on adverse observation in the stock statements/ stock audit reports. The same was not applicable for the facility sanctioned by Axis Bank. ii. As per forensic audit findings, Rs.1.72 crore was diverted to related parties (Arasu Jewels, Arasu Hyundai). On verification of statement of the accounts maintained with Axis Bank, net payment of Rs.1.60 crore was noted with the said related parties. Conclusion: Axis Bank classified the borrower as 'Fraud' based on the following: i. Classification of account as fraud by TMB. ii. Adverse observations in forensic audit report and internal investigation regarding transfer of funds to related parties. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. Police complaint has been with Thiruvarur Police Station on

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			25-01-2022. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv.100% provision has been done in the account.
155	Case of Diversion of Funds by Goodday Ventures India Private Limited	92.6	Background: Goodday Ventures India Private Limited (GVIPL), incorporated in 1992, was involved in distribution of home appliance under the brands 'Gopi' and 'Spicer'. GVIPL entered into distributorship of mobile handsets of Samsung and LG in 2003. Subsequently, the company surrendered the dealerships and took up distributorship of Micromax branded mobile handsets in January 2010 Banking Arrangement: GVIPL availed working capital facilities of Rs.23.00 crore under multiple banking arrangement from Axis Bank, South Indian Bank and Citibank. Axis Bank sanctioned working capital limits of Rs.6.00 crore to GVIPL in 2010, which was enhanced to Rs.17.00 crore in 2015. NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 19.06.2018. The advances were recalled vide notice dated 20.09.2018. Notice u/s 13(2) of SARFAESI Act was issued to the borrower on 17.10.2018. Symbolic possession of assets were taken on 29.01.2019 and the application was filed with District Magistrate for physical possession on 09.07.2019. The order is awaited. A recovery suit was filed with DRT, Pune on 28.05.2019. The borrower was admitted for insolvency proceedings, vide NCLT order dated 04.12.2020, pursuant to a petition filed by operational creditor, Micromax Informatics Ltd. Total claims of Rs.19.44 crore from secured financial creditors have been admitted by NCLT, including Axis Bank's claims of Rs.13.15 crore. The Resolution Professional has filed an application for liquidation of company in June 2021. The liquidation order from NCLT is awaited. RFA Classification: Axis Bank classified the borrower as RFA on 30.06.2021, based on following EWS alerts: i. Adverse observations in the transaction audit report ii. Lenders decision to classify the account as RFA Group Exposure: Axis Bank do not have any exposure in group companies of GVIPL. Transaction Audit observations: Resolution Professional appointed RMJ and Associates LLP to conduct Transaction Audit on 04.02.2021, covering review period from 01.04.2012 to 04.12.2020. The findings of transaction audit were shared with the borrower on 23.05.2021 by the transaction auditor. However, no response was received. The final transaction audit report was shared with the Bank on 04.06.2021. Key findings of transaction audit and responses received from management are as under: i. Though the company's books of account showed inventory holding of Rs.5.50 crore as on 31.03.2020, no inventory was handed over to Resolution Professional at the time of handover of assets. ii. Though the company had outstanding receivables of Rs.1.92 crore from related party, Spicer International Private Limited, further payment of Rs.0.25 crore was made to it. iii. As per financial statements filed with ROC, the company had sold off its shareholding in Spicer International Private Limited. However, said transaction was not recorded in the books of accounts and no considerations were received. iv. Payment of Rs.1.12 crore were made to a related party, Atmaya Infrastructure Private Limited and other parties on behalf of it, in spite of it being a non-operative company since 31.03.2014. Lenders decision: i. A lenders meeting was held on 08.11.2021 to discuss

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			the transaction audit report along with responses submitted by the borrower, views of RP on responses and to discuss views of lenders. ii. Axis Bank informed advised that they case will be put up to competent authority recommending classification as 'Fraud', based on adverse observations of transaction audit report. All lenders took cognizance of the same. iii. South Indian Bank and Citibank informed that they are assessing the account internally and would inform their decision in due course after approval from their competent authorities. Conclusion: Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the transaction audit report. Action Taken / Proposed: i. The Bank will continue suitable course of recovery. ii. Police complaint filed with EOW pune on 12-01-2022. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv. The exposure has been prudentially written-off.
156	Case of Misappropriation of customer's funds by the Agri Relationship Manager of the Bank	1.22	Complaints received by the Bank from customers of Visavdhar Branch against Agri Relationship Manager Amit Dobariya with regards to misappropriation of their funds handed over to him towards repayment of their dues. The Bank had sanctioned cash credit limits to agri borrowers of Visavdhar Branch, Gujarat Amit Dobariya, was the Agri Relationship Manager at Visavdhar Branch since 23.12.2016 Complaints were received by the Bank from agri loan customers of the Branch about misappropriation of funds handed over to the relationship manager towards repayment of their loan dues. Agri loan customers had handed over blank signed cheques to Amit Dobariya, Agri Relationship Manager, towards renewal and closure of their agri loan accounts with the Bank. Amit Dobariya had mis-utilized these cheques for personal gain. Customer account analysis revealed transfer of funds from the customer accounts to the HDFC Bank account of Amit Dobariya. Review of the CCTV footage indicates Mr. Amit Dobaria carrying out the cash withdrawals on a few occasions. No objection certificates were issued to some of the complainants by Amit Dobariya, towards release of collateral security, although the monies collected by him were not deposited in the Bank. Similar complaints of misappropriation by the staff were received in the past and the incidents were investigated and concluded. 100% Provision has been made in the account. Police complaint has been filed. Amit Dobariya is presently in the custody of the Police.
157	Case of Diversion of funds by Saya Automobiles Limited	67.1	Saya Automobiles Limited is a Delhi-based dealer of automobiles from Maruti Suzuki India Limited (MSIL). Multiple banking arrangement – Rs.77.00 crore (No. of lenders – 3). Axis Bank sanctioned a dealer finance limit of Rs.10.00 crore on 21.12.2017, for funding procurement of inventory from MSIL. Axis Bank classified the borrower as NPA on 24.11.2019. An Original Application has been filed with DRT on 04.02.2021. RBI instructed the Bank to examine the account, in view of 'Fraud' classification by Canara Bank. Canara Bank classified the borrower as 'Fraud' based on internal investigation. However, no intimation was sent to Axis Bank. Canara Bank subsequently appointed MK Agarwal & Co to conduct forensic audit of the borrower. A draft forensic audit report was shared

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			with Axis Bank, which concluded falsification of financial statements submitted to Canara Bank. Axis Bank classified the borrower as 'Fraud', on the basis of misrepresentation in financial statements submitted to the Bank and diversion of sale proceeds against inventory procured from MSIL, which were funded by Axis Bank. In the audited financials for FY2018 submitted to Axis Bank, sales and purchases were both inflated by Rs.50 crore. An amount of Rs.6.71 crore, corresponding to 19 indents from MSIL discounted by Axis Bank, is overdue. Sale proceeds from the said inventory were not routed through Axis Bank, which tantamount to diversion of funds. Staff accountability has been identified with respect to 1 employee for lapses in monitoring of the account. Assessment of staff accountability across other sanction and disbursement process is in progress. Police complaint is lodged at EOW new Delhi on 20.12.2021.
158	Case of Cheating and Forgery by Talwar Mobiles Private Limited	66.70	Background: Talwar Mobiles Private Limited (TMPL), incorporated in 1998, is a dealer of Hyundai Motors under the trade name of Talwar Hyundai. Banking Arrangement: TMPL availed working capital facilities of Rs.89.90 crore, under Multiple Banking Arrangement, from 9 Banks/ Financial Institutions as on 01.07.2020. Axis Bank sanctioned a dealer finance limit of Rs.4.00 crore to TMPL since 2013, under inventory funding limit extended to dealers of Hyundai Motors India Limited (HMIL). The limit was gradually enhanced to Rs.9.00 crore during the period from 2013 to 2019. NPA and Recovery Action: Pursuant to COVID-19 lockdown, HMIL withdrew its dealership with TMPL in August 2020, who filed a petition in Madras High Court. Subsequently, the HMIL terminated the dealership in November 2020. The account was classified as NPA by Axis Bank on 31.10.2020. A case was filed under section 138 of Negotiable Instrument act on 23.09.2021. Axis Bank recalled the facilities sanctioned to TMPL on 01.12.2021. Group Exposure: Axis Bank has exposure to Talwar Auto Garages Private Limited (TAGPL) which is a group entity of TMPL. TAGPL had availed limits of Rs.2.00 crore under supply chain finance facility from Axis Bank on 16.03.2018. The account is NPA with effect from 01.11.2020 with principal outstanding of Rs.1.97 crore. RFA Classification: State Bank of India (SBI) reported the borrower as Fraud on 01.04.2021. However, the same was not intimated to other lenders and was reported on the CRILC platform only on 11.07.2021. Based on the email communication dated 10.05.2021 received from RBI on the subject, Axis Bank requested SBI for calling a lenders' meeting to understand the reasons for Fraud classification. The matter was discussed in lenders' meeting held on 16.06.2021, which was attended by only 3 lenders' viz. SBI, Axis Bank and Tata Capital Ltd. SBI informed that the account was classified as 'Fraud' on account of diversion of funds identified in internal investigation. Based on the above discussions, the borrower was classified as RFA by Axis Bank on 02.07.2021 and the same was intimated to other lenders vide email dated 05.07.2021. Forensic Audit: Axis Bank had appointed Raj Niranjan Associates to conduct the forensic audit of the borrower on 24.07.2021, covering review period from 01.04.2016 to 31.03.2021. There has been delay in sharing of information by the borrower.

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Axis Bank has closely followed-up with the forensic auditor to ensure completion of the exercise. Forensic audit report was received by Axis Bank on 08.12.2021. The key findings of forensic audit report are as under: i. Bank borrowing as of 31.03.2019 was Rs.87.59 crore. Though there is no inventory at present, the borrowings have remained at the same level, raising suspicion of diversion of funds and misrepresentation of inventory in financial statements. ii. On comparison of opening and closing stock with sales/purchase data in annual returns filed with ROC, discrepancies of Rs.5.38 crore and Rs.23.12 crore were observed in FY2016 and FY2017, respectively. Investigation Findings: An amount of Rs.6.57 crore, corresponding to 18 indents from HMIL discounted by Axis Bank, is overdue. Sale proceeds from the said inventory were not routed through Axis Bank, which tantamount to diversion of funds. Conclusion : Axis Bank classified the borrower as 'Fraud' based on the following: i. Fraud classification by State Bank of India ii. Adverse observation in forensic audit report iii. Diversion of sale proceeds against inventory procured from HMIL, which were funded by Axis Bank. Action Taken / Proposed i. The Bank will continue suitable course of recovery. ii. Police complaint has been filed with Panjagutta Police Station on 29-01-2022. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv. The exposure has been prudentially written-off.	
159		Case of Cheating and Forgery by Ghosh Brothers Electronics Private Limited		47.60		Background: Ghosh Brothers Electronics Private Limited (GBEPL), was an authorized dealer for sales and service of passenger cars of Tata Motors Ltd (Tata) in Assam and West Bengal. The company owned showrooms and workshops in Guwahati, Tezpur, Barteta, and Nagaon and Kolkata. GBEPL was also engaged in retail sale of electronics goods of various OEMs (viz. LG Electronics India Pvt Ltd, Samsung India Pvt Ltd, Sony India Ltd, Whirlpool India Ltd, Godrej Consumer Products Ltd., etc.) through its showrooms in Guwahati. Banking Arrangement: Axis Bank sanctioned factoring facility to Tata Motors Ltd. (TML)/TML Distribution Co. Ltd. (TMLD) for assignment of TML/TMLD's receivables arising from sales to their dealers of passenger car (PC) division in March 2012 and September 2012. Further, a one-time non-recourse factoring facility of Rs.250 crore (Rs.200 crore for Tata Motors and Rs.50 crore for TMLD) for domestic receivables from dealers of Passenger Car Division was sanctioned in December 2012. Under the said facilities receivables arising from sale of vehicles to GBEPL to the extent of Rs.17.27 crore were assigned to Axis Bank. GBEPL also availed working capital limits from IDBI Bank, factoring limit of approximately Rs.12 crore from HDFC Bank and inventory funding limit of Rs.20 crore from State Bank of India (SBI) under multiple banking arrangement. NPA and Recovery Action: The operations of the borrower were affected due to slowdown in automobile industry. The account was classified as NPA by Axis Bank on 06.11.2013. Group Exposure: Axis Bank does not have exposure in group entities of GBEPL. Alert: Axis Bank received an email communication from RBI, advising the Bank to investigate the operations in the said account, in view of reporting of the borrower as 'Fraud' by IDBI Bank and SBI. Fraud Classification by IDBI Bank and SBI:	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Following were noted from the submissions by IDBI Bank to Central Fraud Registry (CFR) on 11.09.2018:. i. IDBI Bank sanctioned cash credit limits and term loans to the borrower. Various inconsistencies were observed between the audited financials submitted to the Bank during FY 2010, 2011 and 2012 and those submitted to RoC. a) Name of the signatory (of Auditor Firm) differs (Arunabha - as furnished to Bank) and (Arunava - as furnished to ROC) and signature of the auditor also differs. b) A letter dated 13.03.2018, seeking explanations from auditor firm viz. A Chattopadhyay and Associates was returned undelivered. c) It can thus be inferred that the company had submitted forged financial statements to the Bank during FY 2010, 2011 and 2012 to avail more financial assistance than its eligibility based on its true financial position as per ROC statement. ii. Special Investigative Audit (SIA) was carried out during April 2018, and the lapses/deficiencies observed are as mentioned below: a) Utilization of funds for business need was not observed. Funds were transferred from CC to current account and in another instance the unsecured loan was remitted through outward clearing to the account of Ghosh Brother maintained with other bank in July 2009. b) During Renewal cum enhancement (07.09.2009), the company submitted manipulated/falsified balance sheets and suppressed the facts of actual financial position of the company submitted to ROC. c) Financial of FY 2011, submitted by the company, was audited by CA Shri Arunabha Chattopadhyay (A. Chattopadhyay and Associates). However, signature of the chartered accountant was not matching. d) In absence of the original attestation of the authorized signatory of the company, it could not be ascertained whether the balance sheets available on record were actually submitted by the company to the Bank. However, in view of the signature difference of the Chartered Accountant, it is understood that the available Balance Sheet was fabricated and falsified. iii. In 2012, a stock audit of the group was carried out by CA Prabir Mazumdar and Associates. Prima Facie the stock audit observed that the stocks reported to the Bank on a monthly basis was higher as compared to stock audit report. Following were noted from the submissions by SBI to CFR on 21.01.2021: i. SBI sanctioned a limit of Rs.26.00 crore on 13.12.2012 under Electronic Dealer Financing Scheme (e-DFS) tie up with TATA Motors. The loan amount was directly paid to the TATA Motors against the invoice of vehicles delivered to Ghosh Brothers Electronics Pvt Ltd. ii. The unit was running well till Q1 of 2013. Thereafter, relationship between the dealer and Tata Motors soured and the sales declined. iii. The sale proceeds were to be deposited to the loan account. The outstanding in the account should have matched the value of unsold vehicles but the company (GBEPL) did not route the regular sale proceeds through the account. iv. Inspection of registered office at P-35, Block-B, Lake Town, Kolkata was conducted on various dates and any office set up or staff was not found. (Inspection dates - 14.02.2014, 30.05.2014, 24.06.2014, 25.07.2014 and 01.09.2014). v. They disposed of the stocks which were hypothecated to SBI and dispensed with the activity without informing the Bank. It was evident that the promoters did not route the sale proceeds

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			through the CC account as per terms of the sanction of the loan. vi. The showroom at Guwahati was closed and Registered Office shifted from Kolkata. vii. Borrower was declared as Willful Defaulter by SBI on 10.10.2018. viii. SBI conducted internal investigation and reported the borrower as fraud on 13.01.2021. Investigation Findings i. Disbursements of Rs.7.31 crore was made by the Bank on 10.05.2013 against inventory procured by GBEPL, which were not repaid. ii. TML paid an amount of Rs.1.69 crore towards part sharing of the loss, whereas the balance Rs.4.76 crore is still outstanding. iii. Details of inventory funded by the Bank and status of sale proceeds were sought from GBEPL. However, no response was received. iv. Sale proceeds from the said inventory were not routed through Axis Bank, which tantamount to diversion of funds. Conclusion The borrower was classified as 'Fraud', based on the following: i. Fraud classification by IDBI Bank and State Bank of India. ii. Diversion of sale proceeds against inventory procured from TML and TMLD, which were funded by Axis Bank. Action Taken / Proposed i. The Bank will continue suitable course of recovery. ii. The police complaint has been filed on 04-02-2022 at office of Jt. Commissioner of Police (EOW) Mumbai. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv. The exposure has been prudentially written-off.
160	Case of Cheating and Forgery by Arasu Jewels	42.30	Background: Arasu Jewels, a partnership firm incorporated in 2005, was involved in trading of gold and silver jewellery ornaments. Banking Arrangement: Arasu Jewels availed working capital facilities of Rs.11.25 crore under multiple banking arrangement from Axis Bank and Punjab National Bank (PNB). Axis Bank sanctioned overdraft limit of Rs.4.25 crore, under Mpower scheme, to Arasu Jewels in July 2013. NPA and Recovery Action: One of the partners of Arasu Jewels, Mr. Murugan, passed away in May 2017. Subsequently, there have been disputes among existing partners for control over the business. The borrower was classified as NPA by Axis Bank on 29.01.2021. The advances were recalled by Axis Bank on 15.11.2021. Notice u/s 13(2) of SARFAESI Act was issued to the borrower on 29.11.2021 Group Exposure: Axis Bank has exposure in the below mentioned group company of Arasu Jewels, which has been classified as Fraud by Axis Bank on 23.11.2021: i. Arasu Autos-Thiruvarur: Overdraft facility of Rs.4.94 crore. RFA Classification: Axis Bank classified the borrower as RFA on 02.08.2021, based on following EWS alerts: i. RFA/Fraud in Group Company: Arasu Autos-Thiruvarur was declared as RFA by Axis Bank. Forensic Audit: Post RFA classification, Axis Bank intimated PNB on 12.08.2021 regarding commissioning of JLM as per RBI guidelines. However, no response was received from them. Accordingly, Axis Bank appointed Raj Niranjan Associates to conduct forensic audit of the borrower on 01.09.2021, covering review period from 01.01.2018 to 31.01.2021. After multiple follow-ups from Axis Bank, a joint lenders meeting was held on 13.10.2021 to discuss the forensic audit exercise. PNB officials intimated that they will investigate the account internally and confirm the status of the account. It may be noted that PNB has not classified the account either as RFA or Fraud. A draft forensic audit report was submitted on 08.12.2021,

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			which was inconclusive. The auditor was advised to submit a conclusive report, incorporating response from the borrower. The forensic auditor shared their findings with the borrower on 20.12.2021, seeking clarifications/ responses on the same. However, no response has been received from the borrower. The final forensic audit report was shared with the Bank on 29.12.2021. Key findings of forensic audit are as under: i. Withdrawal of capital of Rs.5.29 crore since capital of the firm had reduced from Rs.12.65 crore (in FY16) to Rs.7.35 crore (in FY19), without posting any losses during the said period. ii. Net outflows of Rs.0.80 crore to the partners of the firm from the accounts maintained with Axis Bank. iii. Proportionate transactions were not routed through Axis Bank since credits of Rs.1.72 crore were only routed against revenues of Rs.47.70 crore in FY18 and credits of Rs.2.73 crore were only routed against revenues of Rs.47.33 crore in FY19. Conclusion Axis Bank classified the borrower as Fraud based on the following: i. Adverse observations in the forensic audit report. Action Taken / Proposed i. The Bank will continue suitable course of recovery. ii. The Bank has filed Police complaint against the firm and its partners. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv.100 percent provision has been done.
161	Case of Negligence and cash shortage	43.50	Regional BBO Head, East visited Dimapur Branch, wherein it was observed that apart from the cash kept in almirahs (which were packed to capacity with cash) bundles of cash were kept stacked on the vault floor completely covering the vault space. The Branch officials were directed to remit the excess cash to the linked SBI Branch and Axis Bank, Guwahati Currency Chest. During cash remittance, when cash bundles were taken out for remittance, it was observed that bundles of currency notes lying on floor in the corner of vault (outside the cash almirah) were completely mutilated / destroyed caused by termites. The Branch segregated such mutilated/soiled notes however, there were bundles which were completely destroyed into small bits and pieces. The remaining physical cash was counted and on reconciling the closing cash balance as per the GL vis-a-vis the countable physical cash, a difference of Rs.435 lakhs was identified. The amount of Rs. 435 lakhs has since been debited to SA- Branch Short Cash A/c on 10.01.2022 after approval from the competent authority. An additional amount of Rs. 52.50 lakhs has been identified under mutilated category, which are subjected to adjudication for arriving at real value. The valuation of these mutilated notes once received shall be updated through FUA. Branch was remitting cash regularly but cash remitted did not commensurate with the volume of inflow, resulting in excess cash in the branch vault. Further, the Branch followed a practice of remitting the cash bundles prepared and kept nearer to the grill gate of the vault, as it was more convenient for extraction during remittance. Due to this practice, bundles of cash stacked at the rear end of the vault against the wall remained static over a prolonged period and became exposed to termites. Ant-termite treatment, although carried out inside the cash vault, was not effective to prevent termites from accessing the cash stored outside the cash almirahs. The investigation is in the matter is still under way. Action taken 1. An additional amount of Rs. 52.50

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						lakhs cash identified under mutilated category are being sent to Guwahati Currency Chest for adjudication and to ascertain the actual value. 2. Review of the controls / processes in respect of cash holding at branches. 3. Staff accountability is being examined. 4. Police complaint lodged with West Police Station, Dimapur Nagaland on 17.01.2022.	
162		Case of Cheating and Forgery by Spectra Pipes Private Limited		338.7		Background: Spectra Pipes Private Limited (SPPL), incorporated in 2010, is engaged in manufacturing of wide range of PVC pipes and water storage tanks. Banking Arrangement: Axis Bank is the sole lender to the company. Axis Bank sanctioned working capital limits of Rs.16.00 crore and term loan of Rs.2.00 crore in July 2017, including takeover of limits from other lenders. The working capital limits of SPPL was enhanced to Rs.34.00 crore in February 2019, due to shifting of WC limits of Rs.12.00 crore from MSRPL, resulting from demerger of polymer manufacturing business from MSRPL to SPPL. Also, SPPL was sanctioned a fresh CAPEX term loan of Rs.4.00 crore. NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 29.05.2021. The advances were recalled by Axis Bank on 15.09.2021. Notice u/s 13(2) of SARFAESI Act was issued to the borrower on 20.11.2021 RFA Classification: Axis Bank classified the borrower as Red-Flagged Account (RFA) on 19.07.2021, based on the following EWS alert: i. Classification of group account i.e. MS Retail Private Limited as fraud by Axis Bank. Group Exposure: Axis Bank has exposure in the below mentioned group company of SPPL, which has been classified as fraud by Axis Bank on 24.05.2021: i. M S Retail Private Limited: Cash credit of Rs.28.00 crore and corporate credit card of Rs.2.14 crore. Forensic Audit: Axis Bank appointed J C Kabra and Associates on 28.07.2021 to conduct forensic audit of the borrower, covering review period from 17.07.2017 to 31.03.2021. The forensic auditor shared their findings with the borrower on 31.12.2021, seeking clarifications/ responses on the same. No response has been received from the borrower. The final forensic audit report was submitted to Axis Bank on 10.01.2022. The key findings are given below: i. Circular trading with related and other parties, which were alleged by GST authorities as fake input tax credit issuer, to increase the turnover. ii. Net outflow of Rs.12.41 crore to related parties, MS Retail Private Limited and M S Watertech Private Limited, without any supporting documents indicating concerns over genuineness. iii. Arrest of the promoter by GST authorities against allegations of purchases without actual receipts or against fake invoices and thereby availing input tax credit which were fraudulently used to dispatch finished goods to buyers, in violation of GST rules and regulations. iv. Significant increase in inventory value and receivables from Rs.15.00 crore (FY19) to Rs.22.50 crore (FY20), while reduction in payables from Rs.12.50 crore to Rs.7.50 crore during the same period, indicated non-recoverability of sales proceeds from parties. Conclusion: Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in forensic audit report.	
163		Case of Cheating and Forgery by Farlin Timbers Pvt. Ltd		1063.10		Background: Farlin Timbers Pte Limited (FTPL), headquartered in Singapore, is engaged in trading of timber. It procures timbers from Malaysia, Ghana, New	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Zealand, Indonesia etc. and exports them primarily to India and China. FTPL was incorporated in 1994 by Mr. Mohammed Farouk. Banking Arrangement: The company availed limits under multiple banking arrangement from 14 banks, with Qatar National Bank being the largest lender. The balance outstanding as on 07.02.2018 was USD 208.26 million. FTPL availed working capital facilities of USD 5 million from Axis Bank since 2008. The limits were subsequently enhanced to USD 17.50 million. NPA and Recovery Action: Overall conduct of the account was satisfactory till FY 2016, at which point FTPL started facing issues in realization of receivables, which resulted in liquidity issues. Axis Bank classified the account as NPA on 10.05.2018. Reservation of Rights notice dated 07.08.2017 was issued to the Borrower and Guarantor. Subsequently, the Notice of Default was issued to the Borrower on 06.07.2018 and Notice of Demand dated 17.07.2018 to the Personal Guarantor. High Court of Republic of Singapore ordered winding up of the company on 02.11.2018 and appointed FTI Consulting as liquidators. Claims of USD 15.30 mio and AUD 5,386 were filed by Axis Bank and said claim has been accepted by the liquidator. High Court of Republic of Singapore declared Mr. Mohammed Farouk, personal guarantor, as bankrupt on 29.11.2018 and appointed YC Chee, RSM Corporate Advisory Pte Ltd as Private Trustee for bankruptcy proceeding. Axis Bank has filed its claims under the proceeding. RFA Classification: RBI sought update from the Bank regarding Fraud/RFA classification of the borrower. It was observed from Centralized Fraud Registry (CFR) that Union Bank of India classified the borrower as Fraud on 12.02.2020. However, Axis Bank was not initiated of the same by Union Bank of India. Subsequently, Union Bank of India, Hong Kong branch was approached by Axis Bank to get details regarding classification of the account as fraud and copy of the Forensic Audit Report, if any. Further, communications were sent to other lenders seeking status of RFA/Fraud classification with them. However, no response was received. In view of the same, RFA Standing Committee of the Bank approved non-classification of the borrower as RFA on 06.01.2021 and 24.04.2021. As per email dated 08.09.2021 received from RBI, the borrower has been classified as Fraud by Union Bank of India, Indian Overseas Bank, Canara Bank, Bank of Baroda, Indian Bank, Bank of India and Punjab National Bank. However, the said Fraud reporting were not visible in CRILC. Axis Bank has not received any communication/intimation from any of the lenders regarding their 'Fraud' classification of the borrower. Further, Axis Bank was not invited to any joint lenders meeting regarding the matter. On the basis of email dated 08.09.2021 from RBI, the borrower was classified as RFA by Axis Bank on 15.09.2021 and reported in CRILC. Group Exposure: Axis Bank do not have any exposure in group companies of FTPL. Forensic Audit: Axis Bank sent email communication through Singapore Branch to the other lenders seeking details of their Fraud classification and copy of forensic audit report. However, no response was received from any of the lenders so far. Subsequently, Axis Bank appointed Parekh Shah and Lodha for conducting forensic audit of

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						the borrower on 12.11.2021, covering review period from 01.04.2015 to 31.03.2019. The auditor was communicated to share the final report along with management response. The auditor shared the audit queries with the management on 27.01.2022, however no response was received from the borrower. The final forensic audit report was shared with Axis Bank on 01.02.2022. The key findings of forensic audit report are as under: i. Bill of lading documents for 14 transactions of Malaysian round logs, having dates between 26.09.2017 and 29.01.2018, indicate shipment done through a single vessel on a single voyage. One voyage taking more than 4 months for loading of the goods appears suspicious. ii. Goods having common lot numbers were sold and purchased through different invoices, indicating double financing of USD 3.01 mio. iii. Common addresses were noted for a shipping agent and 2 clients in case of sale transaction of USD 7.87 mio; the borrower did business with these parties after they had defaulted in submission of annual returns with regulators. iv. For invoices of USD 3.69 mio, name of insurance company was not captured correctly. v. Working capital borrowings of USD 4.18 mio were utilized for investment in subsidiaries and loans and advances to related parties. Fraud Classification by Other Lenders Based on submissions by various banks in Centralized Fraud Registry (CFR), the following was observed: i. Indian Overseas Bank, Canara Bank, Indian Bank and Bank of India reported the borrower as 'Fraud', based on forensic audit conducted by the official liquidator FTI Consulting. ii. Key findings of the said report were as below: a. Common signatories amongst parties and borrower's employees b. Debtor companies' stamp were located inside the premises of the borrower c. In the sales contract and invoice issued by suppliers, signature and the stamp were not original but copies d. Many suppliers and customers of the borrower company were found having common contact numbers, registered address e. These findings led the liquidator to believe that documents submitted by the borrower with related to sales/purchase were potentially fictitious. iii. Union Bank of India, Punjab National Bank and Bank of Baroda classified FTPL as 'Fraud', based on adverse findings in the forensic audit conducted by respective banks. iv. Key findings of the aforementioned forensic audit reports were as below: a. Banks sent letters to suppliers for confirmation of transaction with the borrower, letters were either undelivered, not responded and in some cases parties denied any business transactions with the borrower b. The borrower submitted forged Bills of Lading to avail trade finance facilities c. Trust Receipts were issued in favour of entities which were related to each other. The company had done money laundering and diversion through same group companies. d. The customers (whose bills were discounted by availing BD facility) were not traceable, BL were not traceable on any online portals, records for movement of goods were not submitted and even the customers were not traceable / not responded back to the emails sent by the liquidator/Bank for Transaction/ledger confirmations. e. Managing Director of a related party of the borrower company was also found to be the Managing Director of the shipping agency through which goods were transported.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Conclusion Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the forensic audit report. ii. Fraud classification of the borrower by other lenders Action Taken / Proposed i. Police complaint lodged at Singapore police station on 09.03.2022. ii. The exposure has been prudentially written-off by the Bank.
164	Case of Cheating and Forgery by Vasantham Dairy Private Limited (VDPL)	42.60	Background Vasantham Dairy Private Limited (VDPL), incorporated in 2014, is a Dindigul, Tamil Nadu based entity engaged in processing of dairy products. Banking Arrangement Axis Bank is the sole lender to the company. Axis Bank sanctioned cash credit limit of Rs.1.50 crore to VDPL in October 2015, including takeover of credit limits of Rs.0.75 crore from Lakshmi Vilas Bank. The limit was subsequently enhanced to Rs.4.00 crore in May 2017. NPA and Recovery Action Axis Bank classified the borrower as NPA on 18.11.2020. The advances were recalled on 22.10.2021. Original Application (OA) was filed with DRT, Coimbatore on 04.12.2021. Notice u/s 13(2) of SARFAESI Act was issued to the borrower on 30.12.2021. RFA Classification Axis Bank classified the borrower as Red-Flagged Account (RFA) on 13.08.2021, based on the following EWS alert: i. Financial irregularities and adverse stock audit and unit inspection reports Group Exposure Axis Bank has exposure in the below mentioned group company of VDPL, which has been classified as Fraud by Axis Bank on 09.02.2022: i. Southern Traders: Working capital of Rs.4.90 crore. Forensic Audit Axis Bank appointed J C Kabra and Co on 01.09.2021, to conduct forensic audit of the borrower, covering review period from 01.10.2017 to 31.01.2021. Draft forensic audit report received on 21.12.2021 was inconclusive. The forensic auditor was advised to submit a conclusive report. The forensic auditor shared their findings with the borrower on 15.01.2022, seeking clarifications/ responses on the same. No response has been received from the borrower. The final forensic audit report, was submitted to Axis Bank on 03.02.2022. The key findings are given below: i. Payments of Rs.4.05 crore was made to Parag Milk Food Private Limited (PMFPL) in FY 2020, purportedly towards part-repayment of unsecured loan availed from Mr. Pritam Prakash Shah, a director of PMFPL. ii. On comparison of figures disclosed in stock statement with corresponding financial statement, the following were noted: a. March 2019: stock overstated by Rs.0.13 crore and debtors by Rs.1.30 crore b. March 2020: stock overstated by Rs.1.05 crore iii. Though inventory holding increased from Rs.0.19 in FY 2015 to Rs.30.05 crore in FY 2017, no investment in fixed assets for storage of inventory were observed in the corresponding period. iv. Sales and Purchase reported by the company could not be reconciled with bank statements. Conclusion Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the forensic audit report. Action taken: 1. Police complaint lodged at Office of Superintendent of Police, Dindugul, TN on 24.02.2022.
165	Case of Cheating and Forgery by Southern Traders	49.00	Background: Southern Traders, established in 2009, is a sole proprietorship firm. It is engaged in wholesale trading of milk products in and around Tamil Nadu. Mr. G. Dhanapal is the proprietor of Southern Traders.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Banking Arrangement: Southern Traders availed credit facilities aggregating Rs.9.00 crore, under multiple banking arrangement from 2 lenders viz. Axis Bank and IDBI Bank. Axis Bank sanctioned credit facilities aggregating Rs.3.00 crore in October 2015, including takeover of limits of Rs.2.00 crore from Lakshmi Vilas Bank. Subsequently, the limits were enhanced to Rs.4.90 crore in May 2017. NPA and Recovery Action: Account turned irregular due to non-availability of cash flows which resulted in delayed payments. The borrower was classified as NPA by Axis Bank on 29.12.2020. The advances were recalled by Axis Bank on 22.10.2021. A suit was filed with DRT, Coimbatore on 04.12.2021 and 13(2) notice under SARFESI act was issued on 30.12.2021. RFA Classification: Axis Bank classified the borrower as RFA on 13.08.2021, based on following EWS alerts: i. Financial irregularities and adverse observations of unit inspection. Group Exposure: Axis Bank has exposure in the below mentioned group company of Southern Traders, which has been classified as Fraud by Axis Bank on 09.02.2022: i. Vasantham Dairy Pvt Ltd-Overdraft facility of Rs.4.26 crore. Forensic Audit: Axis Bank appointed JC Kabra and Associates to conduct forensic audit of the borrower on 01.09.2021, covering review period from 01.10.2017 to 31.01.2021. A draft forensic audit report was submitted on 21.12.2021, which was inconclusive. The auditor was advised to submit a conclusive report, incorporating response from the borrower. The forensic auditor shared their findings with the borrower on 15.01.2022, seeking clarifications/ responses on the same. However, no response has been received from the borrower. The final forensic audit report was shared with the Bank on 03.02.2022. Key findings of forensic audit are as under: i. On comparison of figures disclosed stock statement with corresponding audited financial statements, discrepancies were observed: a. March 2018: Inventory and Debtors were understated by Rs.4.85 crore and Rs.31.90 crore in stock statement, respectively b. March 2019: Inventory and Debtors were understated by Rs.4.04 crore and Rs.26.27 crore in stock statement, respectively ii. During inspections by independent agency on 17.10.2019 and 10.01.2020, difference in stock value with stock statements submitted to the Bank were noted. iii. Loans and advances given to related parties amounted to Rs.2.03 crore as on 31.03.2019; no supporting documents were shared. Conclusion Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the forensic audit report. ii. Fraud in the group company, Vasantham Dairy Private Limited. Action taken: 1. Police complaint lodged at Office of Superintendent of Police, Dindugul, TN on 24.02.2022.
166	Case of Cheating and Forgery by Gonglu Agro Private Limited	234	Background: Gonglu Agro Private Limited (GAPL), located at Nashik, Maharashtra, is engaged in the processing of fruits and vegetable pulp. GAPL was incorporated in 2013 and is a wholly owned subsidiary of Capricorn Food Products India Limited (CFPIL). Banking Arrangement: GAPL availed working capital limits of Rs.45.00 crore and term loan facilities of Rs.8.24 crore, under multiple banking arrangement from Axis Bank and DBS Bank. Axis Bank sanctioned working capital limits of Rs.30.00 crore and term loan

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			limits of Rs.12.02 crore to GAPL in June 2017, by way of takeover of limits from State Bank of India. The working capital limits were reduced to Rs.25.00 crore in 2020. Axis Bank also sanctioned Working Capital Term Loan (WCTL) under Emergency Credit Line Guarantee Scheme (ECLGS) of Rs.4.79 crore in 2020. NPA and Recovery Action: The company's operations were heavily impacted by COVID-19 pandemic and it is presently not operational. The borrower was classified as NPA by Axis Bank on 29.07.2021. The advances were recalled by Axis Bank on 20.11.2021. Notice u/s 13(2) of SARFAESI Act was issued to the borrower on 16.02.2022. RFA Classification: Axis Bank classified the borrower as RFA on 02.09.2021, based on the below EWS alerts: 'Fraud' classification of parent company CFPIL by 3 lenders Operational and financial irregularities Group Exposure: Axis Bank has exposure to Shuchi Beverages Limited (SBL) which is a group entity of GAPL. SBL had availed limits of Rs.1.70 crore under Term Loan facility from Axis Bank. The account is standard as on date. Forensic Audit: Axis Bank's RFA classification was intimated to DBS Bank on 04.09.2021. Subsequently, Axis Bank and DBS Bank decided to conduct forensic audit in the account in lenders' meeting held on 08.09.2021. Accordingly, Axis Bank appointed S. Ramanand Aiyar and Co. on 01.10.2021 to conduct forensic audit of the borrower, covering review period from 01.06.2018 to 30.06.2021. The forensic auditor shared their findings with the borrower on 20.12.2021, seeking clarifications/ responses on the same. Borrower provided partial response to the forensic auditor on 24.01.2022. A draft forensic audit report was submitted on 23.01.2022, which was inconclusive. The auditor was advised to submit a conclusive report, incorporating response from the borrower. The final forensic audit report was shared with the Bank on 19.02.2022. Key findings of forensic audit are as under: i. Value of stock was overstated by Rs.17.27 crore and creditors were underreported by Rs.12.75 crore in stock statement for March 2020, as compared to audited financials for FY 2020 ii. Drawing Power (DP) arrived at based on audited financials for FY 2020 was Rs.18.25 crore vis--vis DP of Rs.26.17 crore availed during the same period. Excessive DP of Rs.7.92 crore was availed by the borrower as on 31.03.2020 iii. Non-disclosure in audited financials of payments of Rs.0.05 crore made to a Director/his relatives iv. Preferential payment of Rs.0.04 crore towards property tax on behalf of the holding company, without permission from lenders Lenders Decision A lenders' meeting was held on 24.02.2022 for discussing the forensic audit report and arriving at a decision w.r.t fraud/non-fraud classification. i. DBS Bank informed that few points pertaining to their bank were not covered in the forensic audit report. They requested for inclusion of the said points before taking final decision on the matter. ii. Axis Bank informed that the matter will be put up to appropriate authority in the Bank recommending "Fraud" classification based on adverse observations in the Forensic Audit Report. Conclusion Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the forensic audit report and stock audit report. Action taken:

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			1. Police complaint lodged at The Inspector of Police, City Crime Branch, Chennai on 14.03.2022.
167	Case of Cheating and Forgery by Gympac Fitness Systems Pvt Ltd	103	Background: Gympac Fitness Systems Pvt. Ltd. (GFSPL) is a Chennai based company engaged in supplying of gymnasium equipment. GFSPL is a vendor of Talwalkars Better Value Fitness Limited (TBVFL) and Talwalkars Healthclub Limited (THL), which was classified as Fraud by Axis Bank and other lenders Banking Arrangement : Axis Bank is the sole lender to the company. Axis Bank sanctioned vendor finance limit of Rs.10 crore to GFSPL on 4.10.2017 under the vendor finance scheme of TBVFL NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 17.09.2019. Axis Bank has filed a petition with National Company Law Tribunal for initiation of CIRP. The case is yet to be admitted RFA Classification: The borrower was classified as RFA on 07.09.2021, based on Fraud classification in TBVFL and THL and default in payment to Bank Group Exposure: Axis Bank does not have exposure in any of group concerns of the company Forensic Audit: Axis Bank had appointed BRG Consulting (India) Pvt. Ltd. to conduct forensic audit of TBVFL and THL covering review period from 01.04.2014 to 31.07.2019, which highlighted adverse observations against GFSPL. The findings were shared with the borrower on 18.02.2022, seeking clarifications/ responses on the same. However, no response has been received from the borrower. The key findings of the forensic audit regarding GFSPL are given below: i. TBVFL paid Rs.22.68 crore to GFSPL between April 2014 and July 2019, which were subsequently received back from GFSPL during the same period, indicating potential round-tripping of funds for inflation of revenues ii. TBVFL availed term loan of Rs.100 crore from Axis Bank for funding capex, out of which Rs.84.63 crore was paid to GFSPL during 2016-2018. Out of the above, Rs.43.43 crore was paid back to TBVFL within 5 days from GFSPL's accounts in SBI and UBI iii. GFSPL had paid Rs.9.25 crore to TBVFL between 15.03.2019 to 01.05.2019; which appears suspicious as TBVFL had outstanding payable of Rs.10 crore to GFSPL during the same period, which was to be utilized for servicing Axis Bank's dues Internal Investigation i. As per sanction terms, TBVFL to provide copies of invoices raised by GGSPL and accepted bill of exchange for discounting ii. Total 24 indents/invoices from GFSPL drawn on TBVFL aggregating to Rs.70.00 crore, were discounted by Axis Bank between October 2017 and March 2019 iii. Presently, an amount of Rs.10.00 crore corresponding to 4 indents discounted by the Bank 19.03.2019 onwards, are overdue iv. Following clarifications were sought from the borrower vide letter dated 18.02.2022: a) Details and present position of the bills discounted by Axis Bank, against which payments are still pending b) Reasons for delay in payment of the overdue invoices c) To confirm if payment against these invoices have been received from TBVFL. If not, to share the evidences of follow-up done with TBVFL or any other correspondence in this regard for the outstanding bills v. No response was received from the borrower. vi. Axis Bank filed a petition against GFSPL in the Madras High Court for recovery of dues. In a counter application filed

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			by GFSPL, it was submitted that bill discounting proceeds of Rs.10 crore availed from Axis Bank without supply of goods Conclusion The borrower was classified as 'Fraud', based on following Diversion of bill discounting proceeds from Axis Bank against invoices drawn on TBVFL; Adverse observations related to the borrower in the forensic audit report of TBVFL and THL, regarding round tripping of funds. Action taken: Police complaint lodged at EOW, crawford Market on 25.03.2022.
168	Case of Cheating and Forgery by Nitash Engineering and Consulting Private Limited	50.70	Background Nitash Engineering and Consulting Private Limited (NECPL), incorporated in 2013, was a Chennai based company engaged in designing and execution of interiors for offices, schools, hospitals, etc. NECPL is a vendor of Talwalkars Better Value Fitness Limited (TBVFL) and Talwalkars Healthclub Limited (THL), which was classified as Fraud by Axis Bank and other lenders Banking Arrangement Axis Bank is the sole lender to the company. Axis Bank sanctioned vendor finance limit of Rs.10 crore to NECPL on 14.10.2016 under the vendor finance scheme of TBVFL NPA and Recovery Action The borrower was classified as NPA by Axis Bank on 16.08.2019. Original application (OA) has been filed with DRT RFA Classification The borrower was classified as RFA on 07.09.2021, based on Fraud classification in TBVFL and THL and default in payment to Bank Group Exposure Axis Bank does not have exposure in any of group concerns of the company Forensic Audit Axis Bank had appointed BRG Consulting (India) Pvt. Ltd. to conduct forensic audit of TBVFL and THL covering review period from 01.04.2014 to 31.07.2019, which highlighted adverse observations against NECPL. The findings were shared with the borrower on 18.02.2022, seeking clarifications/ responses on the same. However, no response has been received from the borrower. The key findings of the forensic audit regarding NECPL are given below: i. TBVFL paid Rs.151.33 crore to NECPL between April 2014 and July 2019, which were subsequently received back from it during the same period, indicating potential round-tripping of funds for inflation of revenues ii. TBVFL availed term loan of Rs.100 crore from Axis Bank during 2016-2018 for funding capex, out of which Rs.84.63 crore was paid to GFSPL. Out of the above, Rs.43.43 crore was paid back to TBVFL within 5 days from GFSPL's accounts in SBI and UBI iii. NECPL had paid Rs.22.24 crore to TBVFL between 15.02.2019 to 01.05.2019; which appears suspicious as TBVFL had outstanding payable of Rs.5.00 crore to NECPL during the same period, which was to be utilized for servicing Axis Bank's dues iv. Out of term loan availed from Axis Bank, TBVFL paid Rs.30 crore to NECPL during FY 2017 and FY 2018 for civil work of gyms. However, genuineness of the payments are suspect as NECPL reported total turnover of only Rs.7.50 crore during FY 2015 to FY 2018 Internal Investigation i. As per sanction terms, TBVFL to provide copies of the invoices from NCEPL and accepted bill of exchange for discounting ii. Total 37 indents/invoices from NECPL, drawn on TBVFL, aggregating to Rs.90.00 crore were discounted by Axis Bank between January 2017 and February 2019 iii. Presently, an amount of Rs.5.00 crore, corresponding to 2 indents discounted by the Bank 15.02.2019

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			onwards, are overdue iv. NECPL had paid Rs.22.24 crore to TBVFL between 15.02.2019 to 01.05.2019; which appears suspicious as TBVFL had outstanding payable of Rs.5 crore to NECPL during the same period, which was to be utilized for servicing Axis Bank's dues v. Following clarifications were sought from the borrower vide letter dated 18.02.2022: a) Details and present position of the bills discounted by Axis Bank, against which payments are still pending b) Reasons for delay in payment of the overdue invoices c) To confirm if payment against these invoices have been received from TBVFL. If not, to share the evidences of follow-up done with TBVFL or any other correspondence in this regard for the outstanding bills vi. No response was received from the borrower. Conclusion The borrower was classified as 'Fraud', based on following: o Diversion of bill discounting proceeds from Axis Bank against invoices drawn on TBVFL; o Adverse observations related to the borrower in the forensic audit report of TBVFL and THL, regarding round tripping of funds. Action taken: Police complaint lodged at EOW, crawford Market on 25.03.2022.
169	Case of Misappropriation and criminal breach of trust of Govt. subsidy at Latur Branch	82.92	During transaction monitoring, suspicious alerts pertaining to high value subsidy amounts, received from Government Department, being credited to the internal office account of Latur and Partur branches were generated. On scrutiny of the entries in the said office account, it was observed that Latur Branch had received 75 credits in the office account aggregating to Rs.750.51 lakhs, whereas Partur Branch had received 9 credits aggregating to Rs.78.71 lakhs from Government Departments towards subsidy for the loans sanctioned by the Branches under Government sponsored schemes. On investigation, it was observed that no underlying loans were sanctioned/opened by the Branches in respect of the subsidy amounts received. Further, no subsidy related documents were found uploaded in the Government portals; however, the said subsidy amounts were still found to be released to the suspected applicants, which indicated the potential involvement of officials of the Government Department. Also, the statements of the applicants savings bank accounts and overdraft against fixed deposit accounts and sanction letters, duly signed by the Branch Head, were uploaded in the portal by the Latur Branch to avail subsidy amounts on behalf of the applicants. The statement of underlying loan accounts, as needed under the Government sponsored schemes, were not uploaded as the actual loan accounts under the scheme were not opened. In case of Partur Branch, an unsigned sanction letter on blank paper was found to be uploaded in the Government portal to avail the subsidy amounts on behalf of the applicants. On review of 84 applicants saving bank accounts, 78 accounts were found to be KYC compliant at the time of on-boarding and 6 accounts were found to be opened on the basis of a copy of the fabricated Aadhar Cards in the name of customers. It was observed that the subsidy amounts credited to these 84 individual accounts were further transferred to various customers within the Bank as well as to other bank accounts. A lien was marked in the 84 applicants savings accounts as well as on term deposit accounts

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						linked to these applicants to the tune of subsidy amount credited in the accounts. Aggregate balances of Rs.5,08,56,092.23 was available in these applicants accounts. Lapses were identified against the staff for not adhering to the Bank's internal guidelines with regards to subsidy related account opening and disbursement processes. The incidents were classified as 'Fraud' basis following points: There were no loans sanctioned nor opened with Latur and Partur Branches under PMEGP/CMEGP schemes and still the subsidy amount from the Government Department was claimed. Improper / incorrect documents were found uploaded onto the Government portal inorder to avail the subsidy by the Branches for claiming the subsidy amounts for the Government Department. Diversion of subsidy amount to various other accounts. Action taken / Proposed: The Bank has lodged Police complaint in the matter with Latur and Partur Police stations. 100% provision has been made in the account.	
170		Case of Cheating and Forgery by Gottapu Venugopal Naidu		60.02		The loan accounts of the borrower Mr. Gottapu Venugopal Naidu had turned and during recovery process it was identified that one property was under the possession of other bank and ownership of other property was claimed by another person. The borrower, Mr. Gottapu Venugopal Naidu had availed five loans from the Bank for which four different properties were secured. All the five loans were sanctioned and disbursed as per product policy of the Bank. Home Loan: During recovery process, it was identified that the property was under possession of other Bank. As per the index verification done through panel advocate for the property, the name of the executants and claimants as per Sub Registrar Office records did not match with the details furnished in the link deed provided to the Bank. As per the funds trail, out of the home loan disbursed to the seller's account with the Bank, an amount of Rs.1.36 crores were received back in the account of the borrower through various other routing accounts. Loan against property: A loan was sanctioned as per the Bank's policy. Post account turning NPA, Bank took symbolic possession of the property under the SARFAESI Act, after which a third party visited the Branch and stated that they have absolute charge on the property and asked the Bank to withdraw the possession notice immediately. On cross checking the antecedents of the property with the neighbours, it was revealed that the property mortgaged to the Bank was also mortgaged with other bank. As per the certified copy of the link document of the property extracted, the schedule of property and name of the executants and claimants as per link document with the Bank are different from the details as per the certified copy of the document. On verification of accounts of the seller with the Bank, no transactions towards sale consideration was observed. It appears that the sale deed was executed without passing any consideration to the seller and fictitious payment entries were recorded in the sale deed to substantiate the sale. The proceeds of Rs. Rs.1.91 crores of loan against property disbursed into the account of borrower were further immediately routed to other accounts with the Bank, which were same accounts through which the proceeds of home loan were also routed. Business Loans: Post delinquency in the business loans disbursed,	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			it was found during the visit to the property, that there was no concrete (RCC) structure as the same was demolished and the property was a vacant land with compound wall. The Bank had received a legal notice on behalf of a third party (Bandaru Foundation), stating that they have absolute charge on the property and that they have obtained an injunction order restraining borrowers from interfering with the peaceful possession of the property. Bandaru Foundation also stated they had filed an FIR against seven parties in the matter. An aggregate amount of Rs.81.50 lakhs was ultimately transferred to the saving bank account of the borrower. The accounts were classified as 'Fraud' based on the following: (i) Loans availed by the borrower against properties which were not in his ownership by producing fabricated documents (ii) Multiple ownership claimed on the properties mortgaged to the Bank (iii) Loan proceeds credited to the property seller's account were routed back to the borrower's account. Action Taken: (i) Police complaint has been lodged with 4th Town Police Station, Visakhapatnam on 12.04.2022. (ii) Suitable action is being initiated against the legal advisors and technical valuers who had provided defective title clearance and technical valuation reports. (iii) 100% provision has been made iv) Suitable action will be initiated for the identified staff lapses
171	Case of Cheating and Forgery by Ram Charan Company Private Limited	324.70	Background i. Ram Charan Company Pvt Ltd (RCCPL) is a Chennai based wholesale trader of chemicals, rubber, coatings, inks, polymers, etc. ii. RCCPL started operations as a partnership firm, M/s Ram Charan Company in 1975. It was incorporated as a company in 2012. Banking Arrangement i. RCCPL availed working capital facilities of Rs.134 crore, under multiple banking arrangements, from 5 lenders with IDFC First Bank being the largest lender. ii. Axis Bank sanctioned working capital limits of Rs.25 crore to RCCPL in 2014. The limits were enhanced to Rs.35 crore in 2016. Subsequently, the limits have been reduced to Rs.32 crore in January 2021. NPA and Recovery Action i. The company's operations were affected due to COVID-19 pandemic which led to steep fall in sales and stretched receivables resulting in liquidity stress. ii. The borrower was classified as NPA by Axis Bank on 30.09.2021. iii. The advances were recalled on 10.01.2022 and notice under SARFAESI was issued on 08.02.2022. Group Exposure Axis Bank does not have exposure in group entities of RCCPL. RFA Classification IDFC First Bank, the largest lender under multiple banking arrangement, had classified the borrower as RFA on 30.09.2021. Subsequently, a lenders meeting was held on 12.10.2021 to discuss the matter. It was advised by IDFC that they have classified the borrower as RFA on the basis of delay in stock audit and non-routing of funds through their bank. The borrower was classified as RFA by Axis Bank on 10.11.2021 and reported in CRILC, based on significant account irregularity and RFA classification by IDBI Bank. Forensic Audit IDFC First Bank appointed JC Kabra and Associates on 25.11.2021 for conducting forensic audit of the borrower covering review period from 01.01.2018 to 26.11.2021. A draft forensic audit report was submitted on 10.03.2022, which was inconclusive. The auditors were advised to submit a conclusive report, incorporating responses

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			from the borrower. The final forensic audit report was submitted on 25.03.2022. The key findings of forensic audit are as under i. Analysis of CC account statements revealed suspicious payments of Rs.15.58 crore to certain individuals and entities, against which no supporting documents were shared. ii. The company availed unsecured loans of Rs.42.08 crore during FY 2019 and FY 2020, out of which Rs.36.57 crore was repaid, indicating preferential payment. iii. Payments of Rs.21.33 crore and receipts of Rs.16.18 crore to/from related parties observed in CC account statements for FY 2018 to FY 2021, which were not disclosed in the ABS, appear to be circular trading and indicates misrepresentation in audited financials. iv. On comparison of business receipts in bank accounts with total revenue reported in audited financials, shortfall of Rs.5.88 crore and Rs.84.04 crore were observed in bank receipts during FY 2019 and FY 2020, respectively Lenders' Decision The forensic audit report was discussed in joint lenders meeting held on 28.03.2022. Summary of the discussion is given below: i. Forensic auditor, M/s J C Kabra and Associates confirmed that all management responses received upto the deadline given were incorporated in the Forensic Audit report and based on the findings, it was concluded Fraud. ii. All lenders accepted the findings of the forensic audit report and agreed for classification of the borrower as Fraud subject to approval from respective competent authorities Conclusion The borrower was classified as fraud by Axis Bank, based on adverse findings of the forensic audit report and Consensus decision by lenders to classify the borrower as fraud. Action taken: Police complaint has been lodged at Central Crime Branch on 19.04.2022.
172	Case of Cheating and Forgery by JSK Marketing Limited	300	Background JSK Marketing Limited (JML) was engaged in sales and marketing of footwear and sports accessories at Amazon, trading of Nippo batteries and other electronic peripherals. Banking Arrangement The company availed working capital limits of Rs.286 crore from a consortium of 10 banks led by Union Bank of India. Additionally, it availed out of consortium limits from Yes Bank and Tata Capital. Axis Bank sanctioned CC limit of Rs.30 crore to the company on 20.03.2018 NPA and Recovery Action Axis Bank classified the borrower as NPA on 28.08.2019. The company was admitted for insolvency proceeding vide NCLT order dated 23.09.2019. Sec 13(2) notice under SARFAESI Act, 2002 was issued on 07.11.2019. Axis Bank has given consent to UBI for taking possession of the immovable properties. Symbolic possession has been obtained and application for physical possession has been filed before the District Magistrate. Recovery suit has been filed before DRT-II Mumbai on 23.11.2020 against the guarantors. NCLT has passed an order for liquidation of the borrower on 02.12.2021. RFA Classification The borrower was classified as RFA on 07.06.2019, based on default in payments to banks/sundry debtors and other statutory bodies, collateral charged to a number of lenders without NOC of existing charge holders. DBS Bank appointed Alvarez and Marsal on 18.06.2019, to conduct forensic audit of the borrower. The draft forensic audit report submitted to the lenders in 2020 contained fraudulent aspects, however the report was not conclusive. The final

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			forensic report is yet to be received. In the meantime, the promoters of the company filed an application before the City Civil Court, Mumbai on 16.03.2020, seeking protection from classifying the account as 'Fraud". The Court passed an interim order granting 'Status quo' on 29.09.2020. Final decision on classification of the borrower as Fraud/otherwise could not be taken pursuant to the aforementioned order from Civil Court. Though the borrower was classified as RFA by 9 lenders in 2019, no lender had reported it as 'Fraud' as at 29.09.2020. In view of aforementioned, the Bank lifted the RFA status of the borrower on 29.12.2020. The petition filed by the borrower was dismissed by Civil Court vide order dated 09.03.2022. Accordingly, classification of the borrower as Fraud/otherwise has now been reviewed by the lenders. Group Exposure Axis Bank does not have exposure in any of group concerns of the company Transaction Audit The Committee of Creditors (CoC) meeting held on 17.12.2019 appointed J C Kabra and Co, to conduct transaction audit of the borrower, covering review period from 01.04.2014 to 30.06.2019. The transaction audit report, was submitted on 31.03.2020. The key findings are given below: i. Sales and purchases of Rs.1246.82 crore and Rs.693.18 crore, respectively, were undertaken with certain parties to inflate financial position of the company for availing credit facilities from lenders ii.LC's of Rs.506.25 crore were drawn against parties, with whom both purchases and sales were entered into, for which supporting documents were not available iii.Significant entries were recorded in purchase and sales registers, with net payments of Rs.169.23 crore, where counterparties were interlinked/ interconnected through common directors iv.Debt assignments of Rs.632.20 crore were recorded, where sales/ receivables were knocked off with purchases/ payables balances of interconnected entities Lenders' Decision The transaction audit report was discussed in JLM held on 23.03.2022. UBI informed the lenders that the plea filed by JML seeking stay on declaring the borrower as fraud has been dismissed by the Hon'ble Court via order dated 10.03.2022. Post which, lenders have the right to declare the borrower as Fraud. Lenders unanimously agreed to classify the borrower as 'Fraud', based on the audit findings. Conclusion The borrower was classified as 'Fraud' by Axis Bank, based on following: Adverse observation in the transaction audit report; Unanimous decision by lenders to classify the account as "Fraud". Action taken: Axis Bank given mandate / consent to Union Bank of India (Lead Bank) for filing the complaint before CBI along with required documents. Also other consortium lenders have given consent to Union Bank of India for sent to Union Bank of India (Lead Bank) for filing the complaint before CBI. Union Bank is in process of filing the complaint.
173	Case of Cheating and Forgery by Karvy Forde Search Private Limited	147.50	Background i. Karvy Forde Search Private Limited (KFSPL) is engaged in providing staffing solutions, managed data services, recruitment solutions, etc. ii. The company was incorporated on 17.05.2001 as Forde Search (I) Private Limited and subsequently renamed as KFSPL in 2017. iii. KFSPL is a step-down subsidiary of Karvy Stock Broking Limited (KSBL), which has been classified as 'Fraud' by various lenders, including Axis

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Bank.. Banking Arrangement i. Axis Bank is the sole lender to the company. ii. Working capital facilities of Rs.15 crore was sanctioned to the company in October 2018. Adverse developments in the Karvy group i. In November 2019, SEBI barred Karvy Stock Broking Limited (KSBL) from purchasing shares in delivery and also accepting new clients till pending forensic audit. SEBI found out that Karvy had defaulted Rs.2,000 crore of investor funds by pledging the securities holdings of its customers. Axis Bank classified KSBL as Fraud on 23.12.2020. ii. Subsequently, meetings and discussions were held with the promoters of Karvy group to understand the effects of the developments in KSBL on other group entities. Karvy group had assured that adequate liquidity will be maintained by selling stakes in Karvy Data Management Services Limited (KDMSL), parent company of KFSPL. iii. The stake sale transaction is yet to materialize. NPA and Recovery Action i. The company's operations were affected pursuant to COVID-19 pandemic, as manpower requirement from clients had reduced due to down-sizing and hiring freeze. Stretched receivables further created liquidity stress. ii. The account was classified as NPA on 03.01.2022. iii. The Bank has appointed Juris Prime as legal adviser for initiating recovery process under DRT and NCLT. Group Exposure i. Axis Bank had exposure in following group entities of KFSPL: Karvy Digikonnect Limited and Karvy Stock Broking Limited. ii. Karvy Stock Broking Limited was classified as Fraud on 23.12.2020 iii. Karvy Digikonnect Limited was classified as NPA on 01.03.2021 and recovery proceedings have been initiated. Account was also classified as RFA on 15.07.2021. RFA status was lifted on 14.01.2022, as no incidence of fraud was conclusively established in forensic and internal investigation. RFA Classification i Axis Bank classified the borrower as RFA on 18.11.2021, based on the following EWS alerts: a. Significant increase in receivables as per stock statements as a percentage of turnover b. Significant account irregularity c. Default in payments to bank and other statutory bodies etc. d. Adverse observation in stock audit report. Forensic Audit Subsequent to RFA classification, Axis Bank appointed M/s VCAN and Co. on 24.12.2021 for conducting forensic audit of the borrower, covering review period from 28.10.2018 to 31.12.2021. A draft forensic audit report was submitted on 26.04.2022, which was inconclusive. The auditors were advised to submit a conclusive report, incorporating responses from the borrower. The final forensic audit report was submitted on 11.05.2022. The key findings of forensic audit are as under: i. The borrower was routing payment of staff salaries, utility/vendor/statutory dues, etc through current account maintained with HDFC Bank, which was permitted to continue post sanction of limits by Axis Bank ii. The borrower was stipulated to route entire turnover through Axis Bank and submit half yearly statements of current account with HDFC Bank, which were not complied with iii. The borrower availed ICD for Rs.16 crore from Karvy Financial Service Ltd (KFSL), out of which Rs.8 crore was repaid from proceeds of Cash Credit drawal, through its current account in HDFC Bank iv. Debtor holding increased to 205 days in 2020, majority of which were due from

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						group companies. Conclusion The borrower was classified as 'Fraud', based on adverse observation in the forensic audit report. Police complaint has been filed in Hyderabad in May 2022	
174		Case of Cheating and Forgery by various Credit Card customers, Raipur		36.00		News article was published in Raipur local newspaper stating that five accused have been arrested, including two executives of the Bank, for cheating 50 people for an amount of Rs. 4 crore on the pretext of providing them loans under credit card. Also, a police complaint was also filed by a customer against two outsourced officials of the Bank and three other individuals for issuance of a credit card to him by misleading him under the pretext of providing a loan and thereafter misusing the credit card issued to him. The two outsourced officials referred to in the complaint were Mr. Nabeel Khan and Mr. Jagmohan Sipka, working as credit card sales officials with Bank's Raipur Circle. During investigation, it was observed that these officials, in connivance with three customers' Mr. Nikhil Koshle, Mr. Shiv Kumar Sahu and Mr. Shailendra Mishra have sourced 71 credit cards from 51 customers. As an income proof, inflated income recorded in the Income Tax Returns (ITR), filed with the Income Tax Department, were provided along with credit card application. The customers were approached under the pretext of providing them loans and the credit cards were also simultaneously sourced in their names through TAB banking application and collecting their KYC documents. The credit cards were delivered to the customers address and One Time Password (OTP) for generating the PIN was also delivered to the customers registered mobile number updated in the Bank's records during the credit card sourcing process. The credit cards / OTPs for PIN generation were provided to the perpetrators by these customers as the perpetrators convinced these customers to handover the cards and OTPs to them. All the 51 customers, to whom the credit cards issued were KYC compliant as per the documents submitted and basis the field verification / telephonic verification conducted. At the time of onboarding the credit cards, inflated income details were recorded in the Income Tax Returns (ITRs), submitted by the customers ; however, no tax was paid on the income. Fresh field verification conducted during the investigations was negative in 39 cases and positive in 12 cases. The cards were used at 2 merchant outlets, M/s. Shiva Traders and M/s. Vidya Traders for an aggregate amount of Rs. 4.09 crore and Rs. 2.29 crore respectively. Mr. Shiv Kumar Sahu, one of the accused, is the proprietor of M/s. Shiva Traders. Mr. Vidya Sahu is the proprietor of M/s. Vidya Traders. M/s. Shiva Traders and M/s. Vidya Traders were maintaining current accounts with the Bank and the accounts were KYC compliant at the time of onboarding. The funds received in these accounts were primarily through POS settlements and were subsequently transferred through RTGS / NEFT / IMPS and internal transfers. Both these accounts have been closed in September 2021. The transactions aggregating to Rs.3.60 crores were executed on these credit cards. Hence it was evident that fabricated income proof was submitted by the customers for availing high variant credit cards from the Bank. Action Taken/being taken Bank has filed a Police complaint in the matter. Bank is in the process of filing suspicious transaction report in	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						the accounts of M/s Shiva Traders, M/s Vidya Traders, Mr. Shiv Kumar Sahu, Mr. Shailendra Kumar Mishra. CIF ids are suspended and their name included in negative list.	
175		Case of Misappropriation and criminal breach of trust of Govt. subsidy at Kwakeithel Branch by employee of Bank and various customers		190.66		During inspection by the Bank's Operations team at Kwakeithel Branch, it was observed that multiple high value subsidy amount were being credited to the internal office account of the branch from Government Department, which were suspicious in nature. On scrutiny of the entries in the said office account, it was observed that the Kwakeithel Branch had received 269 credits in the office account aggregating to Rs.1862.79 lakhs from Government Departments towards subsidy for the loans sanctioned by the Branche under Government sponsored schemes. Out of above 269 entries, three savings bank accounts customers had received subsidy two times, hence total 266 accounts were found involved in the incident. On investigation, it was observed that no underlying loans were sanctioned / opened by the Branche in respect of the subsidy amounts received. Further, no subsidy related documents were found uploaded in the Government portals; however, the said subsidy amounts were still found to be released by the Government Department to the suspected applicants. Also, the subsidy claim application forms were having savings bank account (instead of loan account) / incomplete account details in it, which were duly signed by the Branch official and were uploaded on the portal by the Kwakeithel Branch to avail subsidy amounts on behalf of the applicants. The statement of underlying loan accounts, as needed under the Government sponsored schemes, were not uploaded as the actual loan accounts under the scheme were not opened at all. It was observed that the subsidy amounts credited to these 266 individuals saving bank accounts were further transferred to various customers within the Bank as well as to other bank accounts. A lien has been marked in the 266 applicant's savings accounts as well as on term deposit accounts linked to these applicants to the tune of subsidy amount credited in the accounts. Aggregate balances of Rs.19.76 lakhs was available in these applicants' accounts. Lapses were identified against the staff for not adhering to the Bank's internal guidelines with regards to subsidy related account opening and disbursement processes. The incidents were classified as 'Fraud' basis following points: There were no loans sanctioned nor opened with Kwakeithel Branch under PMEGP schemes (Government sponsored Scheme) and still the subsidy amount from the Government Department was claimed. Savings bank account (instead of loan account) / incomplete account details were found mentioned in subsidy claim application form and uploaded onto the Government portal in order to avail the subsidy by the Branch from the Government Department. Diversion of subsidy amount to various other accounts. Action taken / Proposed: Police complaint has been filed in the instant case. 100% provision has been made.	
176		Case of Cheating and Forgery by Pranav Construction Systems Private Limited		97.30		Background: i. Pranav Construction Systems Private Limited (PCSPL), based in Navi Mumbai, was engaged in design, manufacture and installation of formwork and scaffolding for infrastructure / construction projects. ii. The company was incorporated in 2003 and promoted	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			by Sahani Family. Banking Arrangement: i. The company availed working capital limits of Rs.82.21 crore from a consortium of 4 banks, led by Bank of India. ii. Axis Bank sanctioned CC limit of Rs.2 crore in 2007, which was subsequently enhanced to Rs.7 crore and subsequently reduced to Rs.5.50 crore. iii. Axis Bank also sanctioned 2 term loans aggregating 17 crore in 2007 and 208. The TLs have since been repaid in 2013. NPA and Recovery Action: i. The company faced liquidity constraints in 2015 and approached the lenders for restructuring of sanctioned limits. Axis Bank sanctioned restructuring of its limits in March 2015. ii. However, the company was unable to achieve the operating levels envisaged at the time of restructuring and could not service loan dues post completion of the FITL period. The account was classified as NPA in June 2016 w.e.f. 30.01.2015. iii. Post NPA classification, the borrower has approached the lenders on various occasions for restructuring and settlement of dues, and for permitting holding on operations. However, none of the proposals could be implemented on account no-submission of acceptable detailed plan and requisite information by the borrower. iv. Sec 13(2) notice under SARFAESI Act, 2002 was issued on 04.05.2017. Symbolic Possession of all the properties was taken. Subsequently, order from District Magistrate was received in March 2019. Physical Possession of the Badlapur Unit was attempted in August 2019. However, the same could not be completed due to inadequate security arrangement. v. Further, physical possession of residential flat situated at Thane was scheduled on 26.02.2020. However, the same could not be done due to non-availability of Tahsildar Official/Police on account of COVID-19. vi. Recovery suit has been filed before DRT-II Mumbai on 02.06.2017 against the borrower and guarantors. vii. The company was admitted for insolvency proceeding vide NCLT order dated 11.03.2022. RFA Classification: The borrower was classified as RFA on RFA on 10.12.2021, based on adverse observation in unit inspection and routing of turnover outside consortium. Group Exposure: Axis Bank does not have exposure in any of group concerns of the company Forensic Audit: Lead bank, BOI, appointed J C Kabra and Associates on 06.10.2021 to conduct forensic audit of the borrower, covering review period from 01.04.2012 to 31.08.2021. A draft forensic audit report was submitted on 10.02.2022. The draft report was discussed in lenders' meeting held on 16.02.2022, wherein the forensic auditor was advised to submit a conclusive report. A revised forensic audit report was received on 31.03.2022, wherein a number of adverse observations have been highlighted. A lenders' meeting was held on 26.04.2022 to discuss the findings, wherein it was decided that the lead bank will seek clarification to the audit observations from the borrower. The forensic auditor was advised to incorporate the management response/clarification in the report. The borrower had shared the responses with forensic auditor verbally, which have been recorded in the forensic audit report and the conclusion has been drawn taking them into consideration. The final forensic audit report, incorporating the responses from the borrower, was submitted to Axis Bank on 17.05.2022. The key findings are given below: i. Disproportionate transactions (debit

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						of Rs.19.84 crore; credit of Rs.17.57 crore) were recorded with Prasham Construction and Engineering Private Limited, an entity with nominal paid-up capital and whose Director was an employee of PCSPL. ii. Payment of Rs.8.02 crore, against LC, to Diamond Steel Company was received back from the same entity, but accounted under a separate ledger under separate head, indicating circular transactions. iii. Receivables and payable balance of Rs.5.31 crore of Supreme Group entities were knocked off, indicating fraudulent LC financing and accommodative transactions through mere paper invoices. iv. Promoters withdrew unsecured loans of Rs.0.43 crore, without intimation to lenders, and infused the funds back into the company as fresh capital, mandated under restructuring scheme. Lenders' Decision: The forensic audit report was discussed in JLM held on 21.05.2022. Lenders unanimously agreed to classify the borrower as 'Fraud', based on the audit findings. Conclusion The borrower was classified as 'Fraud' by Axis Bank, based on following: o Adverse observation in the forensic audit report; o Unanimous decision by lenders to classify the account as "Fraud". Action taken: Police complaint has been lodged at Joint Commissioner of Police, EOW, Mumbai on 13.06.2022.	
177		Case of Cheating and Forgery by Haigreeva Infratech Projects Limited		195.83		Background i. Haigreeva Infratech Projects Limited (HIPL), incorporated in 2001, is a Vishakhapatnam based company engaged in construction of infrastructure, commercial and residential real estate projects. Banking Arrangement i. HIPL availed working capital facilities of Rs.291.56 crore from 3 lenders under multiple banking arrangement, as on 09.06.2021, with Union Bank of India (UBI) being the largest lender. Axis Bank and Karur Vysya Bank are the other lenders. ii. Axis Bank sanctioned working capital limits of Rs.10 crore to HIPL in June 2009. The limits were gradually enhanced to Rs.25 crore during 2010-2011. iii. HIPL availed bank guarantees of Rs.40 crore from Axis Bank in 2011. Axis Bank also sanctioned term loan of Rs.4 crore in March 2016 to the company, which has since been repaid in June 2021. NPA and Recovery action i. The borrower was classified as NPA by UBI on 28.06.2021. UBI issued notice under SARFAESI to the borrower on 27.07.2021. Axis Bank issued its consent on 12.04.2022 for SARFAESI action on properties charged pari passu to both lenders. ii. Symbolic possession of 30 collateral properties was obtained by UBI on 18.11.2021. Subsequently, SARFAESI action was stayed by High Court, Andhra Pradesh on 18.02.2022. iii. The account was classified as NPA by Axis Bank on 29.05.2022. Group Exposure i. Axis Bank had exposure in following group entities of HIPL: Haigreeva Projects, classified as NPA on 30.09.2021 RFA Classification i Axis Bank classified the borrower as RFA on 14.01.2022, based on the following EWS alerts: a. Default in payments to bank and other statutory bodies etc. b. Non routing of proportionate cash flows through Axis Bank c. RFA classification by Union Bank of India Forensic Audit Union Bank of India (UBI), the largest lender under multiple banking arrangement, had classified the borrower as RFA on 29.11.2021. A lenders meeting was held on 15.12.2021 to discuss the matter, wherein it was agreed that forensic auditor will be appointed by UBI. UBI appointed MM Reddy and Co on 03.01.2022 for conducting forensic audit of the	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						borrower. Axis Bank has been regularly following up with UBI and the forensic auditor, through phone calls and emails, for timely completion of the exercise. Information sought by the forensic auditors have been shared by the Bank. However, in spite of the above, the forensic audit report is still awaited. Further, the report was not submitted within the timeline of 6 months from the date of 1st RFA reporting (i.e. by 28.05.2022). Sale of mortgaged property without NOC from lenders i. An undated anonymous letter was received by the Bank, alleging sale of certain properties, which were charged pari-passu to Axis Bank and UBI, without obtaining NOC from the banks ii. Bank conducted encumbrance search on the mentioned properties, wherein the allegations were confirmed iii. As per independent legal opinion, these sale transactions were not valid under law, since lenders have first charge on the properties iv. The borrower advised that they had availed unsecured loans from certain parties. As a assurance for meeting these liabilities, sale deeds for these properties were drafted. The sale deeds were executed by the POA holder without borrower's knowledge Conclusion The borrower was classified as 'Fraud', based on Clandestine selling off of hypothecated/mortgaged security. Action taken: Police complaint has been lodged at Senior Inspector of Police, Visakhapatnam Police Station on 10.06.2022.	
178		Case of Cheating and Forgery by Freeworld Exports Private Limited		261.20		Background: Freeworld Exports Private Limited (FEPL) is engaged in mining, trading and export of granite blocks. FEPL was originally set up as a partnership firm named Freeworld House of Exports, and was subsequently reincorporated as a Private Limited company in 2005. Banking Arrangement: Axis Bank is the sole lender to the borrower. Axis Bank sanctioned working capital limits of Rs.38.50 crore to the company in 2015, by way of takeover of limits from Union Bank of India (UBI). NPA and Recovery Action: Post GST regime, the company's working capital cycle was elongated, resulting in delay in shipping of goods and overdue in EPC limits availed. The borrower was classified as NPA by Axis Bank on 29.01.2019. The borrower was admitted for insolvency proceeding vide NCLT order dated 03.02.2021. NCLT Chennai has ordered liquidation of the borrower on 28.04.2022. Axis Bank has filed a claims of Rs.35.52 crore with NCLT, which has been accepted. RFA Classification: Axis Bank classified the borrower as RFA on 21.12.2021, based on adverse observations in the draft Transaction Audit report. Group Exposure: Axis Bank do not have exposure in group companies of FEPL. Transaction Audit: Resolution professional appointed SPR and Co, Chartered Accountants to carry out a Forensics and Avoidance Transactions Review of the company on 31.08.2021, with a lookback period of 4 years prior to CIRP date for transactions u/s 66 and 2 years for transactions u/s 43 and 50. The transaction auditor shared their findings with the borrower on 07.11.2021 seeking clarifications/ responses on the same. The borrower has provided partial response to the auditor. The final transaction audit report was shared with the Bank on 17.06.2022. Key findings are as under: i. Advances of Rs.5.08 crore were paid to suppliers, against which no material was received and no efforts were made to recover the amount. ii. International	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Corporation, a debtor of FEPL, made direct payments of Rs.4.14 crore to Milestone Karimnagar, a supplier of FEPL, whereas total purchase made from Milestone was only Rs.1.16 crore, i.e. excess payment of Rs.2.88 crore was made to the supplier iii. Advances of Rs.2.27 crore paid to the supplier Milestone Karimnagar was written off without adequate justification iv. Receivables of Rs.2.08 crore from Yogendra Stones were written-off by passing journal entries for expenses, transfers etc v. Inventory holding reduced by Rs.3.40 crore during FY 2021, which could not be reconciled with values for sales and production vi. Receivable balance of Rs.2.45 crore Perfect Stones was adjusted with payable balance of Gautham Trade and Commerce, by passing journal vouchers Filing of avoidance application: The RP has filed Avoidance Application for an amount of Rs.38.90 crore, with NCLT, Chennai on 05.04.2022, 16.05.2022 and 17.05.2022 under various sections of IBC, such as fraudulent transactions u/s 66, Extortionate transaction u/s 50 and Preferential transactions u/s 43. Conclusion Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the Transaction audit report. Action taken: Police complaint has been lodged at Inspector of Police, Office of Commissioner of Police, City Crime Branch, Vepery, Chennai on 07.07.2022.
179	Case of Cheating and Forgery in the name of C. G. State Agriculture Marketing (Mandi) Board Raipur (Vipanan Vikas Nidhi) (Government Department)	164.01	Opening of Account: A savings bank account in the name of C. G. State Agriculture Marketing (Mandi) Board Raipur (Vipanan Vikas Nidhi) (Government Department) was sourced by the Branch Head, Mr. Sandeep Ranjan Das with the help of one, Mr. Satish Verma, who introduced himself as a close associate of the Managing Director of said Government Department. The authorized signatories to the account were its Managing Director and the Account Officer, with the mode of operation as 'Jointly'. It was observed that while sourcing the account, authorized signatories (Managing Director and Account officer) signatures were not obtained by the Branch Head in his presence, flouting the Bank's guidelines. Mr. Satish Verma facilitated sourcing of the account of Mandi Board with Dunda Branch, which was opened on 19.05.2022. It was revealed that the signatures of the authorized signatories on account opening form were at variance with the actual signatures of the Government officials, though their name were matching. After opening of the account, an aggregate amount of Rs.60 crore was credited to the account in three tranches through RTGS from other banks. It is thus established that the said account was opened with the knowledge of the Govt. Officials/Department and legitimate funds of Rs.60 crore were received in the account. However, the account opening form received by the Branch was bearing forged signatures of these Govt. Officials, which got recorded as specimen signatures to operate the account. Fake fixed deposit advices: The Branch than received two debit mandates for issuance of two fixed deposits of Rs.10 crore and Rs.20 crore respectively, which were issued from the said account of the customer. The third debit mandate which was said to be issued by the Government Department to debit their account for issuance of the fixed deposit of Rs.30 crore was not found available at the Branch. Further, no such amount was debited from the account for issuance of

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			said fixed deposit of Rs. 30 crore. The fixed deposits of Rs.10 crore and Rs.20 crore were issued basis cheques, where the signatures of the drawer(s) on the cheques were at variance with the signatures of actual authorized signatories of Mandi Board, but as per fraudulent specimen signatures held on record. The fixed deposit advices for these two issued fixed deposits were hand delivered by the Branch Head to the same individual, Mr. Satish Verma, who was instrumental in sourcing the account. The customer, basis tip-off received by them, called on the Bank's officers and provided three fixed deposit advices each of Rs.10 crore, Rs.20 crore and Rs.30 crore. All the three fixed deposit advices were found to be fake. Hence, it is established that the two original fixed deposit advices of Rs.10 crore and Rs. 20 crore issued by the Dunda Branch did not reach the authorized Government officials. Disputed transactions in account: Out of the balance of Rs.30 crore, the funds aggregating to Rs.14.41 crore were transferred out through RTGS to nine accounts with other banks and Rs.1.99 crore to two current accounts with the Axis Bank. The customer disputed said transactions (outward RTGS transactions and internal funds transfer) aggregating to Rs.16.40 crore, which were processed basis the cheques bearing signatures that were found to be at variance with the signatures of the actual authorized signatories, but as per fraudulent specimen signatures held on record. Funds received in Axis Bank accounts were further transferred through RTGS / NEFT to other banks by the respective customers, leaving negligible balance. The accounts with Axis Bank were, M/s. Imstranseair International Private Limited and M/s. Freshever International. Both the accounts are found to be KYC compliant at onboarding stage. During fresh field visit, M/s. Imstranseair International Private Limited was found at a new address whereas M/s. Freshever International could not be located at the given address. A cheque book from which cheque leaves were issued to undertake all the debit transactions was issued by the Branch. The cheque book was got issued fraudulently by Mr. Satish Verma, Mr. Chandrabhan Singh and/or other unknown person(s). Available balance in the said account when the time fraud came to notice was Rs.13.60 crore instead of Rs.30 crore. Hence, the fraud loss amount was Rs 16.40 crore. Root Cause Failure of the Branch Head to carry out due diligence while sourcing the account. No independent validation was done by the Branch while obtaining the signatures of authorized signatories in their presence. The account was thus operated by third parties instead of the authorized Govt. officials, which resulted in perpetration of fraud. Action taken/ being initiated: Refund of Rs.98.90 lakhs has been made by one of the beneficiary bank that has been credited to the customer's account. Fraud loss amount of Rs.15.41 crore has been reinstated in the customer's account. FIR has been lodged reporting the matter. 100% provision has been made for the fraud loss amount.
180	Case of Cheating and Forgery by Secure Value India Ltd	103.10	Background: Sri Vatsa International Private Limited (SVIPL) was a Nagercoil (TN) based authorized dealer of Maruti Suzuki India Limited (MSIL). Banking

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Arrangement: i. SVIPL availed credit facilities of Rs.49 crore, under multiple banking arrangement, from 9 lenders viz. Axis Bank, Canara Bank, ICICI Bank, Yes Bank, State Bank of India (SBI), Sundaram Finance, Tata Capital Finance, Mahindra Finance, Cholamandalam Finance. ii. Axis Bank sanctioned inventory funding limit of Rs.6.00 crore to SVIPL in September 2017. Subsequently in 2018, cash credit limit of Rs.4.25 crore and ad-hoc channel finance limit were sanctioned. NPA and Recovery Action: i. The account was classified as NPA by Axis Bank on 18.06.2019. ii. Notice under section 13(2) of SARFAESI was served on 15.11.2019 and symbolic possession was taken on 14.02.2020. iii. The company has been admitted for insolvency proceeding vide NCLT order dated 04.03.2020. iv. Original Application (OA) under DRT has been filed in July 2021. RFA Classification: The borrower was classified as RFA on RFA on 04.01.2022, based on adverse observation in the draft transaction audit report. Group Exposure: Axis Bank does not have exposure in any of group concerns of the company Transaction Audit: The Resolution Professional appointed SPR and Company on 15.07.2021, to conduct transaction audit of the borrower, covering review period from 01.04.2015 to 30.04.2020. The key findings are given below: Review of other liabilities i. As per ABS of FY 2018, Rs.1.50 crore was reported under other long term liabilities. As per notes to the account, the amount indicates loan from directors. No ledgers was provided to determine nature and timing of such transactions. ii. In the absence of evidences, these transactions have been classified as Fraudulent u/s 66 of IBC, 2016. Review of other current liabilities i. As per ABS of FY 2018, OCL was Rs.5.63 crore, out of this Rs.1.58 crore was classified as Advance received from customers. No supporting vouchers were provided for the same. No agreements were provided with the parties to whom such advances were received. ii. In the absence of relevant details, these transactions have been classified as Fraudulent u/s 66 of IBC, 2016. Verification of fixed assets i. As per ABS of FY 2018, amount appearing under fixed assets was Rs.39.23 crore. Fixed asset register, purchase invoice, sale/disposal invoices, write-off approvals or any supporting documents were not available. ii. Existence/ownership/ valuation cannot be ascertained without documents. Hence, Rs.39.23 crore can be classified as Fraudulent u/s 66 of IBC. Verification of inventory/ trade receivables i. As per ABS for FY 2018, inventory was Rs.17.02 crore. Supporting documents were not provided for verifying existence, ownership, etc. ii. In the absence of evidence of subsequent sales and realization of inventory, the inventory value is assumed to be an inflated amount and classified as fraudulent u/s 66 of IBC, 2016. iii. It was confirmed by the borrower that its operations had closed 2 years back. Hence, trade receivables value of Rs.11.97 crore as on 31.03.2018 has been considered as fraudulent u/s 66 of IBC, 2016. Review of short term loans and advances (STL) i. STL as on March 2018 was Rs.9.05 crore, out of which Rs.6.42 crore was classified as other loans and advances (unsecured, considered good) Breakup of the advances was not provided to ascertain the purpose of the loans. No agreements have been provided for the same. ii. Hence, the advances

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			amount can be classified u/s 66 of IBC. Review of bank statements i. There was significant differences in the revenues reported when compared to the credits received in the bank accounts. Books and records pertaining to revenues declared by the borrower were not provided for verification. ii. In absence of any evidence, the excess revenue identified above can be classified as fraudulent u/s 66 of IBC. Significant cash transactions i. There were cash deposits of Rs.54.33 crore and cash withdrawals of Rs.1.23 crore. No supporting evidences/ documents were provided for these transactions. ii. As there were no supporting evidences, the amount of Rs.1.23 crore can be classified as fraudulent u/s 66 of IBC Discussion by Committee of Creditors (CoC) A CoC meeting was held on 21.10.2021 to discuss the transaction audit report and way forward along with other points. Key discussions are summarized below: The transaction auditor pointed out various observations related to trade receivables, trade payables, and fixed assets etc. to be classified under sec 66 of IBC. The borrower denied the findings of the report. They further denied dummy account transfers to the tune of Rs.1.10 crore. SVIPL asked the Resolution Professional (RP) to share the audit observations. Further, the auditor was advised to share their queries with the borrower and submit a revised report incorporating the borrower's responses. The matter was further discussed in CoC meeting held on 29.12.2021. Key discussions are summarized below: The Corporate Debtor has not yet handed over any accounting data, books of accounts or any records. A petition under Sec 19(2) of IBC was filed with NCLT, Chennai for "Non-Cooperation of the Corporate Debtor" The transaction auditor pointed out their various observations. The borrower stated that the observations were false and they did not agree with the same. RP advised that it has classified the said transactions as fraudulent u/s 66 of IBC and filed avoidance petition with NCLT, Chennai on 31.10.2021: An immovable property, situated in Kuzhithurai, were extended as security for availing loan from Cholamandalam Investments and Finance Company and were subsequently taken over by them, without NOC from lending banks. Post RFA classification, Axis Bank had sent an email on 08.01.2022 to all lenders informing of its RFA classification and for calling a lenders' meeting to discuss the matter. However, no response was received from the other lenders in spite of reminders, except SBI. Lenders meeting held on 24.02.2022 was attended by Axis Bank and SBI only, hence majority/consensus decision on the transaction audit could not be arrived at. Subsequently, Axis Bank had sent several emails to Yes Bank and other lenders (dated 10.03.2022, 05.04.2022, 26.04.2022, 29.04.2022 and 10.05.2022) for scheduling a meeting to decide further course of action. However, no further discussions between the lenders have taken place regarding the transaction audit findings. Status with other lenders: As per submissions in Central Fraud Registry (CFR), ICICI Bank has classified the borrower as Fraud and filed FMR on 16.06.2022. Modus operandi reported was as below: The borrower had shut down its operations and no stock was available at the premises of borrower. However, amount is outstanding against Inventory Funding (INF) limits, which indicates that sale proceeds were not

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						routed through the inventory funding account held with the Bank. 13 out of 49 vehicles of Maruti Suzuki India Limited (MSIL) Arena were found to be registered prior to stock audit report dated 22.04.2019. It appears that the borrower had falsified the inventory by including sold out vehicles in the stock report. However, the said fraud classification was not intimated to Axis Bank and not reported in CRILC till date. Apart from Axis Bank and ICICI Bank, no other lenders have classified the borrower as RFA/Fraud. Observations of Internal Investigation: i. An amount of Rs.6.22 crore, corresponding to indents from MSIL discounted by Axis Bank, is overdue. Sale proceeds from the said inventory were not routed through Axis Bank, which tantamount to diversion of funds. Conclusion: The borrower was classified as 'Fraud' by Axis Bank, based on following: o Diversion of sale proceeds against inventory procured from Maruti Suzuki India Limited, which were funded by Axis Bank. Action taken: Police complaint has been lodged in the matter at Inspector of Police, Vadasery Police Station, Tamil Nadu on 18.07.2022.	
181		Case of Misappropriation and criminal breach of trust by cash by the custodians of M/s. Secure Value India Ltd		49.30		M/s. Secure Value India Ltd is an outsourced cash replenishment agency (CRA) working under Bank's Independent ATM Deployer (IAD), M/s Hitachi Payment Services Pvt. Ltd. In terms of extant Service Provider Agreement with the IAD, cash provided by the Bank for the purpose of Bank's ATM replenishment is stored overnight at the vault of the CRA, M/s. Secure Value India Ltd. The CRA, M/s. Secure Value India Ltd. was responsible for cash management and supervision for regions under Delhi, and Gurugram from their office located at Sahibabad. The CRA keeps cash under their safe custody at its vaults after receiving cash from various banks and supply cash according to needs at various bank branches and ATMs. During Internal Audit conducted by M/s. Secure Value India Ltd. at their Sahibabad vault, the audit team found shortage of cash amounting to for Rs.1032 lakhs, which included Rs.493 lakhs belonging to the Axis Bank. M/s. Secure Value India Ltd. had called for an explanation from the concerned vault custodians for the shortage of cash, but could not get satisfactory answer from them. The CRA, M/s. Secure Value India Ltd. has since filed an FIR with Police in the matter on 21.07.2022. and has mentioned name of their official, Mr. Nilkantha Misra (responsible for cash management) as the prime accused alongwith other unknown persons in the FIR. As per the preliminary findings by the CRA, fabrication of documents and forgery of signatures was carried out to modify the records in a preplanned manner. External intrusion in the vault has not been confirmed by the CRA so far. It is therefore suspected that the vault custodians of the CRA, M/s. Secure Value India Ltd. were primarily involved in the misappropriation of cash. CCTV footages of the subject incident could not be viewed as the same was not shared with the Bank by the CRA. Police investigations are underway and further update, if any, in the matter will be updated through FUA. Action taken/being initiated: The subject cash shortage for Rs.493 lakhs belonging to Axis Bank has since been recovered from the IAD, viz., Hitachi Payment Services Pvt. Ltd., as per agreement with them.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
182	Case of Cheating and Forgery by Incom Cables Private Limited	63	Background i. Incom Cables Private Limited (ICPL), incorporated in 1985, was engaged in manufacturing of telecommunication, signaling and power cables. Banking Arrangement i. Incom Cables Private Limited availed working capital facilities of Rs.132.50 crore as on December 2017, under multiple banking arrangement, from 2 lenders viz. Canara Bank (Erstwhile Syndicate Bank) and Axis Bank. ii. ICPL also availed Term loan of Rs.9.70 crore from Canara Bank (Erstwhile Syndicate Bank). iii. Axis Bank sanctioned Dealer financing limit of Rs.7.50 crore to ICPL in July 2015, under the scheme of Vedanta Limited (Formerly known as Sesa Sterlite Limited) - Copper Division. NPA and Recovery Action i. The borrower faced liquidity issues due to delayed debtor realisation since April 2017. This liquidity crunch resulted in defaults in servicing bank dues. ii. Axis Bank had issued legal notice under Section 138 to the borrower on 20.12.2017. iii. The account was classified as NPA by Axis Bank on 31.12.2017. iv. Original Application (OA) has been filed with DRT on 20.06.2018. v. The company has been admitted for insolvency proceeding vide NCLT order dated 08.04.2019. Group Exposure i. Axis Bank does not have exposure in group entities of ICPL. RFA Classification i. Axis Bank classified the borrower as RFA on 12.07.2022, based on the following EWS alerts: a. Fraud classification by Canara Bank Status with other lenders Canara Bank reported the borrower as 'Fraud' on 08.02.2022. However, the said Fraud classification was not intimated to Axis Bank. The following were noted from submission to Central Fraud registry (CFR): M/s Mukesh Raj and Co. was appointed for conducting forensic audit of the account. Key findings: i. The borrower was engaged in trading activity instead of manufacturing. ii. Major quantum of LC transactions were undertaken with related parties, indicating usage of credit facility for purpose other than sanctioned. iii. Difference of Rs.11.61 crore was noted between the profit and loss for the FY 2013 recorded in Tally software and Audited Financial statements. iv. Purchases and Sale transactions were conducted with a single party, which may have been done in order to spike sales and purchase without having any real business transaction. v. Window dressing of accounts by the borrower to avail sanction of limits from the bank. vi. The company has executed voluminous transactions with its related entities i.e. Incom Wires and Cables Ltd and Gould Electronics Private Ltd. vii. The company had executed sales to Incom Wires and Cables Ltd and simultaneously purchasing back from Incom Wires and Cables Ltd, after a gap of 1-2 days. Such Transactions implies that purchases and sales were increased to show a sound picture to the stakeholders. viii. The company may have diverted / siphoned off Rs.16.36 crore under the guise of purchases through Incom Wires and Cables Ltd. ix. The company may have opened accommodation LCs to the tune of Rs.109.14 crore, out of which funds to the tune of Rs.54.24 crore appears to have been siphoned off at the pretext of non-genuine purchases. Axis Bank sent an email to Canara Bank on 01.07.2022, requesting Forensic audit report, however no response was received from Canara Bank till date. Observations of Internal Investigations: i. Presently, an amount of Rs.6.30 crore corresponding to 11 indents from Vedanta

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Limited, which were discounted 14.07.2017 onwards, is overdue. Sale proceeds from the said inventory were not routed through Axis Bank, which tantamount to diversion of funds. Conclusion i. The borrower was classified as 'Fraud', basis Diversion of sale proceeds against inventory procured from Vedanta Limited, which were funded by Axis Bank. Action taken: Police complaint lodged at The DCP, Economic Offence Wing, Police Station Mandir Marg Complex, New Delhi on 12.08.2022
183	Case of Cheating and Forgery by various customers in the name of 'Manipur Startup Scheme'	23.55	During Banker's meeting convened by the Manipur State Planning Department (hereinafter referred to as "Govt. Department") to review the status of loan sanctioned by the banks under the State sponsored scheme, Manipur Start Up Scheme, it was advised to the Axis Bank to review the 23 sanctions given by the Bank and resubmit the same. The Govt. Department also informed the Bank that department had already released the subsidy amount of Rs. 235.47 lakhs to the Bank under the Manipur Start Up Scheme. The above subsidy amount was found received during November 2021 in current account in the name of M/s. Start Up Manipur being maintained with Kwakeithel Branch, Imphal. The name of the above account was resembling the scheme rolled out by the Manipur State Planning Department i.e. Manipur Start Up scheme. The current account was a sole proprietorship account with the business mentioned as 'Grocery Store'. The business trade license was obtained in the same name i.e., 'M/s. Start Up Manipur'. After the receipt of the amount in the said current account, a letter was received by the Kwakeithel Branch from the Govt. Department about re-examination of 23 sanction letters issued by the Branch under the Manipur Start Up Scheme. The sanction letters were on the letter head of the Bank; however, the person who had signed the letters could not be ascertained due to short signature. Moreover, no loan proposals were found to be sanctioned by the competent authority in the Bank under the said scheme. Subsequently the Government Department was informed by the Bank that Bank had not issued any such sanction letters as the underlying loan applications were not available with the Bank. The scrutiny of transactions in the current account of M/s. Start Up Manipur revealed that the aforementioned remittance of Rs.235.47 lakhs, no other credit in the account was seen since opening of account. The funds received were subsequently withdrawn in cash and transferred to 11 accounts within the Axis Bank and 5 accounts outside the Bank. All these 11 accounts with Axis Bank were KYC complied at the time of onboarding. However the transactions in the accounts were apparently not in sync with the respective profile of the customers. On checking, it was observed that, 8 beneficiary accounts, out of above 11 account holders, were mentioned in the list of 23 applicants who were sanctioned loan under the Manipur Start Up scheme. Transaction linkage between three staffs, relatives accounts and above 11 account were observed and were found to be suspicious in nature. The subsidy amount should have been received in the office account of Bank; however, it was received directly in the current account of M/s. Start up Manipur. During investigation it could not be ascertained that who had provided the bank account details of M/s. Start Up Manipur to the Govt.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Department for the release of subsidy amount. Despite multiple follow ups with the Govt. Department, they did not reveal any information related to release of subsidy amount in the current account of M/s. Start Up Manipur. Further, the subsidy amount was released by the Govt. Department in November 2021, which was prior to letter sent by them to Bank's Branch. The Branch had never received any communication related to release of subsidy amount from the Govt. Department though the Govt. Department was informed by the Kwakeithel Branch that they had not issued any sanction letter to the Department. Further, the customer M/s. start Up Manipur was also not in the list of 23 customer to whom the alleged sanction letter was issued by the Bank. Basis the above findings, the case classified as Fraud. Action taken / Proposed The police complaint has been filed by the Bank in the matter. Provision for loss amount has been done.
184	Case of Misappropriation and criminal breach of trust by Mr. Nitesh Kumar Agarwal and Others	150.76	Municipal Council Bhiwani maintains 21 accounts with the Bank's Bhiwani Branch and Bhiwani Loharu Road Branch. Bank's Staff Mr. Nitesh Kumar was the Relationship Manager for the accounts of Municipal Council, Bhiwani, hence, he was made one point contact for the activities / transactions related to accounts of the Municipal Council, Bhiwani. A notice was served to Bhiwani Loharu Road Branch by Economic Cell, Office of Superintendent of Police, Bhiwani, seeking certified copies of cheques honoured during the year 2019 from the account of Municipal Council Bhiwani maintained with the Branch. The notice was issued basis an FIR filed by the complainant, Mr. Sudarson Jindal, a former Municipal Councilor, at Bhiwani Police Station against four persons including Mr. Nitesh Kumar for misappropriation of Government funds belonging to Municipal Council, Bhiwani. On review of 1405 customer induced debit transactions in the 21 accounts from January 2018, it was observed that (i) Changes in the authorised signatories, and specimen signatures of the new authorised signatories of the account were not updated in Finacle system. (ii) In 57 cheques (aggregating to Rs.15.08 crore) the signatures of both the authorised signatories of the customer account were not matching with the specimen signatures of the authorized signatories as per the Bank's records. (iii) Signature mismatches on the cheques was also confirmed by forensic handwriting expert on reviewing the signatures of 15 high value cheques aggregating to Rs.7.29 crore. It was learnt that, beneficiary of one transaction of Rs.25 lakhs was Mrs. Bimla Aggarwal, who is mother of the Mr. Nitesh Kumar. The account of Mrs. Bimla Aggarwal was maintained with Equitas Small Finance Bank. On investigation, it was observed that the signatures of the authorized signatories on the cheque book requests and cheque book issuance register were not matching with the Bank's records and were apparently forged. Since, Mr. Nitesh Kumar was the one-point contact for the accounts of Municipal Council Bhiwani, the Branch staff used to approach him for confirmation of issuance of cheques / signatures of authorised signatories. Also, the cheque book requests of the customer were submitted by Mr. Nitesh Kumar. Further, cheque books were collected by him and purportedly handed over to the customer by visiting their

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						office after obtaining acknowledgement of authorized signatories. It is suspected that officials of the Municipal Council Bhiwani in connivance with Mr. Nitesh Kumar were involved in the perpetration of the fraud. Presently, there is no claim from the Municipal Council Bhiwani for the 57 disputed cheques aggregating to Rs.15.08 crores. The incident has been classified as fraud on account of the following: (i) Misappropriation of customer funds by forging the signatures of authorized signatories on the cheques. (ii) Officials of the Municipal Council Bhiwani in connivance with Mr. Nitesh Kumar were involved in the perpetration of the fraud. Action taken / proposed: Police complaint has been filed in the matter. 100% provision has been made for the fraud loss amount.	
185		Case of Misappropriation and criminal breach of trust at Begowal branch by Nitesh and Ramandeep Singh		134.35		• An incident of shortage of cash of Rs.219.21 lakhs and theft of four packets of pledged gold ornaments, valuing Rs.37.12 lakhs, (as on date of sanction) was identified at the Bank's Begowal Branch. • Nitesh (Teller) and Ramandeep Singh (Branch Operations Head) were the joint custodians of cash and pledged gold ornaments at Begowal Branch. • As per the instructions of Circle Office, Ramandeep Singh was to be deputed to Bhulath Branch and Nitesh was to visit Ludhiana Circle Office for an ongoing inquiry regarding mis-selling of a Mutual Fund. Therefore, Ankit Thapar, Manager and Ankur Mahajan, Branch Head were to be designated as joint custodians. • While handing over the charge, Nitesh informed the Branch Head about the shortage of cash and stated that he will replenish the cash shortage by day end. The amount of shortage of cash was not disclosed by Nitesh to the Branch Head. • As the cash shortage was required to be made good by Nitesh, he left the Branch under the pretext of replenishing the cash at day end. The Branch Head deputed two officers to accompany Nitesh in his car however, midway Nitesh threated these two officers and forced them to alight from the car. He then took off in his car and did not return to the Branch. • As Nitesh was absconding, on verification of the physical cash in the vault at day end, physical cash shortage aggregating to Rs. 219.21 lakhs was identified. • The gold loan packets which were in joint custody of Nitesh and Ramandeep Singh, were also verified, wherein it was found that four packets of gold ornaments pledged to the Bank against the gold loans disbursed to the borrowers were missing. **Preliminary Investigation findings** • As per instructions from the Circle Office, the existing joint custodians, at the Branch were informed to attend duties at other Offices on next	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						day. Two other officers, Ankit Thaper and Ankur Mahajan (Branch Head) were to be designated as joint custodians in their absence. • Due to a technical issue in generating the cash denomination reports from the Bank's system, the designated custodians could not take charge as custodians at the end of the day. • On the next day, prior to handing over the keys to the newly designated custodians, Nitesh informed the Branch Head about the physical shortage of cash in the vault and stated that he will replenish the shortage of cash amount by day end but did not disclose the extent of the cash shortage. • The Branch Head further, did not inform this aspect to the Controllers immediately, in respect of which staff lapses have been identified. • At the end of the day, the Branch Head directed Nitesh to replenish the physical cash shortage. The actual physical cash shortage was not ascertained at this stage. Nitesh left the Branch premises for cash replenishment and the Branch Head advised two officers posted at the Branch to accompany Nitesh. • The two officers accompanied Nitesh in his car however, they were forced to alight from the car midway, stating that they were threatened with their life by Nitesh. Post this, the Branch Head reported the incident to the Cluster Head. • The Cluster Head immediately visited the Branch, and physical cash was verified. Post verification, a physical shortage of Rs.219.21 lakhs was detected vis-à-vis the cash balance as per the Bank's core banking system. • The gold ornament packets held at the Branch (in respect of goal loans) were also verified wherein it was identified that 4 packets of gold ornaments were missing. The packets contained gold ornaments valued at Rs.37.12 lakhs (approx.), as per the gold appraiser certificate obtained at the time of sanction of respective gold loans. • Further, it transpired that out of the four missing packets, two packets were related to loan accounts of Priya Verma, wife of Nitesh, and two were pertaining to other customers. • The Branch further received 43 complaints from various customers alleging unauthorized debits to their accounts and also alleged that cash handed over to Nitesh, Teller, was not deposited in their accounts. The amount involved in these complaints' aggregates to Rs.1039.35 lakhs, which is yet to be investigated and validated. Action taken: • Police complaint has been filed. The Police are yet to trace the teller, Nitesh, who is absconding. The	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Police have visited the Branch and have initiated their investigation. • 100% provision has been made for the fraud loss amount. • The claim has been intimated to the Insurance Company for Rs.256.33 lakhs. The insurance surveyor is scheduled to visit the Branch for examination of the claim. • In respect of the other customer complaints received at the Branch which are presently under investigation, the same has also been intimated to the Insurance Company. The actual loss amount will be conveyed to the Insurance Company post completion of the investigation and submission of the investigation report	
186		Case of cheating and forgery by Shreeram Trading		198.90		Background: Shreeram Trading (ST) is a partnership firm engaged in trading of industrial scrap of ferrous and non-ferrous metals. Axis Bank is the sole lender. Working capital facilities of Rs.10.50 crore was sanctioned to the firm in November 2017, by way of takeover of limits from Punjab National Bank. The limit was enhanced to Rs.15.50 crore in March 2019. Term loan of Rs.3 crore was sanctioned in March 2019, by way of takeover of limits from Hero Fincorp Ltd. Axis Bank classified the borrower as NPA on 31.03.2021. Notice under SARFAESI was issued on 07.10.2021 and symbolic possession of mortgaged properties were taken on 13.01.2022. Original Application (OA) has been filed with DRT on 21.01.2022. The borrower was classified as RFA, pursuant to mortgaged property found in possession of third parties during symbolic possession. Axis Bank appointed M/s Chaturvedi & Chaturvedi to conduct forensic audit, wherein misrepresentation in financial statement was identified.The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. Key findings of forensic audit report are as under: **Circular trading transactions** – The borrower had conducted circular transactions of sales and purchase of same product with related entities during the same period of time, indicating fictitious movement of goods/ funds to boost up turnover. The said entities had common promoters and same place of business. – Below transactions were observed during review of the books of accounts of ST and its related entity, Vinayak Metal Industries (VMI). – Further, genuineness of the transactions appear doubtful since supporting documents, such as lorry receipts, E-way bills and delivery challans were not provided for review.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Purchase and sales with companies belonging to same group – The borrower and its group concern, VMI, entered into purchase and sale transactions with 4 entities which were part of the same group, by way of same registered address and common directorship - Blue Cross Commodities Pvt Ltd, Blutech Industries Pvt. Ltd., Polaris Indcomm Pvt. Ltd. and Torrent Industries Limited – Verification of VMI's books of accounts for FY 2019 highlighted that 61,091 Kgs of copper Ingots were sold to Blue Cross Commodities Pvt Ltd. Further, as per books of accounts of ST, purchase of same quantity copper Ingots were made from Blutec Industries Pvt. Ltd. – Further, underlying documents evidencing proof of dispatch and receipt of goods, balance confirmation, relationship with above parties with business objectives were not shared. Therefore, genuineness of the transactions appears to be doubtful and circular transactions to inflate turnover cannot be ruled out. **Transactions with suspicious and related parties** – Total revenue from FY 2018 to FY 2022 was Rs.294.82 crore, out of which contribution from Alliance Impex was Rs.107.77 crore, i.e. 36.55% of total revenue. Public domain searches highlighted that Alliance Impex was incorporated on 24.09.2018, whereas the borrower had started transacting with this party from 11.10.2018, which was unusual. – Revenue from sale to related entities of the borrower, i.e. Shree Sai International, Sunrise Metallic (India) Pvt. Ltd. and Vinayak Metal Industries, were Rs.67.36 crore. Receivable balance from these entities were disclosed as NIL as on 31.03.2019. However, in the books of accounts, their receivable balance were adjusted against different parties in ledger of c/a with PNB, by passing bogus receipt entries which remain unreconciled. – The balances of receivables/ payables from related entities were not disclosed in financial statements. Since no documents were provided for the underlying transactions, genuineness of the transactions cannot be ascertained Observations related to trade receivables – Position of trade receivables as on 31.03.2022 was Rs.15.20 crore, out of which receivables of Rs.9.87 crore were overdue for more than 2 years and Rs.5.32 crore were overdue for more than a year. – Receivables of Rs.2.10 crore was outstanding from Shree Sai Jari Works as on 31.03.2022. Review highlighted that sales to this entity from FY 2018

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						to FY 2020 was only Rs.1.26 crore and no outstanding receivables balance existed as on 01.04.2017. The borrower had passed adjustment entry of Rs.1.06 crore as at 31.03.2020, indicating doubtful recoverability of the said balance. - Further, sales and purchase transactions were conducted with common parties, wherein the balances in the accounts were adjusted by passing fictitious entries, without routing transactions via CC a/c maintained with Axis Bank. - Balance confirmations were sent to 7 debtors, out of which responses were received only from 2 debtors with negative confirmations. - Records of balance confirmation from debtors, underlying supporting documents for sale transactions and proof of action taken to recover the o/s balance was not provided for review **Observation related to trade payables** - There was drastic reduction in trade payables, from Rs.12.25 crore in FY 2021 to Rs.2.24 crore in FY 2022. Majority of these payments were not traced in the bank statements, instead were adjusted by passing sales/ debit notes. Balance confirmation sent to 3 creditors remained unanswered. - Out of this reduction, payment of Rs.5.23 crore were fictitious entries under bank ledger "The Greater Bombay Co-Op Bank Ltd" current account which is not appearing in bank statements. **Observations related to Inventory** - Inventory holding during FY 2018-FY 2022 was in the range of 36 to 120 days, which appear to be excessive, since the borrower was engaged in trading - During FY 2018, the borrower had accounted for "Copper scraps" under production for Rs.2.39 crore, without accounting for corresponding purchase. However, no production activities were observed, which indicated inflation in inventory. - During FY 2020 and FY 2021, the firm had passed single entries for transferring of stock of "copper rods" of Rs.0.60 crore and Rs.0.32 crore, respectively. However, no accounting entry was passed reflecting the inward stock of copper rods. Therefore, it is uncertain if the stock was transferred or written off. - During FY 2021, the firm accounted for shortage of inventory of Rs.4.90 crore and adjusted the same under COGS. This shortage was not disclosed by the firm in earlier years and was not disclosed in audited financials. - On comparison of stock statement(SS) with books of accounts for March 2018, March 2019 and March 2020, discrepancies in the availed DP were observed.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Adjustment entries – A large number of adjustment entries was passed using ledger of current account with Punjab National Bank, which were not appearing in the bank statements. Summary of year wise unreconciled balance / transactions not appearing in c/a 0077002102302855 with PNB is as under. – Further, these bogus entries were particularly passed at the end of the year and further reversed immediately in the beginning of next financial year, indicating that accounts position were window dressed **Differences observed between bank book and bank statement** – During FY 2018, revenue reported by the firm was Rs.66.20 crore. However, summation as per bank book ledger was Rs.187.98 crore. Further, summation as per bank statement was Rs.60.76 crore. – On sample basis, comparison was conducted between receipts in bank statements with books of accounts during the period from FY 2018 to FY 2022. Receipts of Rs.35.05 crore and payment of Rs.19.22 crore, appearing in the bank statement, could not be reconciled with books of accounts – Review highlighted transactions conducted by the firm which were appearing in books of accounts, but not in bank statements, were with either suspicious entities or related parties. **Conclusion by the Forensic auditor:** – In case of Fraud, "Intention" of party concerned is of utmost importance. In the present case, considering the complicacy of accounts and due to unearthing the substance of transactions over form, the genuineness and veracity of the transactions proves "Malfeasance" and "Fraudulent" without any iota of doubt. Key findings of internal investigations are as under: • The credit facilities sanctioned by the Bank to ST were secured by way of, inter alia, equitable mortgage on four immovable properties located in Mumbai. The security creation was completed in November 2017. • No adverse observation was noted in legal audit of the mortgaged properties conducted in January 2018. • Pursuant to classification of the account as NPA on 31.03.2021, recovery action under SARFAESI Act was initiated by the Bank. At the time of initiating symbolic possession of the mortgaged properties

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						on 13.01.2022, it was noted that the following property was occupied by a third party who claimed to be a tenant: Block no. B, 1st floor, Dreamland Building, C.S. No 1488 of Girgaon Divison, Mama Parmanand Marg, Charni Road Mumbai – 400004. • No prior intimation of the rental arrangement was provided to the Bank. • Clarification was sought from the borrower on the matter vide letter dated 09.02.2022. However, no response has been received from the borrower • As per opinion of Law Department obtained vide mail dated 02.09.2022: If the flats mortgaged to Bank earlier were free from any encumbrances and if the borrower now lets out the assets to tenants without NOC from the Bank, then the Bank can proceed with its enforcement action upon default by the Borrower including action under the SARFAESI Act, 2002. Action taken: (i) Police complaint filed with EOW Mumbai. 100 % provision has been made for the fraud amount.	
187		Case of cheating and forgery by Vinayak Metal Industries		179.60		**Background** Vinayak Metal Industries (VMI) is a partnership firm engaged in trading of industrial scrap of ferrous and non-ferrous metals. Axis Bank is the sole lender. Working capital limit of Rs.15 crore was sanctioned in March 2017, by way of takeover from Punjab National Bank. Limits were enhanced to Rs.20 crore in March 2018. <u>Resolution and Recovery Actions</u> Axis Bank classified the borrower as NPA on 15.02.2021. Notice under SARFAESI was issued on 07.10.2021 and symbolic possession of mortgaged properties were taken on 14.01.2022. Original Application (OA) has been filed with DRT on 14.10.2021. <u>RFA / Fraud Status</u> The borrower was classified as RFA, pursuant to mortgaged property found in possession of third parties during symbolic possession. Axis Bank appointed M/s Chaturvedi & Chaturvedi to conduct forensic audit, wherein misrepresentation in financial statement was identified. The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. Key findings of forensic audit report are as under: **Circular trading transactions** – The borrower had conducted circular transactions of sales and purchase of same product with related entities during the same period of time, indicating fictitious movement of goods/ funds to boost up	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			turnover. The said entities had common promoters and same place of business. – Below transactions were observed during review of the books of accounts of VMI and its related entity, Shreeram Trading (ST) – Further, genuineness of the transactions appear doubtful since supporting documents, such as lorry receipts, E-way bills and delivery challans were not provided for review **Purchase and sales with companies belonging to same group and two way transactions with same entity** – The borrower and its group concern, ST, entered into purchase and sale transactions with 4 entities which were part of the same group, by way of same registered address and common directorship - Blue Cross Commodities Pvt Ltd, Blutech Industries Pvt. Ltd., Polaris Indcomm Pvt. Ltd. and Torrent Industries Limited. – Below mentioned transactions were purchase and sales of exactly same quantity between the aforementioned entities. – During October 2021, the firm had purchased 34,701 kg of "Copper Rod" from Lotus Enterprises for Rs.1.08 crore on 30.10.2021. The same quantity was sold back to Lotus Enterprises on 02.11.2021 for Rs.1.11 crore. – Further, underlying documents evidencing proof of dispatch and receipt of goods, balance confirmation, relationship with above parties with business objectives were not shared. Therefore, genuineness of the transactions appears to be doubtful and circular transactions to inflate turnover cannot be ruled out. **Transactions with suspicious and related parties** – Total revenue from FY 2018 to FY 2022 was Rs.509.11 crore, out of which contribution from Sikkim Ferro Alloys Ltd was Rs.120.80 crore and Alliance Impex was Rs.112.93 crore i.e. 45.91% of total revenue. – Public domain searches highlighted that Alliance Impex was incorporated on 24.09.2018, whereas the borrower had started transacting with this party from 01.10.2018, which was unusual. Further, as on 31.03.2022, receivable balance from Alliance Impex was Rs.2.02 crore, which the borrower had concealed and posted bogus receipts in current account maintained with PNB, that remained unreconciled. – Revenue from sale to related entities of the borrower, i.e. Shree Sai International, Sunrise Metallic (India) Pvt. Ltd. and Shreeram Trading, were Rs.56.24 crore.

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Observations related to trade receivables – Position of Trade Receivables as on 31.03.2022 was Rs.21.87 crore, out of which receivables of Rs.1.46 crore were overdue for more than 2 years and Rs.7.03 crore were overdue for more than a year. – Review of books of accounts of the firm highlighted that receipts from debtors of Rs.74.29 crore as on 31.03.2022 in current account with PNB were appearing as unreconciled (i.e., no corresponding date mentioned against the bank receipt to confirm the clearance). – Further, based on the review from MCA website, GST portal and public domain searches, genuineness of debtors appear to be poor and recovery of Rs.21.87 crore of outstanding debtors as on 31.03.2022 appears doubtful. – Sales and purchase transactions were conducted with common parties, wherein the balances in the accounts were adjusted by passing fictitious entries, without routing transactions via CC a/c maintained with Axis Bank. – Balance confirmations were sent to 6 debtors. Letters remained unclaimed for 2 Debtors and no responses were received for balance 4 debtors. – Records of balance confirmation from debtors, underlying supporting documents for sale transactions and proof of action taken to recover the o/s balance was not provided for review. **Observation related to Trade payables** – There was drastic reduction in Trade payables from Rs.11.58 crore in FY 2018 to Rs.0.82 crore in FY 2022, indicating prompt payments to creditors. – Majority payments of Rs.7.97 crore were made through current account maintained in PNB, which were unreconciled with books of accounts. Authenticity of these payments cannot be ascertained. Moreover, Balance confirmation were sought from 3 creditors which remained unanswered. – Total purchases of the firm during the review period, April 2017 to March 2022 was Rs.506.36 crore, out of which purchases from Lotus enterprises was 23.95% i.e. Rs.121.25 crore. Further, goods were also sold to this entity for Rs.64.64 crore. – Purchases from Related entities, i.e. Shree Sai International, Sunrise Metallic (India) Pvt. Ltd. and Shreeram Trading amounted to Rs.90.03 crore, attributing to 17.78% of the total purchases for the review period. However, since supporting documents were not provided, genuineness of the purchase transactions cannot be ascertained.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						– Advances to suppliers of Rs.2.11 crore were written off in FY 2020, which raises doubt over the accuracy of the balances reported at the end of the year. **Observations related to Inventory** – Inventory holdings during FY 2017-FY 2022 was in the range of 23 to 153 days, which appears to be excessive since the borrower was engaged in trading – The borrower had purchased "Copper scraps" for Rs.22.73 crore in FY 2018 from related entities Shreeram Trading, Shree Sai International, and Sunrise Metallic (India) Pvt. Ltd, and sold it back to related entities for Rs.20.91 crore, indicating stock was transferred between related entities to inflate the turnover. – During October 2020, the firm had passed single entry for transferring of stock of copper ingots, copper rod and copper scrap of 59,372.91 Kgs, 15,151 Kgs and 8,808.79 Kgs respectively. However, no accounting entry was passed reflecting the inward/ outward stock of these items. Therefore, it is uncertain if the stock was transferred or written off. – On comparison of stock statement(SS) with books of accounts for March 2018, March 2019 and March 2020, discrepancies in the availed DP were observed **Adjustment entries** – A large number of adjustment entries was passed using ledger of current account with Punjab National Bank, which were not appearing in the bank statements. Summary of year wise unreconciled balance / transactions not appearing in c/a maintained with PNB is as under: – Further, these bogus entries were particularly passed at the end of the year and further reversed immediately in the beginning of next financial year, indicating that accounts position were window dressed. – Majority of these transactions pertained to related parties, which otherwise would have been appearing in receivable/ payable warranting questions from lenders. – On sample basis, comparison was conducted between bank statements with books of accounts during the FY 2018 to FY 2022. Comparison highlighted that receipts and payments of Rs.152.91 crore and were not appearing in the bank statements. Further, receipts of Rs.35.79 crore and payment of Rs.34.77 crore were not appearing in books of accounts. **Conclusion by the Forensic auditor:**	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			– In case of Fraud, "Intention" of party concerned is of utmost importance. In the present case, considering the complicacy of accounts and due to unearthing the substance of transactions over form, the genuineness and veracity of the transactions proves "Malfeasance" and "Fraudulent" without any iota of doubt. – Considering that there was no NOC on record prior to leasing out of mortgaged property by borrower M/s. Vinayak Metal Industries, whereby in given instance the lender bank has intentionally un-informed regarding the leasing out the mortgaged property as shows the defrauding intention of the borrower Key findings of internal investigations are as under: – The credit facilities sanctioned by the Bank to VMI were secured by way of, inter alia, equitable mortgage on five immovable properties located in Mumbai. – Memorandum of Entry was executed dated 20.04.2017 between Axis Bank and the borrower. – Pursuant to classification of the account as NPA on 15.02.2021, recovery action under SARFAESI Act was initiated by the Bank. At the time of initiating symbolic possession of the mortgaged properties from 12.01.2022 - 14.01.2022, it was noted that the following 37 flats/shops were occupied by a third party who claimed to be a tenant: o 17 Flats: Flat No. 1-6 on Ground Floor, flat No. 1-6 on First Floor and Flat No. 1 and 3 - 6 on Second Floor in Wing - E, Jay Heritage, S No-37, Hissa No.3, Plot No. 16 & 17, Village Sopara, District: Thane, Nallasopara (West), Mumbai. o 16 Flats: Flat No. 1-6 on Ground Floor, flat No. 2-6 on First Floor and Flat No. 1, 2, 4, 5 and 6 on Second Floor in Wing - D, Jay Heritage, S No-37, Hissa No.3, Plot No. 16 & 17, Village Sopara, District: Thane, Nallasopara (West), Mumbai. o 4 Flats/Shops: Flat No. 1B, 2B, 3B and 12B Jay Heritage, S No-37, Hissa No.3, Plot No. 16 & 17, Village Sopara, District: Thane, Nallasopara (West), Mumbai. – No prior intimation of the rental arrangement was provided to the Bank. Clarification was sought from the borrower on the matter vide letter dated 09.02.2022. However, no response has been received from the borrower – As per opinion of Law Department obtained vide mail dated 02.09.2022: If the flats mortgaged to Bank earlier were free from any encumbrances and if the borrower now lets out the assets to tenants without NOC from the Bank, then the Bank can proceed with its enforcement action upon default

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			by the Borrower including action under the SARFAESI Act, 2002. **Action taken -** - Police complaint has been filed with EOW Mumbai. - 100% provision has been made for the fraud loss amount.
188	Case of cheating and forgery by Dhruv Wellness Limited	89.90	Background: Dhruv Wellness Limited is engaged in wholesale distribution of pharmaceutical and cosmetic products, including ayurvedic medicines. The company availed working capital facilities of Rs.16.22 crore, under multiple banking arrangement, from Axis Bank and State Bank of India (SBI). Axis Bank sanctioned cash credit limit of Rs.9 crore to the company in FY 2016, including takeover of limits of Rs.4.50 crore from Bank of India. Resolution and Recovery Actions Axis Bank classified the borrower as NPA on 29.11.2019. Notice under section 13(2) of SARFAESI act was issued on 27.06.2020. Original Application (OA) has been filed with DRT on 19.09.2020. RFA / Fraud Status The borrower was classified as RFA, based on fraud classification by State Bank of India (SBI). SBI classified the borrower as fraud based on findings of forensic audit conducted by them; the forensic audit report has not been shared with Axis Bank. Axis Bank appointed M/s M/s Parekh Shah & Lodha to conduct forensic audit, wherein misrepresentation in financial statement was identified.The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. Key findings of forensic audit report are as under: **Non-cooperation from the borrower** - Initial data request was shared with the borrower on 14.05.2022 by the Forensic Auditor. Further follow ups was done by Axis Bank on 24.06.2022 and 04.07.2022. - The borrower responded on 10.07.2022, asking two weeks to submit the data, as documents were seized by GST department. However, no details and documents were shared despite multiple follow-ups till 06.09.2022. **GST Inspection on Tax evasion** - As per media reports, Mr. Pravinkumar Narayanbhai Prajapati, director of Sulabh Pharmaceutical Pvt Ltd, was arrested by the Mumbai unit of Central Goods and Services Tax

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			(CGST) in January 2019 for fraudulently availing input tax credits of Rs.158 crore. – Probe by CGST allegedly revealed that the accused opened 17 firms in his name and those of family members, friends and employees. Later, paper transactions were carried out among these 17 firms by issuing fake invoices, without any sale, purchase, or supply of goods or services. – DWL has been named as one of the 17 entities, along with Sulabh Pharmaceutical Pvt Ltd and Jayesh Lifescience India Private Limited (JLIPL). – Mr. Pravinkumar Narayanbhai Prajapati has been a Director in DWL since 2017. – Present status of the probe by GST authorities could not be verified independently. **Bank statement analysis** – **Related party transactions:** Bank statement analysis highlighted that the borrower had conducted high percentage of transactions with related parties, indicating rotation of funds. However, the company had disclosed NIL Related party transactions (RPT) in the board report for FY 2019 and onwards. – In FY 2016 and FY 2017, high percentage of banking transactions were with related parties. Further, in FY 2017, 51%-54% of funds were rotated between related parties, Jayesh Distributors and Jayesh Lifescience India P Ltd. Other major parties: Bank statement analysis further highlighted transaction with following major counterparties, which appear suspicious: – Circular transaction with entities of the same group - During FY 2016, the borrower received Rs.1.34 crore from Indo German Drugs Private Limited. Further, during the same year, the borrower paid Rs.1.15 crore to Laxmi Arogyam Pvt Ltd. Similarly in FY 2017, the borrower received Rs.18.94 crore Indo German Drugs Private Limited and paid Rs.11.89 crore to Laxmi Arogyam Pvt Ltd. Both these entities are related to each other through common directorship. – Receipts and payments with same parties - Borrower had made a total payments of Rs.47.41 crore to Om Agency in FY 2017 and FY 2018. Further, the borrower had received Rs.23.65 crore from Om Agency in FY 2019 and FY 2020. This indicated suspicion on the type of transactions which is uncommon in the normal course of business. – High receipts and payments by the borrower - During FY 2018, the borrower had made unusually high payments to Om Agency, Global Trading Co. of Rs.36.10 crore and Rs.28.86 crore respectively. Further in FY 2019, the borrower had received

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						funds of Rs.19.20 crore, Rs.21.79 crore, Rs.14.44 crore and Rs.7.02 crore from Deepak Agency, Sadhi Enterprises, Kishore Agency, Bharmani Enterprises respectively. Since access to books of accounts and supporting documents were not shared by the borrower, nature of the aforementioned transactions could not be ascertained. During FY 2020, revenue from operations was Rs.42.33 crore and collections reported in bank statement was Rs.22.85 crore. However, the borrower had also availed facility from State Bank of India, and bank statements of SBI were not available for review. Therefore, reconciliation between sales and bank receipts could not be ascertained **Analysis of Trade receivable and Trade payable** – Trade payable were reduced by Rs.4.59 crore in FY 2018, against Rs.9.61 crore in FY 2017 i.e. subsequent to the money raised by way of public issue. This indicated that funds were utilized to pay of bogus creditors. However, as details are not available, genuineness of creditor transactions cannot be ascertained. – Further, drastic reduction was noted both in trade receivable and trade payable in FY 2020, by Rs.15.78 crore and Rs.9.66 crore, respectivel. This is due to adjustment of trade payables with trade receivable, as highlighted by the statutory auditor in FY 2020. – The company had used similar modus operandi in FY 2019 and FY 2020, wherein the sudden increase/ upscale in trade payables were noted in FY 2019 was further reduced in FY 2020 by way of adjustments between trade payable and trade receivables. **Inventory analysis** – Inventory levels have increased by 162% over the years, from FY 2016 to FY 2018. Inventory levels reduced substantially by Rs.18.76 crore during FY 2020, inferring that stock was either overvalued or were recorded in books of accounts by way of bogus purchases during previous years, which was written off/ adjusted in FY 2020. – On comparison between stock statement and audited financials for March 2016, March 2018 and March 2019, discrepancies were noted in all the years indicating misrepresentation. Further inventory was overstated by Rs.3 crore in FY 2016, indicating DP overstatement. – Further, on review of stock statements, it was observed that the borrower had not provided bifurcation of stock and book debts between Axis Bank and State Bank of India, since credit facility was availed from both lenders.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			– Adverse observations were also noted in the stock audits conducted by Axis Bank: Stock audit report dated 08.12.2016: The company had wrongly reported debtors of Rs.0.54 crore which were overdue more than 90 days. Stock audit report dated 17.02.2018: DP as per the auditor was Rs.5.86 crore as on 31.01.2018, but the company utilized the limit upto Rs.8.93 crore. Difference was due to wrong reporting of stock, trade payable and trade receivables by borrower in the stock statement. **Audited Financial qualified by the Statutory Auditor** – Statutory auditor, M/s Sanjay M Kangutkar & Associates, had qualified their opinion in audited financials for FY 2020 and FY 2021. Audited Financials for FY 2020- The Statutory auditor had not obtained all the information and explanations which were necessary for carrying out the audit. Inspection was conducted by the GST Anti Evasion Department in January, 2020, where the department has alleged that the company has issued bogus sales and purchase invoices and one of its director Mr. Pravin Prajapati was arrested. During this period, the company has settled most of its suppliers and creditors for goods directly with the debtors of the company. There were several issues with buyers due to supply of near expiry / expired, slow moving / non-moving stocks, damaged stocks, etc. by the company. The closing stock in the company was also near expiry or expired and hence such stocks had to be written off. Audited Financials for FY 2021- During this period, the company has settled its creditors directly with the debtors of the company as it was not possible to do further business as the company could not operate it's bank accounts as they had been frozen by the lenders due to outstanding interest and instalments. **Other observations** – The borrower was listed in July 2017 and subsequent to raising capital during public issue, the borrower had paid off unsecured loans and advances obtained from related parties. The unsecured loans were Rs.0.80 crore in FY 2016, which reduced to Rs.0.04 crore in FY 2017. **Conclusion by the Forensic auditor:** – Access to books of accounts and other supporting documents were not provided by borrower in spite of several repeated requests and reminders. The intention and integrity of the management of the

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						company seems to be doubtful and creates lots of suspicion. – Further in reference to judicial verdict of The Supreme Court of India in Dr. S. Dutt v. State of Uttar Pradesh which includes elements of Fraud to be active concealment of facts which implies, when the party takes positive or deliberate steps to prevent information from reaching the other party and this is treated as fraud. – The borrower seem to be engaged in financial maleficence/ diversion of funds and fraudulent activities with mala fide intention, in view of the following: ▪ GST Inspection highlighted that borrower conducts bogus sale and purchase transaction with related parties to inflate turnover of the company ▪ Overview of financials for FY 2021 also highlighted that the borrower had cleaned his financial information and receivables, inventory and trade payables have been reduced to negligible amounts. – There were high volume of banking transactions with the related parties and the circular trading observed with other inter related parties. Hence, we have reached conclusion that the borrowed funds have been diverted through fictitious purchases. Action taken – Police complaint has been lodged in the matter.	
189		Case of cheating and forgery by Bindal Fashion Private Limited		87.40		Background - Bindal Fashion Private Limited (BFPL), incorporated in 1995, is engaged in manufacturing of dyed fabrics and sarees. Axis Bank is the sole lender to the company. Axis Bank sanctioned cash credit limit of Rs.8.50 crore to the company in FY 2018, including takeover of limits of Rs.7.45 crore from Oriental Bank of Commerce. Resolution and Recovery Actions: Axis Bank classified the borrower as NPA on 29.12.2021. The borrower was admitted for CIRP vide NCLT order dated 08.07.2022. Claim of Rs.0.72 crore against ECLGS limits has been approved by with NCGTC and funds have been recovered. RFA / Fraud Status: The borrower was classified as RFA, based on operational irregularities. Axis Bank appointed Pipara & Co. to conduct forensic audit, wherein instances of misrepresentation in stock statement and financial statements were identified. The borrower did not cooperate in the forensic audit exercise. The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			The exposure has been prudentially written-off by the Bank. Key findings of forensic audit report are as under: Overstatement of figures reported in stock statement − On comparison of values disclosed in stock statement for March 2021 vis-à-vis audited financials for FY 2021, overstatement of inventory and understatement of creditors were noted. − Drawing power calculated on the basis of figures in audited financials was not adequate to cover the outstanding as at 31.03.2021. − Investigation Remarks: Comparison of stock statement for March 2021 vis-à-vis audited financials for FY 2021. − DP arrived based on audited financials was lower than DP based on stock statement for March 2021. Also, o/s balance in CC limit on 31.03.2021 was Rs.8.28 crore, which was higher than the eligible DP based on audited financials. − Transactions with Ashoka Dyeing & Printing Mills Private Limited (ADPML): − ADPML is a related entity of the borrower as Mr. Rajendrakumar Dhanrajji Bindal, who is the brother of Mr. Manojkumar Dhanrajji Bindal, is one its Directors. Further, both the entities have a common statutory auditor since FY 2017, M/S Mukul Jalan & Co. − However, ADPMPL has not been disclosed as a related party in audited financials of the borrower. As per stock statement for the month of December 2020 submitted by the borrower, receivable from ADPML, ageing less than 90 days, was Rs.0.19 crore. However, as per the ledger of ADPML, the amount due for less than 90 days was only Rs.0.11 crore. − As per terms of sanction, receivables from related parties were not to be considered for drawing power calculation. It can be deduced from the aforementioned that the borrower misrepresented in stock statements to avail higher DP from the Bank Repayment of unsecured loans: − During the period from FY 2018 to FY 2021, net repayment of unsecured loans was Rs.1.21 crore. Out of the above, repayment of Rs.0.86 crore was made to related parties. − The same funds could have been utilized to reduce the dues from the Bank. Forensic auditor could not establish the justifications for repayments of unsecured loans Non-closure of account with earlier lender i.e. Oriental Bank of Commerce (OBC)

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			− As per terms of original sanction in FY 2018, the borrower was required to close the current account maintained with OBC latest by 30.09.2017. − By analysing the financials for FY 2018, it was observed that the borrower was still maintaining the current account with OBC, with balance of Rs.51,507 as at 31.03.2018 Investigation Remarks: − Evidence of closure of current account with OBC was not held on record. − Non-compliance of terms regarding conversion of USL into share capital and maintenance of USL − As per terms of original sanction in FY 2018, conversion of unsecured loans into Share Capital/Securities Premium to the tune of Rs.0.35 crore prior to release of enhanced limits and additional conversion of Rs.0.35 crore by 31.03.2018 was stipulated − As can be seen from above table, the increase in share capital and securities premium in FY 2018 was Rs.0.35 crore, against stipulated level of Rs.0.70 crore. − It was stipulated as per sanction letter dated 28.09.2018 that, unsecured loans to be maintained at Rs.3.73 crore, in addition to conversion of unsecured loans or infusion of equity to the tune of Rs.0.35 crore. However, the said terms were not complied with, as can be seen from the table above **Conclusion by Forensic Auditor** − Due to non-availability of adequate data, the forensic auditor was restrained in the performance of the engagement, which would have otherwise helped in a more comprehensive analysis. − However, a plain analysis of the observations in this report, more specifically on account of the claim of drawing power on related party receivables (without appropriate disclosure in the financial statements), excess claim of drawing power as at 31.3.2021, shows that the borrower has taken working capital on the basis of incorrect information furnished to Axis Bank, which otherwise the borrowers were not eligible for. − Such instances fall under the understanding of Fraud under the RBI's guidelines Action taken- Police complaint has been loged in the matter. The exposure has been prudentially written-off by the Bank.
190	Case of cheating and forgery by Jayesh Lifescience India Private Limited	72.30	Background: Jayesh Lifescience India Private Limited (JLIPL) is engaged in business of retail/wholesale trading in ayurvedic and other medicines, surgical, cosmetics and general products. The company availed working capital facilities of Rs.11.25 crore, under multiple banking

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			arrangement, from Axis Bank and State Bank of India (SBI). Axis Bank sanctioned working capital facilities of Rs.7.5 crore to JLIPL in November 2016, including takeover of existing limits of Rs.3 crore from Bank of India. Resolution and Recovery Actions The account was classified as NPA by Axis Bank on 29.08.2019. Notice u/s 13(2) of SARFAESI Act was issued on 03.01.2020. An OA has been filed before DRT Mumbai on 05.09.2020. RFA / Fraud Status The borrower was classified as RFA, pursuant to fraud classification by State Bank of India (SBI). As per CFR submission, SBI classified 'Fraud' based on on internal audit observations pertaining to utilization of bank limits towards repayment of unsecured loans and regularization of CC limits of sister concerns maintained with other banks. The borrower is recommended to be classified as 'Fraud', based on findings of internal investigation. **Fraud classification of the borrower by SBI** - SBI reported the borrower as 'Fraud' in CRILC platform on 11.05.2022 (date of detection was 25.03.2022). However, the said Fraud classification was not intimated to Axis Bank. - Post classification of the borrower as RFA, Axis Bank followed up with SBI for holding a JLM to discuss the details of their Fraud classification. In the JLM held on 05.08.2022, details of SBI's credit relationship and Fraud classification of JLIPL were not shared by the attending SBI official. Axis Bank shared the minutes of the JLM with SBI for confirmation on 13.08.2022 and made subsequent follow-ups on 25.08.2022 and 05.09.2022, seeking details of their Fraud classification. However, no response has been received from SBI till date. - The following were the key observations from SBI's submission in Central Fraud Registry (CFR): o SBI sanctioned C limit of Rs.3.00 crore to the company on 29.03.2019 on pari-passu basis with Axis Bank. Subsequently on 31.05.2019, an Ad-hoc CC limit of Rs.0.75 crore was sanctioned to meet increased seasonal demand of certain products. o Internal Auditor, vide report dated 22.09.2021, reported the said account as suspected fraud, based on the following: ▪ Initial disbursement of Rs.1.50 crore was made to current account maintained with Axis Bank, from where the amount was

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			transferred to various companies. However, company has not provided copies of the invoice. ▪ Ad -hoc limit was utilized for regularization of the account of Sulabh Pharmaceuticals (related party) maintained with Andhra Bank. The company has not provided copies of invoices obtained from Sulabh Pharmaceutical. o As per stock audit report, the company had used funds from CC/adhoc CC limits towards repayment of unsecured loans, self-withdrawals, transfer to sister concerns and regularisation of CC limits of sister concerns maintained with other banks. Complete details of debtors have not been provided by the company in the stock statements indicating diversion of funds. o Type of Fraud: Diversion of funds Key findings of forensic audit report are as under: **Overstatement of debtors in Stock Statement submitted to the Bank** – DP arrived based on ABS was less than DP calculated based on stock statement for March 2018. Also, o/s balance in CC limit on 31.03.2022 was Rs.7.30 crore, which was higher than the eligible DP based on audited financials. – It is evident that the borrower had availed excess DP as at 31.03.2018, based on overstatement of eligible debtors in stock statement **Availment of credit limits from SBI without intimation to Axis Bank:** – As per SBI's submission in CFR, they had sanctioned CC limit of Rs.3 crore to the company on 29.03.2019 on pari-passu basis with Axis Bank. SBI filed charges on current assets of the company with MCA on 30.03.2019. – As per terms of sanction by Axis Bank, accepted by the company, prior intimation to the Bank in writing, for availing any fresh borrowing, was stipulated. In the present case, prior intimation of the borrowing from SBI was not evidenced. Further, there is no evidence of the borrower seeking NOC from Axis Bank for the said limits. – Stock statements submitted by the borrower, for the months of April 2019, May 2019, June 2019 and July 2019, did not mention the limits availed from SBI and its share in DP. This resulted in the entire DP being allocated to Axis Bank. **Adverse Media Reports on GST Fraud**

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						– As per media reports, Mr. Pravinkumar Narayanbhai Prajapati, director of Sulabh Pharmaceutical Pvt Ltd, was arrested by the Mumbai unit of Central Goods and Services Tax (CGST) in January 2019 for fraudulently availing input tax credits of Rs.158 crore. – Probe by CGST allegedly revealed that the accused opened 17 firms in his name and those of family members, friends and employees. Later, paper transactions were carried out among these 17 firms by issuing fake invoices, without any sale, purchase, or supply of goods or services. – JLIPL has been named as one of the 17 entities, along with Sulabh Pharmaceutical Pvt Ltd and Dhruv Wellness Ltd. – As per internet search, Mr. Pravinkumar Narayanbhai Prajapati is a brother of Mr. Nitinkumar Narayanbhai Prajapati, a Director in JLIPL. – Present status of the probe by GST authorities could not be verified independently. **Management Response on Investigation Findings:** – The findings of the internal investigation were shared with the company, on 19.09.2022 seeking clarification from its management. – No response has been provided by the management Action taken – Police complaint has been filed in the matter.	
191		Case of cheating and forgery by M/s. Megha Enterprise & M/s. Megha Associates		25.00		Background: SBB Cash credit of Rs. 1.25 crore each was sanctioned to M/s Megha Enterprise and M/s Megha Associates, proprietary concerns, aggregating to Rs.2.50 crores which were takeover cases from HDFC Bank. Two properties i.e. flat situated at Cuttack and residential land at Athagarh were given as common collateral security for the loans. The properties were apparently overvalued by two valuers and valuation report was submitted based on which higher loan eligibility was arrived at. Investigation finding – SBB Cash Credit facilities aggregating Rs. 2.50 crores were sanctioned to M/s Megha Enterprise and M/s Megha Associates which in effect were takeover loans from HDFC Bank. – As per process, valuation was done by two valuers empaneled by the Bank since the loan amount was exceeding Rs. 1 crore. – Both the valuers' submitted inflated value of the properties in their valuation reports. This could be ascertained as fresh valuations were triggered during investigation. – Further, the Valuation Reports submitted by the two valuers were identical in terms of their reports	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			and findings which were verbatim and minor difference of value was quoted by them. – One of the valuer's provided the valuation report without conducting the physical inspection/ survey of the proposed mortgage land / property. – Based on the inflated market value of the collateral security, higher Loan-To-Value (LTV) was calculated, and higher loan amount was sanctioned. – Revised valuation during investigations of both the properties indicated that Rs. 1.70 crores was sanctioned over and above the actual eligible amount of Rs. 0.80 crores. – The borrowers are not contactable and are absconding Action taken: – Police complaint has been lodged in the matter. – Services of both the valuers have since been terminated and will be reported to Indian Banks Association (IBA).
192	Case of cheating and forgery by M/s. Traditional Jewellery Manufacturers Market	17.80	Background: Kozhikode Branch received a complaint from Muhammed Abdul Kareem Faisal, an NRI customer alleging unauthorized debits to his NRO Savings account aggregating to Rs. 1.78 crore. The amounts were debited through 2 cheques for Rs. 98 lakh and Rs.80 lakhs respectively. The customer contended that the cheques were not issued by him and were from cheque books which were misplaced by him, and could not be traced. Investigation findings • Muhammed Abdul Kareem Faisal, has been a customer of Kozhikode Branch since 07.10.2005. • Both the disputed cheques were presented across the counter of Town Hall Branch (Non-Home Branch) for transfer of funds to the Current Account of M/s Traditional Jewellery Manufacturers Market. **Beneficiary / Payee's account details:** • The current account, M/s Traditional Jewellery Manufacturers Market was opened with Townhall Branch during the month of July 2022. • The entity is a Sole Proprietorship concern of one Mr. Velaraj A, who was running a Jewellery shop in a rented / leased premises. • As per the Bank's laid down process, if the applicant is a tenant, the landlord must be compulsorily contacted in order to ascertain the bonafides of the arrangement and to know whether the landlord has done due diligence of the tenant. This verification with landlord was not undertaken

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						by the sourcing staff in respect of which staff lapses have been identified. • During fresh field visit, the shop was found closed. Mr. Velaraj A was not available at his residence and could not be reached / contacted over phone. **Funds tracing:** – Post credit of the above cheques, an amount of Rs.97 lakhs was transferred to two current accounts with the Bank. Further an amount Rs.0.80 lakhs was withdrawn in cash and Rs.0.20 lakhs was appropriated towards premium for an insurance policy. – The balance flow of funds of Rs.80 lakhs, was stopped from the account as the Branch, on receipt of the complaint, marked a lien in the account. • The signatures on the cheques were examined by a forensic signature/ handwriting expert who opined that the signatures were forged. • The cheque passing officials were unable to identify the difference in the drawer's signatures on the cheques prior to processing the same. • Transaction alerts in the newly opened account of M/s Traditional Jewellery Manufacturers Market were responded to by the Branch Head without undertaking proper due diligence, as per extant guidelines, in respect of which staff lapses has been identified Action taken: • Police complaint has been filed. • Insurance claim has been lodged by the Branch with the Insurance Company	
193		Case of cheating and forgery by M/s. D S Textiles		123.5		**Background** D S Textiles (DST), a proprietorship firm incorporated in 2009, is engaged in manufacturing of garments and textiles. Axis Bank is the sole banker to the borrower.Bank sanctioned credit facilities of Rs.10.90 crore in November 2018, by way of takeover from Kalyan Janata Sahakari Bank. Total exposure of Rs.29.44 crore in 5 entities of the "Cobra Group", promoted by Talreja family. Resolution and Recovery Actions • The account was classified as NPA on 28.09.2021. • Notice under section 13(2) of SARFAESI was served on 05.09.2022. RFA / Fraud Status • The 5 group entities were classified as RFA on 20.04.2022, based on default in payments to banks/ sundry debtors/ statutory bodies. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of DST, wherein instances	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						of misrepresentation in financial statements and stock statements, and circular transactions were highlighted. • DST was classified as 'Fraud', based on adverse observation in the forensic audit report. • All the 5 group entities have been classified as 'Fraud' by Axis Bank. **Forensic Audit** Axis Bank appointed Pawan Puri & Associates on 02.05.2022, to conduct forensic audit of the borrower, covering review period from 01.04.2017 to 31.03.2022. Draft forensic audit report received on 13.09.2022 was inconclusive. The forensic auditor was advised to submit a conclusive report, incorporating response from the borrower. The final forensic audit report was submitted on 06.10.2022. The key findings are given below: – It was noted that the borrower had claimed excess DP in FY 2021, which was inadequate to cover CC o/s of Rs.7.59 crore as at 31.03.2021. Concentration in purchase and sale transactions • Review of sales and purchase transactions during FY 2020, FY 2021 and FY 2022 highlighted high concentration with V S Enterprises, Adarsh Silk Mills and Krishna Arjun & Co. Details are as captured below: • During FY 2022, DST sold goods worth of Rs.3.87 crore to Adarsh Silk Mills and Krishna Arjun & Co, which constituted 75% of total sales. In FY 2021, the 2 parties contributed 40% in total sale (i.e. Rs.6.80 crore). • During FY 2021, DST made purchase of Rs.4.48 crore from V S Enterprises, which constituted 27% of total purchases. Similarly in FY 2022, 82% of total purchase (i.e. Rs.3.91 crore) was from V S Enterprises. • In the ledger of V S Enterprises, dues of Rs.1.81 crore were adjusted with Adarsh Silk Mills in FY 2021 through journal voucher. – Of the total creditors of Rs.6.16 crore as on 31.03.2022, ~81% were from the following 4 entities – V S Enterprises, P J Exports, Lookline Textile Pvt Ltd and Tuni Textile Mills. – Of the total debtors of Rs.5.40 crore as on 31.03.2022, 87% were from Adarsh Silk Mills, and Krishna S. All these debtors have been outstanding for more than 180 days with poor chances of recovery. – Inventory review identified that, during FY 2022:, the borrower bought: • DST bought 3,71,992.5 meters of garments at Rs.71.44/meter from V S Enterprises.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Sold a total stock of 9,71,123.2 meters at Rs.15.84/meter to Adarsh Silk Mills and Krishna Arjun & Co. • Further, it was noted that GST credentials of Adarsh Silk Mills and Krishna Arjun & CO were same and proprietor of these two firms was also same i.e. K B Aneja. – Considering total quantity of stock sold during the period and beginning stock position for FY 2022, it can be concluded that the borrower had deliberately purchased the stock at higher rate and sold the same at a substantially low rate during Q4 FY 2022. – Public domain searches identified that the address of all three aforementioned firms is common i.e. L1, 2nd Floor, Muni Surat Compound, Behind Holly Marry School, Rahanal, Bhiwandi, Thane. – On visiting the premises of these 3 entities, they were found to be situated in adjacent plots and negligible stock was lying. It was noted that the infrastructure of these entities were insufficient to carry out the volume of transaction reported in the books of DST. – Based on the fact, it can be concluded that these firms were indulged mainly in circular trading. Internal Investigation Remarks: – There were minimal transactions routed through the borrower's accounts in Axis Bank during FY 2021 and FY 2022. Hence, the aforementioned transactions either did not involve payments/receipts of funds or routed through other Banks. – Based on review of DST's operating accounts in Axis Bank, credits of Rs.2.79 crore and Rs.1.66 crore were observed from Adarsh Silk Mills and Krishna Arjun & CO, respectively. Payments of Rs.4.32 crore to VS Enterprises were observed. – Apart from the aforementioned key observations, the forensic auditor highlighted the following irregularities observed for the period prior to sanction by Axis Bank: Ascertaining end-use/money trail of funds – KJSB had taken over the facilities from Bank of Baroda and term loans of Rs.3.50 crore from Edelweiss in December 2017. Subsequently, Axis Bank had taken over the limits from KJSB in August 2019. – On review of the company's accounts during the period from December 2017 to August 2019, the following were observed: • Rs.0.50 crore was transferred from CC account in KJSB to DST's c/a maintained with BOB. • Inflows of Rs.1.86 crore from and outflows of Rs.2.71 crore to related parties were observed in DST's c/a maintained with BOB.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Further, inflows of Rs.7.85 crore from and outflows of Rs.7.08 crore to related parties were observed in CC account with KJSB. A number of instances of suspicious transactions in DST's accounts are illustrated below. – Funds diverted from DST towards term loan repayment of group entity Aee Vee Textiles (AVT) • On 09.01.2018 Rs.0.50 crore was received from Greentex Exports India to DST's c/a in BOB. • Out of the above, Rs.0.25 crore was transferred to group entity GSMPL's c/a maintained with BOB. • The funds were further transferred to promoter Rakesh Talreja's savings account in BOB. • Rakesh Talreja transferred the funds to DST's c/a with BOB, which was shown as capital infusion in its books. • On 11.01.2018, Rakesh Talreja transferred the funds to Dharamdas Talreja's savings account in BOB. The funds were transferred onwards to group entity AVT's c/a in UBI and utilized for term loan repayment. Circular transaction with group entity Harsh Textiles (HT), , routed through capital accounts of promoter/family • On 21.03.2018, Rs.0.22 crore was received from group entity HT and Rs.0.03 crore from SKJ Textiles in DST's CC account with KJSB • From there, Rs.0.25 crore was transferred to Rakesh Talreja's savings account with KJSB. • The funds were transferred onwards to group entity GSMPL's CC account in KJSB (shown as equity infusion). • The funds were further transferred to DST's CC account in KJSB. • On same day, Rs.0.22 crore was transferred to group entity HT's CC account in KJSB. Circular transaction with Laxmi Polytex Limited, routed through capital accounts of promoter/family • On 27.03.2019, Rs.0.13 crore was received from Laxmi Polytex Limited in DST's CC account in KJSB. • Out of the above, Rs.0.11 crore was transferred to Rakesh Talreja's savings account in KJSB. • The funds were further transferred to group entity GSMPL's CC account with KJSB (shown as capital infusion). • On same day, the funds were transferred back to Laxmi Polytex Limited. Transactions with other bank/ associate concerns – The forensic auditor has reviewed the statement of CC and c/a accounts maintained in Bank of Baroda, KJSBL and Axis Bank, at various point in time.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						– Transactions with related entities were observed from the accounts maintained with BOB and KJSBL. – On review of the capital accounts of promoters Dharamdas Talreja and Rakesh Talreja, a series of transactions were noted post enhancement of KJSB's limits to DST. The enhancement was extended to associated firms/close relatives and ultimately deposited in group entity GSMPL as unsecured loan. The same was done to inflate capital structure of the associated firms. Conclusion by forensic auditor – Inflating the value of stocks in the stock statement and drawing excess bank finance. – Circular Trading due to high concentration of business to few suppliers/customers. During the visits to supplier/customers, it was established that they do not have sufficient infrastructure for doing voluminous trade as shown in the books of account. – The forensic auditor shared their findings with the borrower on 08.09.2022, seeking clarifications/ responses on the same. No response has been received from the borrower. **Action Taken / Proposed** • Police complaint has been filed in the matter • The exposure has been prudentially written-off • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) • Fraud has been reported to the Serious Fraud Investigation Office (SFIO)	
194		Case of cheating and forgery by M/s. S,D Textiles		42.1		**Background** S D Textiles (SDT), incorporated in 2004, is engaged in manufacturing and trading of textile fabricsAxis Bank is the sole lender to the company.Bank sanctioned credit facilities of Rs.2.70 crore in November 2018, by way of takeover from Kalyan Janata Sahakari Bank; limits were enhanced to Rs.3.56 crore in December 2018.Bank has total exposure of Rs.29.44 crore in 5 entities of the "Cobra Group", promoted by Talreja family. Resolution and Recovery Actions • Axis Bank classified the borrower as NPA on 29.12.2021. • Notice under section 13(2) of SARFAESI was served on 05.09.2022 RFA / Fraud Status • The 5 group entities were classified as RFA on 20.04.2022, based on default in payments to banks/ sundry debtors/ statutory bodies. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of SDT, wherein instances of misrepresentation in financial statements and	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						stock statements, and circular transactions were highlighted. • SDT was classified as 'Fraud', based on adverse observation in the forensic audit report. • All the 5 group entities have been classified as 'Fraud' by Axis Bank. • The exposure has been prudentially written off as of 31.10.2022. **Forensic Audit** Axis Bank appointed Pawan Puri & Associates on 02.05.2022, to conduct forensic audit of the borrower, covering review period from 01.04.2017 to 31.03.2022. Draft forensic audit report received on 13.09.2022 was inconclusive. The forensic auditor was advised to submit a conclusive report, incorporating response from the borrower. Concentration in purchase and sale transactions: • Review of sales and purchase during FY 2020, FY 2021 and FY 2022 identified that M/s V S Enterprises, M/s Adarsh Silk Mills and M/s Krishna Arjun & Co constituted the main trade relationship with SDT indicating high concentration with these entities. Details are as captured below: – During FY 2021-22, SDT sold goods worth of Rs 5.00 crore to V S Enterprises which constituted 76% of total sales and 52% of total outstanding debtors. – In FY 2020-21, M/s V S Enterprises constituted 55% of total Sales and 66% of the total outstanding sundry debtors. – On the credit side of the balance sheet, SDT had major trade relationship with two vendors i.e. M/s Adarsh Silk Mills and M/s Krishna Arjun & Co during the FY 2020, FY 2021 & FY 2022, as SDT purchased stock on credit from these two vendors. • During FY 2021, Adarsh Silk Mills and Krishna Arjun & Co constituted 82% of total purchases. Similarly in FY 2022, 88% of total purchase was from these 2 parties. • Of the total creditors of Rs.5.63 crore as on 31.03.2022, M/s Adarsh Silk Mills constituted Rs.4.03 crore and M/s Krishna Arjun & Co constituted Rs.1.56 crore, thereby comprising of approximately 99% of total creditors • Of the total debtors of Rs.5.15 crore, M/s V S Enterprises constituted Rs.2.70 crore, Sankeshwar Textiles LLP constituted 8Rs.0.7 crore and Sambhav Clothing constituted Rs 0.43 crore as on 31.03.2022 i.e. 75.83% of total debtors. All these debtors have been outstanding for more than 120 days with poor chances of recover	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						– Inventory review identified that for the period January 2022 to March 2022, the borrower bought: • 184990.15 meters of stock at Rs. 62.46/meter from M/s Adarsh Silk Mills • 62132.00 meters at Rs. 57.97/meter from M/s Krishna Arjun & Co. • Sold a total stock of 576313.10 meters at Rs.11.63/meter to M/s V S Enterprises. • Further, it was noted that GST credentials of Adarsh Silk Mills and Krishna Arjun & Co were same and proprietor of these two firms was also same i.e. K B Aneja – Considering the total quantity of stock sold during the period (January 2022 to March 2022) and stock available at the beginning of FY 2021 - 2022, it appears that the borrower had deliberately purchased the stock at higher rate during FY 2021 - 2022 and sold the stock at a substantially low rate (during January 2022 to March 2022). – The borrower had followed a similar trend of purchase and sales for the previous year i.e. FY 2021. – Public domain searches identified that the address of all three firms as mentioned above is common i.e. L1, 2nd Floor, Muni Surat Compound, Behind Holly Marry School, Rahanal, Bhiwandi, Thane. – On visiting the premises of these 3 entities, they were found to be situated in adjacent plots and negligible stock was lying. It was noted that the infrastructure of these entities were insufficient to carry out the volume of transaction reported in the books of SDT. – Based on the fact, it can be concluded that these firms were indulged mainly in circular trading. <u>Internal Investigation Remarks:</u> • There were minimal transactions routed through the borrower's accounts in Axis Bank during FY 2021 and FY 2022. Hence, the aforementioned transactions either did not involve payments/receipts of funds or routed through other Banks. • Based on review of SDT operating accounts in Axis Bank, credits of Rs.4.65 crore and Rs.4.60 crore were observed from SKS Textiles Ltd and V S Enterprises respectively. Payments of Rs.3.55 crore and Rs.1.81 crore were observed to Adarsh Silk Mills and Krishna Arjun and Co. respectively. Apart from the aforementioned key observations, the forensic auditor highlighted the following irregularities observed for the period prior to sanction by Axis Bank <u>Ascertaining end-use/money trail of funds:</u> • SDT extended several loans and advances including fixed deposits to its related parties which	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						had dual impact on its financials. Instances for the last three financial years are as captured below: – During FY 2022, Loans and advances of Rs. 0.91 crore were extended to related parties – During FY 2021, loans and advances of Rs.0.65 crore were extended to related parties and Rs.0.35 crore as investment by way of Fixed deposits – During FY 2020, related parties were given loans and advances of Rs.0.63 crore and an amount of Rs.0.11 crore was extended as loan to Shaurya Corporation.It is to be noted that there was a substantial surge in loans and advances subsequent to the release of enhanced limits by KJSB. • KJSB had taken over Rs.1.00 crore liability from Bank of Baroda (BOB) in the year 2017 with an enhancement of Rs.1.65 crore. The exposure was subsequently enhanced to Rs.3.56 crore by August 2019 at which point it was taken over by Axis Bank. • On review of the company's accounts during the period from Dec'17 to June'19, outflows of Rs. 2.96 crore and inflows of Rs. 3.48 crore were observed to related parties in the CC account of SDT maintained with KJSB. • A number of instances of suspicious transactions in SDT's accounts are illustrated below: Circular transaction with group entity Harsh Textiles (HT), routed through capital accounts of promoter/family: – On 22.03.2018 Rs. 0.04 crore was transferred from the working capital limits (CC a/c) with KJSB of Harsh Textiles (HT) to SB account of Sana Talreja in KJSB as loans and advances which were further transferred to the SB a/c of Rakesh Talreja in KJSB. – On the same day, these funds were transferred from the SB a/c of Rakesh Talreja in KJSB to CC a/c of DST in KJSB and were further transferred to the CC a/c of SDT in KJSB as unsecured loan. – These funds were then transferred to the SB a/c of Sunita Talreja in KJSB and then further transferred back to CC a/c of Harsh Textiles in KJSB on the same day. Circular transaction with group entity Aee Vee Textiles (AVT) , routed through capital accounts of promoter/family: – On 21.03.2018, Rs. 0.10 crore were transferred from the Current a/c of AVT in KJSB to the CC a/c of GSMPL in KJSB as unsecured loan which was further transferred to SB a/c of Dharamdas Talreja in KJSB. – Further, Rs. 0.02 crore was also transferred from the said Current a/c of AVT to SB a/c of Rakesh Talreja in KJSB as loans and advances which was further transferred to CC a/c of GSMPL in KJSB.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						– Both the funds of Rs. 0.10 crore and Rs. 0.02 crore were then transferred to the SB a/c of Sunita Talreja as loans and advances and then further transferred to the CC a/c of SDT in KJSB and shown as capital infused in the books of SDT. – On the same day, Rs. 0.10 crore and Rs. 0.02 crore were transferred from the CC a/c of SDT back to the Current a/c of AVT as loans and advances. Utilisation of working capital limits to inflate the capital position of M/s SDT: – On 22.03.2018, Rs. 0.26 crore was transferred from CC a/c of SDT in KJSB to Current a/c of AVT in KJSB as unsecured loan which was further transferred to the SB a/c of Mr. Rakesh Talreja in KJSB as loans and advances. – On the same day, these funds were further transferred to SB a/c of Sunita Talreja in KJSB and then to CC a/c of SDT in KJSB as capital infused in the books of SDT. Transactions with other bank/ associate concerns – The forensic auditor has reviewed the statement of CC and c/a accounts maintained in Bank of Baroda, KJSBL and Axis Bank, at various point in time. – Transactions with related entities were observed from the accounts maintained with BOB and KJSB. – SDT had undertaken transactions in lieu of Unsecured Loans and Loans and advances in order to inflate its own capital structure along with the capital structure of its associated firms by routing of transactions through the accounts of close relatives /associated firms. Conclusion by forensic auditor: – Inflating the value of stocks in the stock statement and drawing excess bank finance. – Circular Trading due to high concentration of business to few suppliers/customers. During the visits to supplier/customers, it was established that they do not have sufficient infrastructure for doing voluminous trade as shown in the books of account. – The forensic auditor shared their findings with the borrower on 08.09.2022, seeking clarifications/ responses on the same. No response has been received from the borrower. **Action Taken / Proposed** • 100% provision has been done for the fraud amount. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR). • Fraud has been reported to the Serious Fraud Investigation Office (SFIO).	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
195	Case of cheating and forgery by M/s. Guruanand Silk Mills Pvt. Ltd.	61.1	Background of the case Guruanand Silk Mills Private Limited (GSMPL), incorporated in 1998, is engaged in manufacturing of garments and textiles Axis Bank is the sole banker to the borrower. Axis Bank sanctioned credit facilities of Rs.5.96 crore in November 2018, by way of takeover from Kalyan Janata Sahakari Bank.Bank has total exposure of Rs.29.44 crore in 5 entities of the "Cobra Group", promoted by Talreja family. Resolution and Recovery Actions • The account was classified as NPA on 27.01.2022. • Notice under section 13(2) of SARFAESI was served on 05.09.2022. RFA / Fraud Status • The 5 group entities were classified as RFA on 20.04.2022, based on default in payments to banks/ sundry debtors/ statutory bodies. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of GSMPL, wherein instances of misrepresentation in financial statements and stock statements, and circular transactions were highlighted. • GSMPL was classified as 'Fraud', based on adverse observation in the forensic audit report. • All the 5 group entities have been classified as 'Fraud' by Axis Bank. • Provision of Rs.6.04 crore was held against the exposure as on 30.09.2022. Forensic Audit Axis Bank appointed Pawan Puri & Associates on 02.05.2022, to conduct forensic audit of the borrower, covering review period from 01.04.2017 to 31.03.2022. Draft forensic audit report received on 13.09.2022 was inconclusive. The forensic auditor was advised to submit a conclusive report, incorporating response from the borrower. The final forensic audit report was submitted on 06.10.2022. The key findings are given below: Concentration in purchase and sale transactions • Review of sales and purchase transactions during FY 2020, FY 2021 and FY 2022 highlighted high concentration with V S Enterprises, Adarsh Silk Mills and Krishna Arjun & Co. Details are as captured below: – During FY 2022, GSMPL sold goods worth of Rs 5.37 crore to V S Enterprises which constituted 61% of total sales and 58% of total outstanding debtors. – In FY 2021 V S Enterprises constituted 37% of total Sales.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			– Similarly, in FY 2022 of the total creditors of Rs.5.52 crore, Adarsh Silk Mills constituted of Rs.1.24 crore and M/s Krishna Arjun & Co constituted of Rs.2.75 crore, the 2 parties contributed 72 % of total creditors. – Of the total Debtors of Rs.8.25 crore, in FY 2022 V S Enterprises constituted Rs.4.79 crore, Ahuja Synfab Private Limited constituted Rs.2.12 crore i.e 83.72% of total debtors • Inventory review identified that, during FY 2022, the borrower bought: – 5,78,091.35 meters of stock at Rs.76.94/meter (average) from Adarsh Silk Mills and Krishna Arjun & Co. – Sold a total stock of 11,04,651.90 meters at Rs.48.64/meter to V S Enterprises. – Further, it was noted that GST credentials of Adarsh Silk Mills and Krishna Arjun & Co were same and proprietor of these two firms was also same i.e. K B Aneja. • Considering the total quantity of stock sold during the period and stock available at the beginning of FY 2021 - 2022, it can be concluded that the borrower had deliberately purchased the stock at higher rate during FY 2021 - 2022 and sold the stock at a substantially low rate during Q4 of FY 2022. • Public domain searches identified that the address of all three firms as mentioned above is common i.e. L1, 2nd Floor, Muni Surat Compound, Behind Holly Marry School, Rahanal, Bhiwandi, Thane. • On visiting the premises of these 3 entities, they were found to be situateded in adjacent plots and negligible stock was lying. It was noted that the infrastructure of these entities was insufficient to carry out the volume of transactions reported in the books of GSMPL. • Based on the fact, it can be concluded that these firms were indulged mainly in circular Trading. Internal Investigation Remarks: • There were minimal transactions routed through the borrower's accounts in Axis Bank during FY 2021 and FY 2022. Hence, the aforementioned transactions either did not involve payments/receipts of funds or routed through other Banks. • Based on review of GSMPL's operating accounts in Axis Bank, credits of Rs.3.23 crore was observed from V S Enterprises. Payments of Rs.2.21 crore and Rs.1.51 crore to Adarsh Silk Mills and Krishna Arjun & Co, respectively were observed. Apart from the aforementioned key observations, the forensic auditor highlighted the following irregularities observed for the period prior to sanction by Axis Bank:

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Ascertaining end-use and money trail of funds: – KJSB had taken over Rs.1.00 crore liability from Bank of Baroda (BOB) with an enhancement of Rs.4.20 crore (Rs.0.20 crore adhoc), including fresh term loans of Rs.1.00 crore. The exposure was subsequently enhanced to Rs.5.96 crore by August 2019 at which point it was taken over by Axis Bank. • On review of the company's accounts during the period from December 2017 to August 2019, the following were observed: – Inflows of Rs.7.40 crore from and outflows of Rs.7.71 crore to related parties were observed in CC a/c of GSMPL maintained with KJSB. ○ Further, on review of the capital account of Dharamdas Talreja and Rakesh Talreja in GSMPL it was noted; – Outflows from Dharamdas Talreja's account was Rs.2.19 crore and inflows were Rs.2.23 crore. – Outflows from Rakesh Talreja's capital account was Rs.2.43 crore and inflows were Rs.1.84 crore • Funds diverted from CC account of GSMPL towards repayment of unsecured lenders of group entity Aee Vee Textiles (AVT): – On 12.09.2018 Rs.0.06 crore was received from Rajberys Clothing Company to the CC a/c of GSMPL maintained in KJSB. – Out of the above, Rs.0.05 crore was transferred to Dharamdas Talreja's savings account maintained with KJSB. Further, this was transferred to AVT's CC a/c in KJSB and shown as capital infused in the books of AVT. – On 12.09.2018 the amount was transferred from CC account of AVT to Babulal Premraj Marlecha (unsecured lender). • Funds diverted from GSMPL to associate concerns to inflate their capital structure, routed through capital accounts of promoter/family and also utilised for repayment of unsecured loan: – On 01.09.2018 Rs.0.07 crore was transferred from CC a/c of GSMPL in KJSB's a/c to Dharamdas Talreja's savings account with KJSB. – Further, the amount of Rs.0.05 crore was transferred to CC a/c of AVT in KJSB and the same was shown as capital infused and Rs.0.02 crore was transferred to Sunita Talreja's savings a/c in KJSB. – Out of the funds received from Dharamdas Talreja amount of Rs.0.04 crore was transferred from CC account of AVT to Uttamchand Ostwal (unsecured loan). – Amount of Rs.0.02 crore in Sunita Talreja's account was transferred to S D Textiles CC a/c maintained in KJSB and was shown as capital infused in the books of SDT.

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Funds diverted from D S Textiles to inflate the capital of GSMPL and later used for working capital operations; routed through capital accounts of promoter/family: – On 02.02.2019 Rs.0.25 crore was transferred from DST's cash credit account with KJSB to Dharamdas Talreja's savings a/c in KJSB (shown as loan and advances). – Dharamdas Talreja transferred the amount to GSMPL's CC account in KJSB and the same was shown as capital infused in the books of GSMPL. – Further GSMPL transferred/ made a payment of Rs.0.25 crore to Radha Madhav Corporation. • Funds diverted from S D Textiles to inflate the capital of GSMPL and later used for working capital operations: – On 04.02.2019 Rs.0.25 crore was received from the account of Ekansh to SDT in the KJSB CC a/c and the same was transferred to Rakesh Talreja's savings a/c in KJSB (shown as loan and advances). – Later, Rakesh Talreja Transferred the amount to Preet Vinod Talreja's KJSB savings a/c which was further transferred to Harsh Textiles (HT) KJSB CC a/c and was shown as unsecured loans. – On 05.02.2022 Harsh Textiles transferred the same amount to Dharamdas Talreja's savings a/c in KJSB and the same was shown as loans and advances. – Dharamdas Talreja further transferred the amount in GSMPL's CC a/c in KJSB showing the same as capital infused. GSMPL transferred the money to Radha Madhav Corporation. • Transactions with other banks / associate concerns: – The forensic auditor has reviewed the statement of CC/ Current accounts of Bank of Baroda, KJSBL and Axis Bank maintained by GSMPL at various point in time. – Transactions with related entities were observed from the accounts maintained with BOB and KJSBL. – On review of the capital accounts of Dharamdas Talreja and Rakesh Talreja it was noted that post enhancement of KJSB's limit to GSMPL, series of transactions took place in the capital accounts. – The enhancement was extended as loans and advances to associated firms/close relative accounts or in associated firms and through their proprietary concern the funds were deposited in M/s GSMPL as unsecured loan. The same was done to inflate capital structure of associated firms. Conclusion by forensic auditor – Inflating the value of stocks in the stock statement and drawing excess bank finance. – Circular Trading due to high concentration of business to few suppliers/customers. During the	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			visits to supplier/customers, it was established that they do not have sufficient infrastructure for doing voluminous trade as shown in the books of account. – The forensic auditor shared their findings with the borrower on 08.09.2022, seeking clarifications/ responses on the same. No response has been received from the borrower. Action Taken / Proposed • 100% provision has been done for the fraud amount. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR). • Fraud has been reported to the Serious Fraud Investigation Office (SFIO).
196	Case of cheating and forgery by M/s. Aee Vee Textiles	27.3	**Background** Aee Vee Textiles (AVT), incorporated in 2013, is engaged in manufacturing of garments and textiles.Axis Bank is the sole banker to the borrower.Bank sanctioned credit facilities of Rs.2.30 crore in November 2018, by way of takeover from Kalyan Janata Sahakari Bank.Bank has total exposure of Rs.29.44 crore in 5 entities of the "Cobra Group", promoted by Talreja family. Resolution and Recovery Actions • The account was classified as NPA on 29.12.2021. • Notice under section 13(2) of SARFAESI was served on 05.09.2022. RFA / Fraud Status • The 5 group entities were classified as RFA on 20.04.2022, based on default in payments to banks/ sundry debtors/ statutory bodies. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of AVT, wherein instances of misrepresentation in financial statements and stock statements, and circular transactions were highlighted. • AVT was classified as 'Fraud', based on adverse observation in the forensic audit report. • All the 5 group entities have been classified as 'Fraud' by Axis Bank. • The exposure has been prudentially written off as of 31.10.2022.an **Forensic Audit** Axis Bank appointed Pawan Puri & Associates on 02.05.2022, to conduct forensic audit of the borrower, covering review period from 01.04.2017 to 31.03.2022. Draft forensic audit report received on 13.09.2022 was inconclusive. The forensic auditor was advised to submit

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						a conclusive report, incorporating response from the borrower. The final forensic audit report was submitted on 06.10.2022. The key findings are given below: Calculation of Drawing Power: – The following were noted from comparison of figures disclosed in stock statements submitted to the bank vis-à-vis audited financials: – It was noted that the borrower had claimed excess DP in FY 2021, which was inadequate to cover CC o/s of Rs.2.32 crore as at 31.03.2021. Concentration in purchase and sale transactions – Review of sales and purchase transactions during FY 2020, FY 2021 and FY 2022 highlighted high concentration with V S Enterprises, Adarsh Silk Mills and Krishna Arjun & Co. – Of the total debtors of Rs.6.37 crore as on 31.03.2022, 91% were from Adarsh Silk Mills, and Krishna Arjun & Co. All these debtors have been outstanding for more than 180 days with poor chances of recovery. – Of the total creditors of Rs.4.12 crore as on 31.03.2022, ~94% were from the following 3 entities – V S Enterprises, P J Exports and Tuni Textile Mills. – Inventory review identified the following: at, during FY 2022, – AVT bought 4,26,777.96 meters of garments at Rs.75.32/meter (average) during FY 2022. – Further, stock of 11,23,737.47 meters at Rs.43.84/meter was sold during FY 2022. Specifically, stock of 5,83,526.30 meters at an average of Rs.11.11/ per meter was sold during Q4. • Considering total quantity of stock sold during the period and beginning stock position for FY 2022, it can be concluded that the borrower had deliberately purchased the stock at higher rate and sold the same at a substantially low rate during Q4 FY 2022. • Public domain searches identified that the address of all three firms (Krishna Arjun, V S Enterprises and Adarsh Silk Mills) is common i.e. L1, 2nd Floor, Muni Surat Compound, Behind Holly Marry School, Rahanal, Bhiwandi, Thane. • On visiting the premises of these 3 entities, they were found to be situated in adjacent plots and negligible stock was lying. It was noted that the infrastructure of these entities were insufficient to carry out the volume of transaction reported in the books of AVT. • Based on the fact, it can be concluded that these firms were indulged mainly in circular trading. Internal Investigation Remarks:	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						– There were minimal transactions routed through the borrower's accounts in Axis Bank during FY 2021 and FY 2022. Hence, the aforementioned transactions either did not involve payments/receipts of funds or routed through other Banks. – Based on review of AVT's operating accounts in Axis Bank, credits of Rs.2.03 crore and Rs.4.04 crore were observed from Adarsh Silk Mills and Krishna Arjun & CO, respectively. Payments of Rs.4.19 crore to VS Enterprises and Rs.1.10 crore to PJ Exports were observed. Apart from the aforementioned key observations, the forensic auditor have highlighted the following irregularities observed for the period prior to sanction by Axis Bank: Ascertaining end-use/money trail of funds – KJSB had taken over the facility from Union Bank of India in May 2018. Subsequently, Axis Bank had taken over the limits from KJSB in August 2019. – On review of the company's accounts during the period from October 2018 to August 2019, the following were observed: – Inflows of Rs.2.53 crore from and outflows of Rs.2.09 crore to related parties were observed in CC account with KJSB. – A number of instances of suspicious transactions in AVT's accounts were noticed, some examples are illustrated below: Funds diverted from group entity DST towards term loan repayment in AVT – On 09.01.2018, Rs.0.50 crore was transferred from DST's c/a in BOB to Rakesh Talreja's saving a/c in BOB. – Out of the above, Rs.0.25 crore was transferred to Dharamdas Talreja's saving a/c in BOB. – Dharamdas Talreja transferred the funds to AVT's c/a with Union Bank of India, which was shown as capital infusion in its books. – The said funds were further utilized to repay term loans availed by AVT from UBI. Proceeds from sale of AVT's fixed assets routed through the proprietor/ close relatives: – As per the forensic auditors, Mohanlal P Marlecha, Mahavir B Marlecha and Babulal P Marlecha are Directors of M/s Dipesh Silk Mills Pvt Ltd. M/s Dipesh Silk Mills had purchased certain immovable and movable fixed assets from AVT. – On 05.06.2018, Rs.0.60 was received from Mohanlal Marlecha in Dharamdas Talreja's savings a/c with KJSB. ▪ The same was transferred to AVT's c/a in UBI and shown as capital infused.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			▪ The funds were transferred onward to term loan a/c of AVT in UBI. – On 06.06.2018, Rs.0.60 was received from Mahavir Marlecha in Rakesh Talreja's savings a/c with KJSB and Rs.0.60 received from Babulal Marlecha in Vinod Talreja's saving a/c with KJSB ▪ Rs.1.20 crore was transferred to Dharamdas Talreja's saving a/c. ▪ Said funds were transferred to AVT's c/a with UBI and shown as capital infused. ▪ The funds were transferred onward to term loan a/c of AVT in UBI. Transactions with other bank/ associate concerns – The forensic auditor has reviewed the statement of CC and c/a accounts maintained in Union Bank of India, KJSB and Axis Bank, at various point in time. – Transactions with related entities were observed from the accounts maintained with UBI and KJSBL. – On review of the capital accounts of promoters Dharamdas Talreja and Rakesh Talreja, a series of transactions were noted post enhancement of KJSB's limits to AVT. The enhancement was extended to associated firms/close relatives and ultimately deposited in group entity AVT as unsecured loan. The same was done to inflate capital structure of the associated firms. Conclusion by forensic auditor – Inflating the value of stocks in the stock statement and drawing excess bank finance. – Circular Trading due to high concentration of business to few suppliers/customers. During the visits to supplier/customers, it was established that they do not have sufficient infrastructure for doing voluminous trade as shown in the books of account. – The forensic auditor shared their findings with the borrower on 08.09.2022, seeking clarifications/ responses on the same. No response has been received from the borrower. **Action Taken / Proposed** • 100% provision has been done for the fraud amount. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR). • Fraud has been reported to the Serious Fraud Investigation Office (SFIO).
197	Case of cheating and forgery by M/s. Ambition Mica Limited	40.5	**Background** Harsh Textiles (HT), incorporated in 2005, is engaged in manufacturing and trading of textile fabrics.Axis Bank is the sole lender to the company.Bank sanctioned credit

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			facilities of Rs.2.70 crore in November 2018, by way of takeover from Kalyan Janata Sahakari Bank; limits were enhanced to Rs.3.34 crore in December 2018.Bank has total exposure of Rs.29.44 crore in 5 entities of the "Cobra Group", promoted by Talreja family. Resolution and Recovery Actions • Axis Bank classified the borrower as NPA on 29.12.2021. • Notice under section 13(2) of SARFAESI was served on 05.09.2022 RFA / Fraud Status • The 5 group entities were classified as RFA on 20.04.2022, based on default in payments to banks/ sundry debtors/ statutory bodies. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of HT, wherein instances of misrepresentation in financial statements and stock statements, and circular transactions were highlighted. • HT was classified as 'Fraud', based on adverse observation in the forensic audit report. • All the 5 group entities have been classified as 'Fraud' by Axis Bank. • Provision of Rs.1.06 crore has been held against the exposure as on 30.09.2022. **Forensic Audit** Axis Bank appointed Pawan Puri & Associates on 02.05.2022, to conduct forensic audit of the borrower, covering review period from 01.04.2017 to 31.03.2022. Draft forensic audit report received on 13.09.2022 was inconclusive. The forensic auditor was advised to submit a conclusive report, incorporating response from the borrower. The final forensic audit report was submitted on 07.10.2022. The key findings are given below: • Calculation of Drawing Power: – The following were noted from comparison of figures disclosed in stock statements submitted to the bank vis-à-vis audited financials: – It was noted that the borrower had claimed excess DP as on 31.03.2020 and 31.03.2021 which was inadequate to cover the CC outstanding on said dates. • Concentration in purchase and sale transactions: – Review of sales and purchase transactions during FY 2020, FY 2021 and FY 2022 highlighted high concentration with V S Enterprises, Adarsh Silk Mills and Krishna Arjun & Co. – Of the total creditors of Rs.3.59 crore as on 31.03.2022, 92% were from V S Enterprises.

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						– Of the total debtors of Rs.4.59 crore as of 31.03.2022, 90% were from Adarsh Silk Mills and Krishna Arjun & Co. Both the debtors are due over 120 days and have poor changes of recovery. – Inventory review identified the following: o Opening stock for FY 2022 was 245744.72 meters at Rs.97.06 / meter (average); o Stocks of 105794.88 meters at Rs. 77.94/ meter were purchased during the FY 2022 o Stocks of 1027638.2 meter at Rs. 54.41 / meter was sold during the FY 2022. Out of the above, 351539.60 meters was sold at 11.14 / meter during Q4. • Considering the total quantity of stock sold during Q4 FY 2022 and stock available at the beginning of FY 2021-2022, it appears that the borrower had deliberately purchased the stock at higher rate during FY 2021-2022 and sold the stock at a substantially low rate during (January to March 2022) so as to book losses and deplete the stock. • The borrower had followed a similar trend of purchase and sales for the previous year i.e. FY 2021. • Public domain searches identified that the address of all three firms as mentioned above is common i.e. L1, 2nd Floor, Muni Surat Compound, Behind Holly Marry School, Rahanal, Bhiwandi, Thane. • On visiting the premises of these 3 entities, they were found to be situated in adjacent plots and negligible stock was lying. It was noted that the infrastructure of these entities were insufficient to carry out the volume of transaction reported in the books of HT. • Based on the fact, it can be concluded that these firms were indulged mainly in circular trading. Internal Investigation Remarks: • There were minimal transactions routed through the borrower's accounts in Axis Bank during FY 2021 and FY 2022. Hence, the aforementioned transactions either did not involve payments/receipts of funds or routed through other Banks. • Receipts of Rs.2.53 crore and Rs.0.90 lacs were observed from Adarsh Silk Mills and Krishna Arjun and Co. Payments of Rs.2.27 crore were made to V S Enterprises. Apart from the aforementioned key observations, the forensic auditor highlighted the following irregularities observed for the period prior to sanction by Axis Bank: Ascertaining end-use/money trail of funds: – KJSB had taken over Rs.1.00 crore liability from Bank of Baroda (BOB) in December 2017 with an enhancement of Rs.1.65 crore. The exposure was subsequently enhanced to Rs.3.34 crore by August	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						2019 at which point it was taken over by Axis Bank. - On review of the company's accounts during the period from December 2017 to June 2019, outflows of Rs. 3.97 crore and inflows of Rs. 2.65 crore were observed to related parties in the CC account of SDT maintained with KJSB. - A number of instances of suspicious transactions in SDT's accounts are illustrated below: CC disbursement in group entity GSMPL, routed through capital accounts of promoter/family, eventually shown as capital infused: - On 25.04.2018, Rs.40 lacs disbursed in GSMPL CC account at KJSB. - From this, Rs.3.30 Lac was transferred to Mr Dharamdas Talreja's savings a/c in KJSB and Rs.3.23 Lac to Mr Rakesh Talreja savings a/c in KJSB. - On same date, Mr Rakesh Talreja and Mr Dharamdas Talreja transferred Rs 3.23 lacs and Rs. 3.20 Lacs respectively to Mr Vinod Talreja's savings a/c in KJSB. - Mr Vinod Talreja transferred these funds to HT's CC account in KJSB, showing them as capital infused. - These funds were used for working capital operations by HT. CC disbursement in group entity GSMPL, routed through capital accounts of promoter/family, eventually shown as capital infused: - On 13.07.2018, Rs.14 Lac were transferred from CC a/c of GSMPL in KJSB to Mr Rakesh Talreja's saving a/c in KJSB. - Said funds were transferred onwards to Mr Vinod Talreja's saving a/c in KJSB. - The funds were then transferred to CC a/c of HT (in KJSB) and was shown as capital infused. - These funds were further used for working capital operations by HT. CC disbursement in group entity DST, routed through capital accounts of promoter/family, eventually shown as capital infused: - On 26.11.2018, Rs.1.50 lacs was transferred from CC a/c of DST in KJSB to Mr Vinod Talreja's saving a/c in KJSB, as loans and advances. - Mr Vinod Talreja transferred the funds to HT KJSB savings account, shown as capital infused. - These funds were further used for working capital operations by HT. Circular transaction with group entity DST, routed through capital accounts of promoter/family to inflate capital structure of HT: - On 26.03.2018, Rs.19.32 lacs was transferred from DST's a/c to KJSB a/c of HT and shown it as Loan & advances in books	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						– On same day, HT transferred Rs.19.33 lacs to savings a/c of Mr Dharamdas Talreja in KJSB and classified it as Loan & advances in books – Mr Dharamdas Talreja transferred this exact amount from his savings a/c DST in its CC account. Transactions with other bank/ associate concerns – The forensic auditor has reviewed the statement of CC and c/a accounts maintained in Bank of Baroda, KJSBL and Axis Bank, at various point in time. – Transactions with related entities were observed from the accounts maintained with BOB and KJSB. – HT had undertaken transactions in lieu of Unsecured Loans and Loans and advances in order to inflate its own capital structure along with the capital structure of its associated firms by routing of transactions through the accounts of close relatives /associated firms. Conclusion by forensic auditor – Inflating the value of stocks in the stock statement and drawing excess bank finance. – Circular Trading due to high concentration of business to few suppliers/customers. During the visits to supplier/customers, it was established that they do not have sufficient infrastructure for doing voluminous trade as shown in the books of account. – The forensic auditor shared their findings with the borrower on 08.09.2022, seeking clarifications/ responses on the same. No response has been received from the borrower. **Action Taken / Proposed** • 100% provision has been done for the fraud amount. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) • Fraud has been reported to the Serious Fraud Investigation Office (SFIO).	
198		Case of cheating and forgery by M/s. Harsh Textiles		40.5		**Background** Harsh Textiles (HT), incorporated in 2005, is engaged in manufacturing and trading of textile fabrics.Axis Bank is the sole lender to the company.Bank sanctioned credit facilities of Rs.2.70 crore in November 2018, by way of takeover from Kalyan Janata Sahakari Bank; limits were enhanced to Rs.3.34 crore in December 2018.Bank has total exposure of Rs.29.44 crore in 5 entities of the "Cobra Group", promoted by Talreja family. Resolution and Recovery Actions	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Axis Bank classified the borrower as NPA on 29.12.2021. • Notice under section 13(2) of SARFAESI was served on 05.09.2022 RFA / Fraud Status • The 5 group entities were classified as RFA on 20.04.2022, based on default in payments to banks/ sundry debtors/ statutory bodies. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of HT, wherein instances of misrepresentation in financial statements and stock statements, and circular transactions were highlighted. • HT was classified as 'Fraud', based on adverse observation in the forensic audit report. • All the 5 group entities have been classified as 'Fraud' by Axis Bank. • Provision of Rs.1.06 crore has been held against the exposure as on 30.09.2022. **Forensic Audit** Axis Bank appointed Pawan Puri & Associates on 02.05.2022, to conduct forensic audit of the borrower, covering review period from 01.04.2017 to 31.03.2022. Draft forensic audit report received on 13.09.2022 was inconclusive. The forensic auditor was advised to submit a conclusive report, incorporating response from the borrower. The final forensic audit report was submitted on 07.10.2022. The key findings are given below: Calculation of Drawing Power: – It was noted that the borrower had claimed excess DP as on 31.03.2020 and 31.03.2021 which was inadequate to cover the CC outstanding on said dates. Concentration in purchase and sale transactions: – Review of sales and purchase transactions during FY 2020, FY 2021 and FY 2022 highlighted high concentration with V S Enterprises, Adarsh Silk Mills and Krishna Arjun & Co. – Of the total creditors of Rs.3.59 crore as on 31.03.2022, 92% were from V S Enterprises. – Of the total debtors of Rs.4.59 crore as of 31.03.2022, 90% were from Adarsh Silk Mills and Krishna Arjun & Co. Both the debtors are due over 120 days and have poor changes of recovery. – Inventory review identified the following: • Opening stock for FY 2022 was 245744.72 meters at Rs.97.06 / meter (average); • Stocks of 105794.88 meters at Rs. 77.94/ meter were purchased during the FY 2022 • Stocks of 1027638.2 meter at Rs. 54.41 / meter was sold during the FY 2022. Out of	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						the above, 351539.60 meters was sold at 11.14 / meter during Q4. Considering the total quantity of stock sold during Q4 FY 2022 and stock available at the beginning of FY 2021-2022, it appears that the borrower had deliberately purchased the stock at higher rate during FY 2021-2022 and sold the stock at a substantially low rate during (January to March 2022) so as to book losses and deplete the stock. - The borrower had followed a similar trend of purchase and sales for the previous year i.e. FY 2021. - Public domain searches identified that the address of all three firms as mentioned above is common i.e. L1, 2nd Floor, Muni Surat Compound, Behind Holly Marry School, Rahanal, Bhiwandi, Thane. - On visiting the premises of these 3 entities, they were found to be situated in adjacent plots and negligible stock was lying. It was noted that the infrastructure of these entities were insufficient to carry out the volume of transaction reported in the books of HT. - \Based on the fact, it can be concluded that these firms were indulged mainly in circular trading. Internal Investigation Remarks: - There were minimal transactions routed through the borrower's accounts in Axis Bank during FY 2021 and FY 2022. Hence, the aforementioned transactions either did not involve payments/receipts of funds or routed through other Banks. - Receipts of Rs.2.53 crore and Rs.0.90 lacs were observed from Adarsh Silk Mills and Krishna Arjun and Co. Payments of Rs.2.27 crore were made to V S Enterprises. Apart from the aforementioned key observations, the forensic auditor highlighted the following irregularities observed for the period prior to sanction by Axis Bank: <u>Ascertaining end-use/money trail of funds:</u> o KJSB had taken over Rs.1.00 crore liability from Bank of Baroda (BOB) in December 2017 with an enhancement of Rs.1.65 crore. The exposure was subsequently enhanced to Rs.3.34 crore by August 2019 at which point it was taken over by Axis Bank. o On review of the company's accounts during the period from December 2017 to June 2019, outflows of Rs. 3.97 crore and inflows of Rs. 2.65 crore were observed to related parties in the CC account of SDT maintained with KJSB.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			○ A number of instances of suspicious transactions in SDT's accounts are illustrated below: ○ <u>CC disbursement in group entity GSMPL, routed through capital accounts of promoter/family, eventually shown as capital infused:</u> ▪ On 25.04.2018, Rs.40 lacs disbursed in GSMPL CC account at KJSB. ▪ From this, Rs.3.30 Lac was transferred to Mr Dharamdas Talreja's savings a/c in KJSB and Rs.3.23 Lac to Mr Rakesh Talreja savings a/c in KJSB. ▪ On same date, Mr Rakesh Talreja and Mr Dharamdas Talreja transferred Rs 3.23 lacs and Rs. 3.20 Lacs respectively to Mr Vinod Talreja's savings a/c in KJSB. ▪ Mr Vinod Talreja transferred these funds to HT's CC account in KJSB, showing them as capital infused. ▪ These funds were used for working capital operations by HT. ○ <u>CC disbursement in group entity GSMPL, routed through capital accounts of promoter/family, eventually shown as capital infused:</u> ▪ On 13.07.2018, Rs.14 Lac were transferred from CC a/c of GSMPL in KJSB to Mr Rakesh Talreja's saving a/c in KJSB. ▪ Said funds were transferred onwards to Mr Vinod Talreja's saving a/c in KJSB. ▪ The funds were then transferred to CC a/c of HT (in KJSB) and was shown as capital infused. ▪ These funds were further used for working capital operations by HT. ○ <u>CC disbursement in group entity DST, routed through capital accounts of promoter/family, eventually shown as capital infused:</u> ▪ On 26.11.2018, Rs.1.50 lacs was transferred from CC a/c of DST in KJSB to Mr Vinod Talreja's saving a/c in KJSB, as loans and advances. ▪ Mr Vinod Talreja transferred the funds to HT KJSB savings

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						account, shown as capital infused. ▪ These funds were further used for working capital operations by HT. o <u>Circular transaction with group entity DST, routed through capital accounts of promoter/family to inflate capital structure of HT:</u> ▪ On 26.03.2018, Rs.19.32 lacs was transferred from DST's a/c to KJSB a/c of HT and shown it as Loan & advances in books ▪ On same day, HT transferred Rs.19.33 lacs to savings a/c of Mr Dharamdas Talreja in KJSB and classified it as Loan & advances in books ▪ Mr Dharamdas Talreja transferred this exact amount from his savings a/c DST in its CC account. • <u>Transactions with other bank/ associate concerns</u> o The forensic auditor has reviewed the statement of CC and c/a accounts maintained in Bank of Baroda, KJSBL and Axis Bank, at various point in time. o Transactions with related entities were observed from the accounts maintained with BOB and KJSB. o HT had undertaken transactions in lieu of Unsecured Loans and Loans and advances in order to inflate its own capital structure along with the capital structure of its associated firms by routing of transactions through the accounts of close relatives /associated firms. • <u>Conclusion by forensic auditor</u> o Inflating the value of stocks in the stock statement and drawing excess bank finance. o Circular Trading due to high concentration of business to few suppliers/customers. During the visits to supplier/customers, it was established that they do not have sufficient infrastructure for doing voluminous trade as shown in the books of account. o The forensic auditor shared their findings with the borrower on 08.09.2022, seeking clarifications/ responses on the same. No response has been received from the borrower.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Modus Operandi Fabricated / Inflated Stock / Book Debt Statements. Root Cause Misrepresentation in stock statement to avail bank finance. **Staff Accountability** • Staff accountability has been identified with respect to 1 employee for lapses in monitoring of the account • Assessment of staff accountability across sanction, monitoring and disbursement process is in progress **Action Taken / Proposed** • 100% provision has been done for the fraud amount. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR). • Fraud has been reported to the Serious Fraud Investigation Office (SFIO).	
199		Case of cheating and forgery by M/s. Ambition Mica Limited		194.9		**Background** Ambition Mica Limited (AML) is engaged in manufacturing of decorative laminations and door skins. Axis Bank is the sole lender to the company.Bank sanctioned credit facilities of Rs.20.41 crore in March 2018, including takeover of limits from HDFC Bank. Resolution and Recovery ActionsThe account was classified as NPA on 29.05.2022Bank filed petition with NCLT for commencing insolvency proceeding on 28.09.2022, which is yet to be admitted. RFA / Fraud Status • The borrower was classified as RFA based on adverse observation in the stock audit report and operational irregularities. • Axis Bank appointed Parekh Shah & Lodha to conduct forensic audit of the borrower, wherein instances of misrepresentation in financial statements for availing higher limits from the bank were identified. • The borrower did not cooperate in the forensic audit. • The borrower was classified as 'Fraud', based on adverse observation in the forensic audit report. • A provision of Rs.10.86 crore was held against the exposure as on 30.09.2022. **Forensic Audit** Key findings of forensic audit report are as under: **Non-cooperation from the borrower** • The books of accounts and other supporting documents were intentionally not provided by	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						borrower, in spite of repeated request and reminders. • The intentions and integrity of the management of the company seems to be doubtful and creates lots of suspicion on their acts and in given circumstances where no information was available to us except the bank provided details and statement. **Observations on Financial Statements:** Drastic reduction in inventory: o Drastic reduction in inventory by Rs.30.33 crore was observed in FY 2022 i.e. from Rs.35.95 crore as on 31.03.2021 to Rs.5.62 crore as on 31.03.2022. o As per the stock statement for February 2022, inventory was Rs.25.58 crore. Further, as per audited quarterly results for Q4 FY 2022 filed with BSE, inventory amount of Rs.24.90 crore was disclosed, whereas inventory of Rs.5.62 crore was disclosed in audited financials of FY 2022. o This creates suspicion that stocks were inflated in stock statement for February 2022 for availing excess working capital funds from banks. o It has been noted by the company's statutory auditors in annual report for FY 2022 that the company filed an FIR against its CFO, Mr. Bhavesh Patel, on 24.06.2022 alleging fraudulent activities during the period from July 2015 to September 2021. It was further mentioned that the fraud was conducted by intentionally misstating the values of inventory in the books of accounts and financial statements of the company, by way of purchase of raw material without actual delivery and selling of finished goods without sales bill. The quantum of fraud was approximately Rs.28 crore. o It has been opined by the forensic auditor that, pursuant to the company becoming aware of commencement of forensic audit by Axis Bank, which was after their filing of quarterly result with BSE, they decided to write-off fictitious inventory and covered up the same by implying fraud committed by the CFO. Analysis of debtors: o It was observed that debtors were reduced from Rs.31.93 crore as on 31.03.2020 to Rs.24.56 crore on 31.03.2021 and Rs.14.45 crore on 31.03.2022. o Further, debtors outstanding for more than 6 months have reduced from Rs.2.23 crore as on 31.03.2021 to Rs.1.94 crore on 31.03.2022. o The decrease in debtors may be due to either routing the transactions between the parties or reducing the debtors. The authenticity of the same cannot be traced.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			○ Rs.1.26 crore were due with various debtors since 2015. No provision was made for doubtful debts in as per ABS for FY 2021. ○ As per stock audit report dated 27.01.2022, ~72% of the company's receivables were outstanding from related parties. Analysis of Bank Borrowings: ○ As per audited financials for FY 2021, long term borrowings of Rs.10.77 crore was reported. In the audited financials for FY 2022, long term borrowings of only Rs.0.06 crore was disclosed, whereas the balance portion was included under "other current liabilities". ○ As per the forensic auditor, the borrower had been reporting short term loans as long term, with wrongful intention to maintain a high current ratio to misguide lenders and investors. Subsequent to commencement of forensic audit, they have attempted to cleanse the books of accounts by correctly reporting its current liabilities. Trade Payables (less than 6 months): ○ Trade payables for goods reduced from Rs.21.71 crore in FY 2020 to Rs.15.72 crore in FY 2021 and then to Rs.8.56 crore in FY 2022. Reduction in trade payables, despite shortage of funds, gives rise to suspicion that the creditors were paid off either by siphoning of funds or booking fake entries via other bank accounts. ○ The details of the other bank accounts is not available. Hence, the authenticity of the transactions cannot be traced. Stock audit report observations: ○ Stock of base paper (key raw material) of Rs.14.21 crore was reported in stock statement for November 2021. However, during the physical verification by the stock auditor on 04.01.2022, stock of only Rs.9.44 crore was observed. A reduction of 30% in the stock of board paper was observed. ○ Valuation of stock as per stock statement of November 2021 was Rs.27.65 crore. Whereas, value of stock as per books of accounts as on 30.11.2021 was Rs.22.57 crore. This evidently shows that the stock statement submitted by borrower are fictitious to acquire more working capital for the lender. Routing of Transactions through non-lending Banks: • Though Axis Bank was the sole working capital lenders, the borrower maintained current accounts with other Banks i.e. Bank of Baroda, IndusInd Bank, Kotak Bank, ICICI Bank, HDFC Bank and Union Co-operative Bank.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• It is suspected that purchase and sale transactions may have been routed through other banks, in violation to terms of sanction. Transactions with Related Parties: • Whether these transactions with related parties were at arms-length as compared to market prices could not be ascertained, since books of accounts have not been provided. It can be assumed that the dubious written-off stocks during FY 2022 pertained to purchase from related parties, unless substantiated by record. Conclusion by Forensic Auditor • The borrower intentionally engaged in window dressing of financials and books of accounts to avail higher credit limits by defrauding the lenders. • The borrower company and management seem to be engaged in financial maleficence / diversion of funds and fraudulent activities with mala-fide intention. **Action Taken / Proposed** • Police complaint has been filed in the matter. • 100% provisioning has been done as per guidelines. • Fraud will be reported to RBI through the Fraud Monitoring Return (FMR). • Fraud will be reported to the Serious Fraud Investigation Office (SFIO).
200	Case of cheating and forgery by M/s. Talwar Auto Garages Private Limited	19.7	**Background** Talwar Auto Garages Private Limited (TAGPL) was a Telangana based authorized dealer of commercial vehicle and spare parts for Volvo Group and Eicher Motor Limited. The company availed working capital facilities of Rs.32.52 crore, under multiple banking arrangement, with Yes Bank being the largest lender.Axis Bank sanctioned inventory funding limit of Rs.2.00 crore in March 2018, under the scheme of Volvo Eicher Commercial Vehicle Ltd (VECVL). Resolution and Recovery Actions Bank classified the borrower as NPA on 02.11.2020. Original Application (OA) has been filed with DRT, Hyderabad on 17.06.2022. RFA / Fraud Status • The borrower was classified as RFA, based on fraud classification by Yes Bank. As per submissions in Central Fraud Registry, Yes Bank classified the borrower as 'Fraud', based on fraudulent transfer of a property charged to them without intimation/NOC. • Axis Bank appointed M/s MK Agarwal & Company to conduct forensic audit, wherein diversion of funds was identified.

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• The borrower was classified as 'Fraud' on the basis of diversion of sales proceeds against inventory procured from Volvo Eicher and Commercial Vehicle Ltd, which were funded by Axis Bank and adverse observations in forensic audit report. • The exposure was prudentially written off by the bank. **Forensic Audit** Key findings of forensic audit report are as under: **Non-cooperation from the borrower** – Initial data request was shared with the borrower on 12.08.2022 by the Forensic Auditor. Further follow ups was done by Forensic auditor from 22.08.2022 to 15.10.2022. However, no revert was received from the borrower. – Further, the forensic auditor sought clarification from the management against the observations on 14.11.2022. The borrower had shared a response on 23.11.2022, denying all the observations shared by the Forensic auditor. However, no supporting documents and/or satisfactory explanations behind the stance have been submitted. – The borrower also advised that they have appointed an audit firm for collation of relevant data/ documents. However, no timeline for submission of the documents have been provided. – The forensic audit report has been prepared basis information received till 23.11.2022. **Financial analysis** – As per audited financials of the company, inventory of Rs.51.39 crore and Rs.56.56 crore as at 31.03.2018 and 31.03.2019, respectively, were disclosed. Physical verification of inventory position was not conducted and relevant documents were not made available for review. Further, audited financials for FY 2020 and FY 2021 were also not available for evaluating present position of the inventory. – Inventory audit report dated 13.01.2021, provided by Axis Bank, highlighted that the borrower had availed double discounting against the same invoices in case of 7 indents aggregating to Rs.0.42 crore. – As per audited financials for FY 2019, revenue and purchases of Rs.387.46 crore and Rs.402.08 crore, respectively, were reported. However, in the absence of party wise details, invoices, lorry receipts, GST returns etc., genuineness of the figures is doubtful. – On review of audited financials, it was observed that Trade receivables reduced from Rs.51.45 crore in FY 2018 to Rs.17.08 crore in FY 2019. Since no party wise ledger breakup was made available for review. Therefore, realization and	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			genuineness of Trade receivables cannot be ascertained. Management response: The closing stock of goods as on 31.03.2019 which was Rs.56.56 crore pertains to the stock of Vehicles and Spares & Lubricants of the entire company. The stocks were valued at cost, which was as per the audited financials of the company. The company continued to carry on the business operations till December 2021. o The company had sold spare parts during the period, April 2019 to December 2021. At present, the stock of spares available with the company amounted to Rs.1.40 crore, which was available for physical verification. **Adverse media reports** o Public domain searches highlighted that Mr. Saket Talwar (served as a Director in TAGPL from 01.06.1988 to 31.08.2019) was involved in fraud case in group entity, Talwar Cars Private Limited o As per the news article, he was arrested by the police for cheating Kotak Mahindra Bank for a loan of Rs.0.85 crore; he was also charged for cheating Canara Bank for a loan of Rs.0.95 crore. o Multiple cases have been registered against him in Hyderabad and Cyberabad **Bank statement analysis** o Review was conducted on the SCF account - 918030024486236 maintained with Axis Bank. Total credits in said account, from 2018 to 2020, were Rs.37.63 crore, out of which Rs.35.47 crore was from accounts maintained by the borrower in other banks. o Review of audited financial for FY 2019 has highlighted that the borrower has availed short term limits totaling to Rs.85 crore from 11 banks. o 109 invoices aggregating to Rs.2.04 crore were outstanding as on 29.08.2022. However, no supporting documents were provided by the borrower for verification of the same. **Related party transactions** o On review of audited financials for FY 2018, it was noted that the borrower had given advances of Rs.12.15 crore and Rs.5.64 crore to related parties, Talwar Mobiles Private Limited and Director, Sunil Talwar respectively, for acquisition of properties. o The advances given to Talwar Mobiles Private Limited reduced to Rs.2.15 crore as on 31.03.2019. Further, it was observed that the borrower had also purchased property of Rs.11.50 crore during FY 2019. If the purchase of property was from a related party was unknown. **Conclusion by the Forensic auditor:** o Based on information and documents to the extent available and other irregularities as noticed, angle

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						of diversion of funds and/or fraud may not be ruled out **Internal Investigation** • Presently, an amount of Rs.1.97 crore corresponding to 110 indents from VECVL, which were discounted 06.01.2020 onwards, is overdue. • Following clarifications were sought from the borrower vide letter dated 07.11.2022: – Details and present position of the inventory discounted by Axis Bank, against which payments are still pending. – To share the location where the said inventory was currently maintained, in order for the Bank to carry out an inspection of the same. – In case the inventory has been disposed-off, the borrower was requested to share the details of utilisation of the sale proceeds and supporting documents. In case of non-realization from debtors, documentary evidence for follow up with the debtors was requested. – No response was received from the borrower. **Action Taken / Proposed** • Police complaint has been filed in the matter. • The exposure has been prudentially written-off by the bank. • Fraud will be reported to RBI through the Fraud Monitoring Return (FMR). • Fraud will be reported to the Serious Fraud Investigation Office (SFIO).	
201		Case of cheating and forgery by Mr. Nikhil Kumar Rameshbhai Patel and 21 Others, Gujarat Circle		12.7		**Background** A syndicate was identified by the Bank where fake employer profiles were created based on which salary accounts and credit cards were sourced.The Ahmedabad Police arrested 7 persons after a case was registered against them and 5 others for cheating and forgery basis the police complaint filed by the Bank.An Early Warning Signal (EWS) mechanism, has been developed basis which the Bank could identify certain credit cards issued to cardholders having common employers and also cards swiped at a single POS terminal.Basis these triggers, three common employers were identified, namely, Medyk Life Science Pvt Ltd., Giant Secure Solutions Pvt Ltd. and Medinous Health Pvt. Ltd.169 credit card applications were sourced in respect of individuals having their employer as Medyk Life Science Pvt Ltd, 24 credit card applications had Giant Secure Solutions Pvt Ltd, as their employer and 6 applications had Medinous Health Pvt Ltd., as their employer. **Investigation findings** • Corporate Salary accounts were opened for the above individuals and salary labels were created	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						for the purported corporates, namely, Medyk Life Science Pvt Ltd and Giant Secure Solutions Pvt Ltd during 2021 and 2022 respectively, towards salary processing for their staff. There was no distinct salary account code / label created for Medinous Health Pvt Ltd. • Existence of the corporates was not ensured while creating salary labels of these corporate and salary accounts were sourced without ensuring that the individual was working with the corporate. • A total of 141 credit cards were issued to individuals who were purportedly employed by Medyk Life Science Pvt Ltd. • 19 credit cards were issued to individuals who were purportedly employed with Giant Secure Solutions and 5 credit cards were issued to individuals who were purportedly employed with Medinous Health Pvt Ltd. • All these credit cards were issued basis Biometric verification, wherein the KYC credentials of the customer are verified through the UIDAI website. • The credit cards were swiped to the maximum limit (ranging between Rs 1 and Rs 1.25 lakhs) primarily at 3 POS terminals, out of which one POS terminal was sourced by the Bank and having a current account relationship (Giant Trading). • The said account of Giant Trading was KYC compliant at onboarding stage and presently there is no balance available in the said account • The mastermind of the fraud was identified as Nikhil Kumar Patel together with his other associates. The 3 POS terminals were managed by him • Leads for opening Salary Savings Bank accounts of customers were passed on to the Bank's salary sales executives by him • The savings bank accounts linked to these credit cards were either salary accounts opened under salary label code of Medyk Life Science Pvt. Ltd. or other salary label codes or normal savings bank accounts opened digitally • All the saving bank accounts were opened through biometric verification or digital mode (VCIP). • The individuals whose accounts were opened were in effect not employed with the corporate, but were lower income profile individual's viz. daily wage workers / low-income groups. • Funds were received in these accounts through NEFT from Medyk Life Science Pvt Ltd. / Giant Secure Solutions Pvt Ltd. / Medinous Health Pvt Ltd from other Banks and subsequently the entire funds were transferred back to these accounts, to other associated accounts or withdrawn in cash. • Interaction with some of these individuals revealed cthat they had opened the account and applied for	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						credit cards as per the instructions of a syndicate under the pretext of getting benefits under Govt. sponsored schemes. • They had handed over or shared their credentials with a third party and received cash compensation for the same. The exact amount of cash compensation was not disclosed. • Fresh field verification at the communication address of Medyk Life Science, Giant Secure Solutions Pvt Ltd., carried out during investigation was reported negative as the companies were presently not operating from the said address. • There is no relationship in terms of account or salary label of Medinous Health Pvt Ltd with the bank • The balance outstanding in respect of these credit cards is presently Rs.1.31 crore. **Action taken / being taken** • Police complaint has been filed in the matter. • Ahmedabad Police have arrested 7 persons and 5 others for cheating and forgery. • The outstanding amount under the disputed cards to be written off • Fraud will be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigating Office (SFIO).	
202		Case of Cheating and forgery by Salem Kandaa Textile Mills Private Limited		46.10		Background: • Salem Kandaa Textile Mills Private Limited (SKTMPL), based out of Salem, Tamil Nadu is engaged in manufacturing cotton yarn. • The company was incorporated in 1993. • Banking Arrangement: i. Axis Bank is the sole banker of SKTMPL. ii. Axis Bank sanctioned Overdraft (OD) facility of Rs.1.32 crore for takeover of working capital limits of Rs. 1.20 crore from State Bank of India in March 2014. The OD was converted to working capital limits in May 2014 and the limits were gradually enhanced to Rs.4.75 crore. iii. Subsequently, a term loan of Rs.0.80 crore was sanctioned in March 2014 for takeover of limits from Tamil Nadu Industrial Investment Corporation (TIIC). NPA and Recovery Action: i The borrower was classified as NPA on 28.06.2019. ii Notice under section 13(2) of SARFAESI was issued on 11.11.2019.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						iii An OA was filed before DRT against the borrower and guarantors on 31.07.2021. RFA Classification: The borrower was classified as RFA on 14.06.2022, based on adverse observations in the stock audit report. Forensic Audit: Axis Bank appointed R Choudhary and Associates on 12.07.2022 for conducting forensic audit of the borrower, covering review period from 01.06.2016 to 30.06.2019. A draft forensic audit report was submitted on 18.10.2022, which was inconclusive. The forensic auditor was advised to submit a conclusive report, incorporating responses from the borrower. The final forensic audit report was submitted on 02.12.2022. The key findings are as under: i) Based on comparison of values disclosed in stock statement with books of accounts of the company, overstatement of drawing power by Rs.4.26 crore, Rs.3.71 crore, Rs.1.33 crore and Rs.3.76 crore, as at 30.06.2016, 30.09.2016, 31.12.2017 and 31.03.2019, respectively, were observed ii) 32.23% of the total sales and 55.82% of the total purchase transactions, during the period from 01.06.2016 till 30.06.2019, were entered into with 5 related entities iii) Cash transactions amounted to 32.50% and 10.05% of total purchases in FY 2017 and FY 2018, respectively, wherein supporting documents were not available iv) Inventory of Rs.6.20 crore were written-off in FY 2019, wherein supporting documents justifying the write-off were not available Conclusion The borrower was classified as 'Fraud' by Axis Bank, based on following: Adverse observations in the forensic audit report. Action Taken/Proposed: • The Bank will initiate suitable course of recovery. • The Bank will be lodging Police complaint against the company and its directors. • The fraud will be reported to the Special Committee for Monitoring of Large Value Frauds.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• The exposure has been prudentially written off.
203	Case of Cheating and forgery by MPTA Education Limited	109.20	Background: • MPTA Education Limited (MEL), incorporated in 2007 in Pune, is engaged in providing staffing solutions to corporates and conducting skill training courses for individuals. • MEL was selected to implement Project Deen Dayal Upadhyay Grameen Kaushalya Yojna (DDUGKY), a youth employment scheme of Government of India. Banking Arrangement: Axis Bank is the sole banker to MEL. Axis Bank sanctioned working capital and term loan facilities of Rs.4 crore to MEL, commencing from 2010. The working capital limits were gradually enhanced to Rs.19.60 crore by August 2019 and subsequently restricted to Rs.12 crore in March 2022. Dispute between the Promoters: (i) The company was originally promoted by Mr. Madhukar Pathak and Mr. Sadanand Deshpande and their families. (ii) Mr. Pathak filed a petition with National Company Law Tribunal (NCLT), Mumbai Bench against MEL, alleging that the other Directors were meddling with the assets of the company and its shareholding structure. The case was registered by NCLT on 16.03.2022. (iii) The NCLT Bench through order dated 28.03.2022 directed the Company and its present Directors to maintain status quo in respect of the properties of the Company as well as its shareholding until further order. (iv) While the above events were taking place, Mr. Pathak resigned from the company's Board on 9.03.2022, along with 4 other directors. Subsequently on 19.03.2022, Mr. Deshpande, along with 4 other Directors, resigned from the Board. On 19.03.2022, 2 new Directors were appointed in the Board - Mr. Umakant Kulkarni and Mr. Hemant Bhongale. (v) Pursuant to the dispute between the promoters, the company had stopped taking work since January 2022 and there were negligible credits in the account since then. As a result, the drawing power as per stock statement of December 2021 and January 2022 dropped significantly leading to overdrawing in the account and invocation of BG. (vi) The Bank held a number of meetings with the promoters during April-July 2022 to understand the issue and to discuss matters regarding over dues

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						in the account, delay in submission of stock statements and clearance of GST dues for which a GST order was received by the Bank for attachment of borrower's property. Key observations from the meetings held are as below: (i) Mr. Pathak and Mr. Deshpande accused each other of mis-utilizing the company's funds/resources. (ii) The statutory auditor had resigned and yet to be replaced. Audited financials for FY 2021 and FY 2022 were yet to be filed. Income tax return for FY 2020 was not filed. (iii) Realization under DDUGKY scheme was doubtful, as the respective authority had sent notices to MEL for penal action, including blacklisting, for not meeting performance targets. NPA and Recovery Action: (i) The company's operating levels were impacted due to dispute between promoters. (ii) The borrower was classified as NPA on 24.08.2022. (iii) The Bank has appointed an advocate on 14.12.2022 to finalize legal course of recovery. RFA Classification: Axis Bank classified the borrower as RFA on 05.07.2022, based on the following EWS alerts: (i) Significant drop in drawing power as per stock statement dated 31.12.2021 and 31.01.2022; (ii) Invocation of Bank Guarantee; and (iii) Negligible credits in the account since January 2022, pursuant to dispute between the promoters. Forensic Audit: Axis Bank appointed R S Chawla and Co on 29.10.2022 to conduct forensic audit of the borrower, covering review period from 01.04.2010 to 30.09.2022. (iv) A draft forensic audit report was submitted on 22.12.2022, which was inconclusive. The forensic auditor was advised to submit a conclusive report, incorporating responses from the borrower. The final forensic audit report was submitted on 03.01.2023. The key findings are as under: i. Key promoters of MEL, Mr. Madhukar Pathak and Mr. Sadanand Deshpande, accused each other of mis-utilizing the company's funds/resources; a petition has been filed by one of the parties with NCLT, which has directed to maintain status quo until further order. ii. Funds aggregating Rs.15.35 crore were transferred to 9 related parties, purportedly towards payment	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						for services availed, for which no supporting documents were shared iii. Cash withdrawals of Rs.22.99 crore were done from CC account during the period from FY 2016 to FY 2019, purpose of which could not be ascertained. iv. MEL has been blacklisted by two state governments for not meeting training completion targets post receiving payments of Rs.14.54 crore from them, indicating mis-utilization of funds. Conclusion: The borrower was classified as 'Fraud' by Axis Bank, based on adverse observations in the forensic audit report. Action Taken/Proposed (i) The Bank will initiate suitable course of recovery. (ii) The Bank has lodged Police complaint against the company and its directors. (iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. (iv) 100% provisioning has been created against the exposure.	
203		Case of Misappropriation and criminal breach of trust at Wokha branch		20.45		• At the end of day on 10.01.2023, the Branch Head of Bank's Wokha Branch conducted surprise fortnightly cash verification, as per extant guidelines and identified shortage of cash of Rs. 204.53 lakhs in the vault cash. • Ms. Lichipeni Kikon (Teller) and Mr. Dilip Prajapati (Branch Operations Head) were the cash custodians on the date of detection of cash shortage. As per preliminary findings, Ms. Lichipeni Kikon, Teller, had proceeded on leave by handing over the Teller's charge to Mr. Amir Chetri. • During this period, the staff, Mr. Limachan Kikon, who had got addicted to online gambling started demanding physical cash from the temporary Teller Mr. Amir Chetri, who obliged to his request. Mr. Amir Chetri handed over cash without any underlying voucher. • Subsequently, Mr. Dilip Prajapati, the Branch Operations Head also got involved in wrong-doing by asking the Teller for cash and also to make cash deposit entries in few customer's accounts, without receipt of physical cash. Ms. Lichipeni Kikon, on resumption of her duty continued with the wrong practice. • She stated that she was forced to do so and hence did not inform the matter to the Branch Head/Controllers. In her confession letter, she claimed having made fictitious entries of Rs.130.07 lakhs in the accounts of customers. • Further investigation is underway. Mr. Dilip Prajapati, Mr. Amir Chetri, and Mr Limachan Kikon all have since confessed in writing mentioning that	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						they had used the Branch cash for online gambling. They further stated that they had incurred losses and were not in a position to repay the amount of shortage of cash, which was defalcated from the vault. • The previous fortnightly cash verification was done on 30.12.2022 by the non-custodian, staff, Mr. Stephen Alley. • The verification was conducted without verifying entire vault cash, as admitted by the said staff. Investigation is under way and further update if any shall be updated through FUA. Root Cause: Non adherence to laid down guidelines pertaining to cash verification. Lack of supervisory oversight Action taken • Ms. Lichipeni Kikon, Mr. Dilip Prajapati, Mr. Limachan Kikon and Mr. Amir Chetri have since been dismissed from the services of the Bank. • Police complaint lodged at Wokha Police Station, Nagaland.	
204		Case of Misappropriation and criminal breach of trust by Topview Industries Pvt Ltd, Topview Infratech (I) Pvt Ltd and Sai Pranaya Properties		108.62		**Background of the case** • Basheerbagh Branch received a complaint from Mr. Shiva Kumar Alagarsamy, customer and account holder, alleging un-authorized transactions from 3 accounts pertaining to 2 companies and one partnership firm in which he is an authorized signatory / Director / Partner. • Mr. Shiva Kumar Alagarsamy and Mrs. K Deepa Lakshmi, husband and wife, are the Directors in both the Private Limited Companies and also Partners in the Partnership Firm. • Mr. Shiva Kumar Alagarsamy alleged that despite submission of revised mode of operation at Basheerbagh Branch to operate all these 3 accounts as "Jointly", debit transactions were allowed basis single signature of Ms. K Deepa Lakshmi, Director and signatory by the Branch. • The customer has sought reversal of these unauthorized transactions debited from the above-mentioned three accounts. **Investigation findings** • The current accounts of Topview Infratech India Pvt Ltd, Topview Industries Pvt Ltd and Sai Pranaya Properties (Partnership Firm) are held at Basheerbagh Branch. • Mode of operation in the aforesaid Current accounts was 'any one Authorized Signatory/ Director/Partner' at the time of opening of these accounts. • Mr. Shiva Kumar Alagarsamy and Mrs. K Deepa Lakshmi are husband and wife, but differences of	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	

						opinion arose between them on account of marital discord. The matter is pending with the Honorable Court for a divorce and seeking partition of assets.
						• On account of the internal dispute between the two, both the directors/partners submitted a letter to Basheerbagh Branch to freeze their above accounts of both companies and also of the partnership firm. Accordingly, the branch had marked freeze in these accounts.
						• Subsequently, Basheerbagh Branch received a letter along with the copy of the Board Resolution signed by both the Directors / Partners for lifting of the debit freeze from all their 3 accounts.
						• The Branch also received a request to revise the Mode of Operation to "Jointly" i.e. both of the Directors / Partners were required to sign any debit mandates.
						• The Branch officials lifted the debit freeze from all 3 accounts on receipt of the said request.
						• As the customers did not submit the request for revision of the mode of operation in the requisite Customer Request Form (CRF) the changes were not effected in the system however, the same was not communicated to the customers in writing.
						• Ms. K Deepa Lakshmi, Director during her visit to one non-base Branch came to know about the revised mode of operation not being updated in the Bank's system through a branch staff.
						• The Branch staff confessed having shared the account related information of Mr. Siva Kumar Alagarsamy and also information of both Companies and firm to Ms. K Deepa Lakshmi, as she was one of the Directors / Partners.
						• Post the above, Mrs. K Deepa Lakshmi, visited the Non-Base Branch again and submitted mandates to debit the 3 accounts under her single signature resulting in un-authorized transactions aggregating to Rs.1086.23 lakhs.
						• Out of the above disputed amount, an aggregate amount of Rs.618.70 lakhs have been moved within Company/firm having same directors/partners.
						  • Funds are available in FDs (13 Fixed Deposits) in the name of same Companies aggregating to Rs 294.00 lakh and Rs.4.77 lakhs are available balance in company accounts and under Debit freeze.
						  • Funds aggregating to Rs. 319.93 lakhs were utilized by Top view Infratech (I) Pvt Ltd. to liquidate loan availed from ICICI Bank in the name of the same Company.
						• The remaining amount of Rs.467.53 lakhs is considered as net liability to the Bank.
						• Ms. K Deepa Lakshmi was aware about the revised MOP request submitted to the base branch revising the mode of operation from 'Singly' to 'Jointly' and	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						despite this she effected transactions through her single signature at the non-base Branch with a view to defraud the Bank. **Modus Operandi** • One of the Partners/Directors effected transactions without a proper mandate by visiting a non-base branch, despite being aware that the accounts were to be operated "jointly" as per revised MOP. **Root Cause** • Failure of the Branch to convey to the customer in writing that the changes in the mode of operation could not be effected due to the non-submission of the Customer Request form. • Non-updation of the revised MOP to "Jointly" in the Bank's Finacle system in respect of the Company and Partnership firm accounts after removal of freeze. This resulted in Finacle system showing earlier MOP (any one Authorized Signatory/ Director/Partner) which was mis-used by the other Director operating from non-base branch. **Staff Accountability** • Staff Lapses attributed to negligence in respect of 7 staff members for non-updating of revised mode of operation and permitting transactions without proper mandate. **Action Taken / Proposed** • Police complaint to be filed in the matter. • 100% provision is being made to the extent of bank's liability of Rs.467.53 lakhs. • Insurance Claim has been lodged with the insurance company	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
205	Case of Misappropriation and criminal breach of trust by Chhattisgarh State Marketing Corporation Ltd (CSMCL).	12.70	**Background of the case** • A complaint was received from Chhattisgarh State Marketing Corporation Ltd (CSMCL), customer of the Bank alleging that cash deposits aggregating to Rs.1.27 crore were not credited in their account. • On 30.12.2022, a written complaint was received from the customer M/s. Chhattisgarh State Marketing Corporation Ltd maintaining a current account with Raipur Branch. The following are the details of the complaint. o Cash aggregating to Rs.1.27 crores comprising 46 cash deposits tendered at the Teller counter of Vyapar Vihar Branch on 03.12.2022 and 05.12.2022 were not credited in their account. o The client copies of the cash deposit vouchers aggregating to Rs.1.27 crore with 'Cash Received' Stamp of the Branch were with the customer. o The customer had sought immediate credit of Rs.1.27 crore to their account along with the loss of interest. **Investigation findings** • Chhattisgarh State Marketing Corporation Ltd. (CSMCL), a State Public Sector Undertaking, is maintaining a Current Account with Raipur Branch since 30.03.2017. • CSMCL is into retail sale of liquor to the consumers in Chhattisgarh State through 800 retail outlets spread across the State. • The customer deposits cash across 75 branches of the Bank through an agency appointed by the customer for cash pick up from the retail outlets. • The Bank has not entered into any arrangement for cash pickup with the customer. • The staff of the cash pick up agency (engaged by the customer) deposits the cash in the Bank and the bank provides the acknowledgement. • In the month of December 2022 during a reconciliation exercise carried out by the customer basis physical stock vis-à-vis sales records, in respect of one of their liquor outlets, it was identified that cash aggregating to Rs.1.27 crores comprising 46 cash deposits tendered at our Vyapar Vihar Branch on 03.12.2022 and 05.12.2022 were not deposited in their account. • During the course of investigation, on review of the cash deposit details of the customer of 03.12.2022 and 05.12.2022 at Vyapar Vihar Branch, 54 cash deposit vouchers were identified with total cash deposited aggregating to Rs. 1.72 crore however, the disputed 46 cash deposit vouchers of the customer were not part of these 54 vouchers and the same could not be traced at the Branch. • Out of 54 physical cash deposit vouchers verified, vis-à-vis the customer acknowledgement copies, 42

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						cash deposit vouchers pertained to the previous month and had the following dates viz.03.11.2022, 04.11.2022 and 05.11.2022 however, branch had received the above vouchers along with cash only on 03.12.2022 and 05.12.2022. • From the above, it transpired that the agency staff in charge of cash collection had deposited cash pertaining to the above dates (November 2022) during the month of December.2022 however no red flag was raised by the customer with regards to delayed deposits. • Apparently the 46 cash deposits disputed by the customer were not deposited by the agency staff and hence not credited into the account of the customer. • The branch teller, Rakesh Prasad confessed that he was providing an acknowledgment on the customer copy of cash deposit vouchers without receiving physical cash as per the instructions of the cash pick up agency staff. He further stated that the outsourced staff assigned to the Branch for sorting of cash was also involved in misappropriation of cash. • During investigation it was observed that staff assigned to the Branch for sorting cash was directly accepting cash from the staff of the cash pick up agency in contravention to the laid down guidelines. • The teller informed that this arrangement was in place since March 2022 for which he was getting a monetary benefit from the staff of the cash pick up agency and to date he had received an amount of Rs.8.40 lakhs. • Vyapar Vihar branch had sent a written letter to the customer to carry out a reconciliation of the cash deposited in the account and revert back in case of any further discrepancies however, the customer has not yet reverted back to the Bank. **Modus Operandi** • Misappropriation of the cash (meant for deposit in the customer's account) by the staff of the cash pick up agency engaged by the customer in connivance with branch teller and the outsourced staff appointed by the Bank for cash sorting. **Root Cause** • Cash misappropriation by the staff of the agency in collusion with the branch staff and the outsourced staff for sorting cash. **Staff Accountability** • Staff accountability has been identified in respect of Branch Teller (Dy.Mgr) who was involved in misappropriation of cash. • Lapses have been attributed to the previous and also the present Branch Operations Managers (Sr.Mgrs) for not identifying the difference in dates on cash deposit voucher	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Lapses have been attributed to previous Branch Head (Sr.Mgr) and two previous Branch Operation Managers (Sr.Mgr) for lack of supervisory oversight. **Action Taken / Proposed** • The staff Rakesh Prasad has been suspended from the services of the bank. • Vyapar Vihar branch has filed a Police complaint. Insurance claim has been filed by the Bank and the same is under process • The Police have since arrested the Branch teller, staff of the cash pick up agency and the outsourced staff assigned to the Branch for sorting cash. The case is presently under investigation • 100% provision will be made for the fraud amount of Rs.1.27 crore. **Learnings from the fraud** • The difference in dates on cash deposit vouchers was not identified while verifying the cash entries. • The cash sorter, an outsourced staff, was involved in accepting cash from the staff of the cash pick up agency in contravention to the laid down guidelines. **Control Lapses** • The Staff was providing acknowledgement without accepting physical cash at the counter. • In the instant case the staff of the agency was depositing vouchers of November 2022 during the month of December 22 which was overlooked by the branch. • The staff assigned to the branch for sorting cash was allowed to accept cash directly from the staff of the cash pick up agency. **Action Taken:** • The staff Rakesh Prasad has been suspended from the services of the bank. • Staff accountability has been identified in respect of 4 other staff for negligence and for lack of supervisory oversight.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
206	Case of Misappropriation and criminal breach of trust of Miraj Branch	11.30	**Background of the case** • Miraj Branch received 20 complaints from 11 customers (including prospective customers) against the branch sales officer, alleging misappropriation of cash, misuse of credit cards/cheques and transfer of funds under the pretext of account opening and offering investments fetching higher returns. • Tohid Sharikmaslat was working as an Assistant Manager (Sales) with Miraj Branch for the past 6 years. • The staff was one-point contact for the customers of the Branch and thereby gained their confidence. **Investigation findings** • 20 complaints from 11 customers were received against the branch sales officer, alleging misappropriation of cash, misuse of credit cards / loans and transfer of funds under the pretext of offering investments fetching higher returns. • The Sales Officer had collected cash aggregating to Rs.27.44 lakhs over a period of 11 months from 4 customers (including prospective customers) for account opening / FD creation and depositing cash in their accounts. These funds were misappropriated. • No cash acknowledgment slip was provided to the customers / prospective customers by the staff. In all the cases, the cash was delivered outside the branch. • The sales official misused credit cards of 3 customers aggregating to Rs.4.31 lakhs. The customers shared confidential details of the cards viz. PIN / OTP with the staff on the basis of trust gained by him. • On the advice of the staff, 3 customers issued cheques aggregating to Rs.22.79 lakhs to the staff, as the sales officer promised these customers investments fetching higher returns. The cheques were signed in blank by the customers. The funds were withdrawn in cash / NEFT remittances by the staff but not repaid. The NEFT application forms were also signed in blank by the customers. • In one case, the sales official obtained a blank signed cheque for Rs.4.00 lakhs from the customer under the pretext of closing the personal loan of the customer. However, the staff withdrew cash from customer's account and did not close the loan. • Four customers transferred funds aggregating to Rs.11.42 lakhs to other customer accounts on the advice of the staff by sharing their confidential credentials with the staff. • Further, the said staff, modified the mobile number of a customer through an ATM by using the debit card shared by the customer. Subsequently he changed the mobile number and net banking credentials in said customer's account and misappropriated funds aggregating to Rs 39.38 lakhs

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						by transferring the funds through net banking / mobile banking / cheques. • Another customer issued a signed blank cheque of Rs.3.50 lakhs to the Sales official and the funds were misappropriated by withdrawing cash. • As all the customers had shared confidential credentials with the said staff or had issued blank cheques duly signed or willingly transferred the funds there is no liability at present on the Bank however, on a conservative basis we will be providing for the amount of the fraud involved. • The aggregate amount of funds misappropriated by the sales official was Rs.1.13 crore. **Modus Operandi** • Misappropriation of cash collected from the prospective customers /customers for account opening / FD creation / deposit in account. • Misuse of Credit / debit card of customers and misappropriation of funds post compromising confidential credentials by the customers. • Transfer of funds by the customers to other accounts as advised by the staff. • Issuance of cheques by the customers as advised by the staff under the pretext of investments fetching higher returns. **Root Cause** • The staff was a one-point contact for the customers of the Branch and thereby gained their confidence. • Customers shared their confidential credentials such as PIN / OTP for effecting transactions with the sales officer. **Staff Accountability** • The Sales Official, Tohid Sharikmaslat (Asst.Mgr) has since been suspended. • Lapses have been attributed to Branch Teller (Asst.Mgr) for non-adherence to the Bank's guidelines related to cash handling. • Lapses have been attributed to Branch Head (AVP) and Branch Sales Manager (Dy.Mgr) for lack of supervisory oversight. **Action Taken / Proposed** • Police complaint has been filed in the matter against the said staff.	
207		Rajprotim Agencies Private Limited [Branch – CBB, Kolkata]		95.90		**Background of the case** • Rajprotim Agencies Private Limited (RAPL) was a supply chain and warehousing service provider to FMCG companies. • Axis Bank is the sole working capital lender to the company. • Axis Bank sanctioned credit facilities of Rs.10 crore in March 2017, by way of takeover of limits from IndusInd Bank. • Additionally, RAPL availed vehicle financing facilities of Rs.50.22 crore from various financial institutions.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Resolution and Recovery Actions • The account was classified as NPA on 30.04.2020. • The advances were recalled on 28.09.2020. Notice u/s 13(2) of the SARFAESI Act was issued on 01.01.2021. • RAPL was admitted for CIRP on 12.01.2022. NCLT passed order for liquidation of the company on 22.06.2023. RFA / Fraud Status • Interim Resolution Professional appointed V. Singhi & Associates as Transaction Auditor on 30.05.2022. • The borrower was classified as RFA, based on adverse observations in transaction audit report. • Transaction audit report submitted on 11.01.2023 classified several transactions as Fraudulent (u/s 66 of IBC) and Preferential (u/s 43 of IBC). • No satisfactory clarification and supporting documents were provided by RAPL, despite adequate opportunity provided by the Bank. • The borrower was classified as 'Fraud', based on adverse observation in the transaction audit report. • The exposure has been prudentially written off. Transaction Audit Key findings of transaction audit report are as under: Transactions classified as fraudulent u/s 66 of IBC: • Business Transfer Agreement o RAPL had transferred all its business contracts to its group entity Rajprotim Supply Chain Solutions Limited (RCS, between 25.07.2015 to 06.12.2019), without informing or taking permission from the Bank. This subsequently resulted in transfer of revenue and profits from the company to RCS. o As per the Service Agreement dated 27.02.2017 between RAPL and RCS, existing manpower and vehicles were transferred to RCS and RAPL was not allowed to carry out similar line of business for 5 years. It is suspected that the transfer of business contracts and the terms of the service contracts were not at arms-length basis, thereby resulting into losses for the borrower. Hence, this transaction is suspected to be fraudulent in nature. Investigation Remarks o RAPL was on-boarded by the Bank in March 2017. Evidence of RAPL informing/seeking permission from the Bank for the transaction, at the time of on-boarding, is not held on record. Consequently, the business model was not captured accurately in the credit proposal. The same can be treated as misrepresentation of information/data to the Bank.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Share Buyback Arrangement o In lieu of the Business Transfer and Share Subscription Agreement (BTSSA) dated 21.12.2016, the promoter Mr. Partha Protim Banerjee was allotted 24% equity shares of RCS, with an agreed for and pre-determined buyback price. The promoter earned a profit of Rs.12.97 crores by off-loading the allotted shares on 06.09.2018 and 6.12.2019 respectively. Hence, it is suspected that the income of Rs.12.97 crores which should have accrued to RAPL, has been diverted to the promoter. Transactions classified as Preferential u/s 43 of IBC: • As part of the business transfer agreement, RCS paid an amount of Rs.3.30 crore to RAPL, in lieu of certain assets (furniture/fixtures, vehicles, and computers) that would be used by RCS across its various godowns/offices. RAPL submits that the total cost of the assets was Rs 4.04 crore (Rs. 1.43 crore as at FY 2021 as per books of accounts), out of which the balance amount of Rs 0.74 crore was yet to be received from RCS. However, since no documents/records were available for verification, existence of such assets (if any), valuation and arms-length transaction could not be ascertained by the auditor. • Further, status of 9 vehicles which should be present as per books of accounts was not available. The management stated they were trying to locate the same. However, they could neither confirm if legal or any other steps were taken to recover such vehicles. Other than the 9 vehicles, certain vehicles were in the possession of parties who were holding the same against their claims as explained by the borrower. However, no documentary evidences/confirmations were available to ascertain the veracity of the explanation. The absence of information/evidences leads to doubts about existence about preferential / undervalued transaction. Borrower Response: • The management did not clarify if they had taken legal steps to recover vehicles from the parties who had claimed it. Further no other confirmation was produced at the time of review to support the explanations provided by the management. Auditor Response: • The absence of any evidence raises doubts about existence of preferential or undervalued transactions. Transactions with Related Party • RCS was a related party of RAPL from 25.07.2016 to 06.12.2019. Pursuant to the business transfer mentioned above, RAPL was providing manpower

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						& vehicles exclusively to RCS, in exchange of service charge, during the period FY 2017 to FY 2020. • During the said period, RAPL's profit margins dipped significantly, which subsequently resulted into losses. For the period FY 2017- FY 2020, RAPL had booked a total revenue of Rs.305.51 crore and total loss of Rs.61.17 crore. • Since one related party was making profit while the other was making loss, in the absence of supporting documents it appears that the transactions, especially relating to profit margins (with RAPL) were not done on arm's length basis. However, exact nature of the transactions could not be established without supporting/underlying documents. Conclusion by Forensic Auditor: • There were transactions noted u/s 66 and u/s 43 of IBC, including transfer of all business contracts to RCS, without prior approval as well as intimation to the bank. Apart from this, the profit realised by the promoter in lieu his stake sale in RCS, should have accrued to RAPL and hence may be treated as diversion of funds. • Further there were instances of selling vehicles at distressed values without proper documentary evidence. Also, in the absence of necessary documentation, several verifications including details of assets could not be carried out. Hence most of these transactions may not be at arms-length basis and maybe fraudulent in nature. Issuance of show cause notice to the borrower • Supreme Court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued show-cause notice (SCN) to the borrower on 06.06.2023 and subsequent follow-up dated 22.06.2023, seeking explanations on the below adverse findings of transaction audit report & internal investigation report: o Transfer of business by RAPL to Rajprotim Supply Chain Solutions Private Limited (RCS) without informing the bank or taking an NOC from the bank resulting in gross misrepresentation to the bank; o Diversion of income of Rs.12.97 crore from RAPL to PPB, generated by stake sale of RCS; o Absence of supporting valuation documents of RAPL assets valued at Rs.4.04 crore; o Status of 9 vehicles that were purchased and steps taken to recover such vehicles; o Non-disclosure of related parties to the bank;	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						○ Reason for maintaining multiple current accounts outside the banking arrangement. • Borrower's reply to the SCN was received on 26.06.2023 the below mentioned key response: ○ Proceeds from stake sale of RCS were infused in RAPL by way of unsecured loan by the promoter and there was no diversion of funds. ○ Sudden exit of employees jeopardized RAPL's business operations and their efforts to recover the 9 vehicles were unsuccessful. ○ Borrower stated that they had a pre-requisite of multi-location banking which was not fulfilled and were also not given net-banking access which created difficulties in managing business operations. ○ Borrower stated that Axis bank was aware of the accounts operated by the company in other banks. • However, no supporting documents were shared to validate the above responses. Accordingly, letter dated 10.07.2023 was issued to the company, seeking relevant supporting documents/evidences. • In their next response dated 12.07.2023, the borrower shared certain excel worksheets which appeared to show calculations regarding the promoter's stake sale in RCS. However, the said data could not be relied upon in the absence of supporting documents, e.g. copy of agreement, bank statements, etc. **Modus Operandi** • Diversion of Funds Root Cause • Diversion of Funds. **Staff Accountability** • Staff accountability has been identified with respect to 3 employee for lapses in monitoring of the account. • Assessment of staff accountability across sanction, monitoring and disbursement process is in progress. **Action Taken / Proposed** • Police complaint is being filed in the matter. • PAN of the company and its directors have update in the hunter negative list. • The exposure has been prudentially written-off.	
208		Senthil Agencies (Proprietor: Mr. Senthil Singamuthu) [Branch – Padukottai, Kerala		67.30		**Background of the case** • Senthil Agencies (SA), established on 01.07.2017, is a Sole Proprietorship Concern. Name of the proprietor is Mr. Senthil Singamuthu. • SA was an authorized distributor of ITC Ltd in regions such as Pudukottai, Alangudi, Peravurani and Aranthanki in Kerala. • Axis Bank is the sole lender to the company.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• SA was sanctioned credit facilities aggregating to Rs.6.80 crore in 2021, by way of takeover of the existing limits from ICICI Bank. <u>Resolution and Recovery Actions</u> • The account was classified as NPA on 28.09.2022. • Legal action under SARFAESI Act has been initiated for recovery of dues. <u>RFA / Fraud Status</u> • The borrower was classified as RFA, based on suspected diversion of funds from business. • Axis Bank appointed Sarath & Associates to conduct forensic audit of the borrower, wherein instances of diversion of funds and misrepresentation in stock statement were identified. • The borrower was not traceable over email/phone or at his physical address. There was no response to the show cause notice and reminders from the Bank, seeking clarification against the adverse findings. • The borrower was classified as 'Fraud', based on adverse observation in the forensic audit report. • Provision of Rs.6.73 crore was held against the exposure as on date. **Forensic Audit/Internal Investigations** Key internal investigation findings are as below: • The loan accounts of M/s Senthil Agencies were opened in September 2021 and Takeover process of the loan was completed in October 2021. • The churning of the loan account from October 2021 till March 2022 was Rs.7.16 Crore. • Interest servicing was also prompt during this period. Regular payment to ITC Ltd was observed. • However, the accounts went into delinquency after April 2022. • The borrower assured that there was a temporary business stoppage by ITC Ltd. and shall be regularized in a span of few weeks. • As the delinquency continued, on checking with ITC Ltd.'s Area Manager, it was understood that the ITC Ltd. dealership of M/s Senthil Agencies was cancelled due to delay in payment of dues. • The accounts slipped into NPA in September 2022. • During fresh Title of the property, it was found that the residential properties mortgaged by M/s Senthil Agencies were occupied by third parties who claimed their ownership on the properties. • However, the Title of the property was in the name of Mr. Singamuth Senthil, Proprietor of M/s Senthil Agencies. • The Bank's charge on the property is prevalent and action u/s 14 of SARFEASI was initiated. • During discussions with the occupant's of the property, it was understood that the properties were transferred by the owners to Singamuth Senthil for obtaining loan from the Bank for which the seller's used to get monthly interest. There was also an	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						active involvement of a third party named Mr. Ganesh Moorthy. **Key findings of Forensic Audit report are as under:** • Net payment of Rs.0.57 crore from drawal of CC limit was made to Lemonleaf Creation Private Limited, which is engaged in an unrelated business activity. • Rs.0.19 crore from drawal of CC limit was utilized for repayment of loans from a third party. • Trade receivables and stocks were reported in stock statement as whole numbers, which is unusual. • On enquiry with Area Manager of ITC Ltd, it was advised that the dealership of SA was cancelled due to delay in payment of dues. • Conclusion of Forensic Audit Report: After due verification of available documents and information, it appears that the Borrower had violated the terms of sanction letter. It is suspected that the borrower has willfully defaulted the loan repayments. The transactions in bank statements appears to be establishing the diversion and siphoning-off the funds by the borrower, intentionally. **Issuance of show cause notice to the borrower** • Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued show-cause notice (SCN) to the borrower on 30.05.2023 and subsequent follow-ups dated 15.06.2023 and 22.06.2023, seeking explanations on the adverse findings of transaction audit report & internal investigation. • However, the borrower did not respond to any of the Notices / Reminders sent by the Bank. **Modus Operandi** • Diversion of funds **Root Cause** • Diversion of funds **Staff Accountability** • Assessment of staff accountability across sanction, monitoring and disbursement process is in progress. **Action Taken / Proposed** • Police complaint is filed via reg post to diamond nagar Pudukottai Ps on 12-09-2023 • 100% provision has been done for the fraud amount.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
209	M/s CMS Infosystem Ltd., (Cash Replenishment Agency), Ludhiana	61.32	**Background of the case** • On 11.06.2023, the Bank, was informed by Independent ATM Deployer (IAD), viz., Hitachi Payment Services Pvt. Ltd., about a robbery incident of cash aggregating to Rs.6.13 crore from the premises of M/s. CMS Infosystem Ltd., a Cash Replenishment Agency (CRA), viz., located at Ludhiana. • The incident had taken place on the night of 10.06.2023 at around 2.00 a.m. • The Bank's ATM services are under an outsourced model which is managed by vendors known as Independent ATM Deployers (IAD). • These IADs appoint Cash Replenishment Agencies (CRAs) for replenishing cash pertaining to the Bank's ATMs. The CRA, viz., M/s. CMS Infosystem Ltd, deals with management and transit of physical cash. • The company provides cash replenishment services of ATMs country wide to various Private and Public Sector Banks, MSPs (Managed Service Providers) and WLA (White Label ATMs). • M/s. CMS Infosystem Ltd is responsible for cash management and supervision across India having one of their office located at Ludhiana. • The Company keeps cash under safe custody at its vaults after receiving cash from Private and Public Sector Banks and supplies cash according to their needs at various Bank branches and ATMs. • In terms of Axis Bank's extant Service Provider Agreement with the Hitachi Payment Services Pvt. Ltd. (IAD), cash provided by the Bank for the purpose of ATM replenishment is stored overnight at the vault of the M/s. CMS Infosystem Ltd., Ludhiana, as a sub-agent of the IAD. • A robbery incident involving cash aggregating to Rs.8.49 crore was reported by CMS Infosystem Ltd., to the Bank on 11.06.2023 which took place on 10.06.2023 out of which Rs. 6.13 crore belonged to Axis Bank. **Investigation findings** • It was reported that on 10.06.2023 at around 2:00 a.m., 8 to 10 unknown masked armed robbers carrying firearms / weapons entered the premises of M/s. CMS Infosystem Ltd. overpowering three security guards at gun point. • The security guards were tied with rope and were gagged. The miscreants took away their rifles and locked them in the Server Room. They also took the DVRs containing the CCTV recordings from the server room. • The miscreants entered the vault & cash room area by cutting the wires of the magnetic lock. Two vault officers, who were arranging / counting the cash for replenishment of ATM for the day were forced out

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						from cash room at gun point, tied up and gagged. They were also threatened to be shot at in case they raise the alarm. • The miscreants confiscated the cash which was being counted / sorted by the Vault officers and kept outside the vault and thereafter escaped in a vehicle. • Out of the cash amount of Rs.6.13 crore, Rs.5.03 crore was earmarked for replenishing Axis Bank's ATMs and the remaining amount of Rs.1.10 crore was taken out from the ATMs which were under Cassette Swap Model i.e., lockable cassettes that can be swapped without any need for the CRA personnel to handle the cash) • M/s. CMS Infosystem Ltd. has since filed an FIR at Sarava Nagar, Ludhiana Police station on 10.06.2023. • The local police authorities have found the vehicle left abandoned by the miscreants however, the cash was missing. • It is reported that the incident was carried out during 2.00 a.m. to 3.30 a.m. • The cash loss of Rs.6.13 crore pertaining to Axis Bank, is recoverable within 15 days from the IAD, viz., Hitachi Payment Services Pvt. Ltd., as per the Bank's extant agreement with them. **Modus Operandi** • Cash looted from the CRA premises by the armed robbers overpowering the security guards and CRA officials threatening them at gun point. **Root Cause** • Failure of security guards to identify and resist the attack by the robbers. **Staff Accountability** • No lapses on the part of Bank staff identified. **Action Taken / Proposed** • M/s. CMS Infosystem Ltd. has since filed an FIR vide no. 0081 at Sarava Nagar, Ludhiana Police station on 10.06.2023 pertaining to the said incident. • The security aspect at the CRA location is being reviewed by the Bank. • As per recent media reports, the Ludhiana Police held a press conference on 15.06.2023 and claimed to have arrested six persons, including an employee of the M/s. CMS Infosystem Ltd and recovered approx. Rs.5.75 crore from the accused. • The cash loss of Rs.6.13 crore has been reinstated to the Bank on 27.06.2023, as per the Bank's extant agreement with the IAD.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
210	Theft of cash and gold ornament packets from the premises of Branch [Branch – Churachandpur, North East Circle, Manipur]	73.28	**Background of the case** • On 10.07.2023, the Branch Head of Churachandpur Branch received information about a robbery incident from the Branch staff. • The Branch was closed owing to the violent clashes amongst various groups, which had erupted in the city and the state of Manipur from 03.05.2023 onwards. • The staff had opened the Branch premises to clean up & prepare the Branch for ensuing branch banking operations, since some relaxation in curfew was allowed by the Law Enforcement Authorities. • The miscreants had looted cash of Rs.1.29 crore and pledged gold ornaments whose estimated value was Rs.6.14 crore against 219 gold loans sanctioned by the Branch. • Preliminary **Investigation findings** • Churachandpur Branch, is a Semi Urban Branch, located in the State of Manipur. • Due to Statewide disturbance / violent clashes between various groups and implementation of curfew at Churachandpur by the Law Enforcement Authorities, the Branch was closed / not operational since 03.05.2023. • On 10.07.2023, Branch staff (who was in possession of the branch premises keys), visited the Branch, for getting the branch premises ready for Branch banking operations. • After opening the Branch and entering the premises, the staff observed that rear side wall of the branch premises was broken. • The concrete wall of the vault room was also found to be damaged. • The cupboard (almirah) containing cash and the steel trunk containing the gold ornament packets kept inside the almirah were found broken. • The alleged miscreants had looted the contents of vault safe i.e., cash & gold ornament packets, pledged as security for the Gold Loans. • The staff immediately reported the incident to the Branch Head, Churachandpur Branch, who in turn reported the incident to the Circle Officials (Controllers). • The entire CCTV system installed at the branch premises was found missing; hence, the exact date of incident / robbery could not be ascertained. • The Branch was not covered under Centralized Command Centre Surveillance. • The security arrangement was in place during normal branch functioning days i.e., during 9 a.m. to 5 p.m. • As per the Bank's Finacle system report, the closing balance of physical cash held in vault at the close of business on 02.05.2023 was Rs.1.29 crore. Cash Retention Limit (CRL) of the Branch was Rs.2 crore.

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• The valuation of the pledged gold ornaments was estimated to be Rs.6.14 crore approximately. • These ornaments were pledged against 219 Gold Loan accounts sanctioned by the Bank with an outstanding amount of Rs.3.82 crore. • During inspection of the Branch by the Police, an amount of Rs.10.75 lakhs was found lying in the branch premises with comprised primarily of low denomination currency notes and coins. • With the approval of the Controllers, the Branch requested the Police to keep the cash in their custody till the opening of other Bank's branches, to which the Police agreed. **Modus** Operandi • Intrusion of miscreants in the branch premises by breaking the rear side wall and looting the cash and gold ornaments in the custody of the Branch. **Root Cause** • Due to the violent clashes in the state of Manipur, there was imposition of curfew, and the Branch was closed for 2 months. • As this was a force majeure event, entailing carnage and deaths, the Branch was not open for banking operations. **Staff Accountability** • No lapses on the part of the Bank staff have been identified so far. The matter is under investigation. **Action Taken /Proposed** • A Police complaint has been filed in Churachandpur Police Station in the matter by the Branch on 12.07.2023. • The process of lodgement of insurance claim with the Insurance Company is underway.	
211		Robbery of cash and Gold ornament packets from the premises [Branch Raigarh, Raipur Circle, Chhatisgarh]		56.20		**Background of the case** • Raigarh Branch is an Urban Branch, located in the State of Chhatisgarh. • On 19.09.2023, Raigarh Branch, Raipur circle reported an incident of Robbery in the Branch premises. • It was reported that the miscreants had looted cash of Rs.4.19 crore and pledged gold ornaments whose estimated value was Rs.1.43 • crore against 78 gold loans sanctioned by the Branch. **Investigation findings** • On 19th September 2023, at around 08:45 a.m., seven armed miscreants carrying guns entered the branch premises, threatened the branch staff and forcefully took them to the server room where they unplugged the wires. • The miscreants pushed all the branch staff including Branch Head and Branch Operations Head to one corner.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• The security guard was also threatened by the miscreants at gun point and was made to stand in the corner. • The Branch Head was assaulted and sustained minor injuries. He was immediately taken to the hospital and released post some stitches. • Post arrival of the Teller, the miscreants forced the Branch Operations Head and the Teller to open the vault and then sent them outside the vault. • The miscreants reportedly stole cash of Rs.4.19 crore and gold ornaments valued at Rs.1.43 crore pertaining to 78 gold loan accounts which were sanctioned by the Branch. • The cash holding of the branch as on 18.09.2023 was Rs.8.66 crore and it was reported that part of the currency notes and entire coins were left behind in the branch. • The matter was then informed by the branch to the local Police Authorities on 19.09.2023 and the Police investigation in the matter is underway. • The branch is under the Bank's Centralised Command Centre surveillance. • CCTV footage of the incident is available till the miscreants unplugged the wires from the server room. • The outstanding balance in all the 78 gold loan accounts is presently Rs.1.06 crore. The estimated value of the pledged gold ornaments lying in the vault of the Branch prior to the theft was Rs.1.43 crore approximately. • The physical cash present in the vault which was left behind by the miscreants was counted in front of the Police authorities and it was observed that Rs.4.47 crore cash was available which comprised of currency notes of all the denomination between Rs.2000 to Rs.5 and coins. • Raigarh Police conducted a press conference on 20.09.2023 and informed that cash worth Rs.4.19 Crores and 78 gold packets have been confiscated from the miscreants by the police and held in the custody of Raigarh Police. • Raigarh Police had arrested 5 miscreants out of 7 and recovered entire looted cash i.e. Rs.4.19 crore and pledged gold ornaments having approximate value of Rs.1.43 Crore against 78 Gold loans sanctioned by the Branch. • On 15.11.2023, cash of Rs.4.19 crore and 78 sealed pledged gold ornament packets of value Rs.1.43 crore (Approximately) were handed over by the Raigarh Police to the Axis Bank, Raigarh Branch against the court orders provided by the Bank to Police authorities. **Modus Operandi** • Miscreants entered the Branch and threatened the Branch staff & security guard at Gun Point.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Miscreants got the vault opened through the keys of the teller and the Operations Head and looted Cash and Gold ornaments kept in the vault. **Root Cause** • Surprise action of the miscreants by entering the Branch, threatening the staff at gun point, injuring one of them and forcibly opening the vault through the joint custodian resulting into robbery of the cash and pledged gold ornaments packets kept in the Vault. **Staff Accountability** • No lapses on the part of the Bank staff have been identified. **Action Taken/Proposed** • A police complaint has been filed in Raigarh Police Station in the matter by the Branch on 19.09.2023. • On 20.09.2023, Raigarh Police had confiscated from the miscreants entire looted cash I.e. Rs.4.19 crore and 78 sealed pledged gold ornament packets having approximate value of Rs.1.43 crore against 78 Gold loans sanctioned by the Branch. • On 15.11.2023, Raigarh Branch has taken possession of the cash from Police authorities. On 15.11.2023 and 16.11.2023, Raigarh Branch has credited the SA Branch short cash Account by Rs.3,13,10,000/- and Rs.1,06,00,000/- respectively in two tranches. • Remaining Rs.36,000/- (18 notes of 2000 denomination) could not be deposited in the SA Branch short cash account because the notes were of Rs.2000 denomination (Already withdrawn by the RBI from circulation vide Press release 2023-2024/257 dated 19.05.2023). • Raigarh Branch has taken up the matter with the Raipur currency chest for the exchange of Rs.2000 denomination Banknotes from the RBI.	
212		M/s AHPS Infomatic Solutions Pvt. Ltd. [Branch -Vaishali Nagar, Rajasthan]		34.20		**Background of the case** • M/s AHPS Infomatic Solutions Pvt. Ltd (AHPS) is maintaining a current account with Vaishali Nagar Branch since 15.11.2022, reported fraudulent transactions executed through cyber-attack to the tune of Rs.3.42 crore. • The customer had informed that they have availed Power Access payment facility from the Bank during the month of Feb 2023 wherein their account was hacked by the cyber attackers resulting into fraudulent debits from their current account and were credited to various accounts maintained with other Banks. **Investigation Findings** • AHPS had availed the "Open API" and "Pre – Authorization" facility under Power Access module from the Bank for enabling the e - Payment facility during May 2023.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• As per the facility, the Bank provides web-based facility to the corporates by integrating systems between the corporates and the Bank wherein the e – payment is executed without any maker or checker option. The transactions are executed based on the instructions / data provided by the corporate's system via Secured File transfer protocol (SFTP). • Further, in the said facility, the corporate indemnifies the Bank against all the losses, damages, claims etc. that may arise owning to the payment instructions given by the corporate as per the process flow. • The customer had provided a list of 90 unauthorized debit transactions out of which, 26 transactions aggregating to Rs. 92,99,996/- were executed on 03.07.2023 and the balance 64 transactions aggregating to Rs.2,48,72,202/- were executed on 12.07.2023 unauthorizedly by the cyber attackers. • Later, the customer had submitted a written letter requesting the Bank to restore all of their account services to resume their banking activities smoothly stating that the incident has occurred due to a technical glitch at their end. They also have accepted the mistake and have taken the sole responsibility at their end freeing Axis Bank from any form of responsibility / liability. • The customer had informed the outcome of the RCA done at their end that their server did not have the IP restrictions which let the cyber-attackers to gain their server's ID and password by repeated attempts. • Thereafter, the perpetrator executed fraudulent payouts using their payout API once the server's login credentials were obtained through unauthorized access to their database. • As per the Power Access facility the customer's system is connected with Bank's system in a Host – to – Host connectivity architecture. • As a precautionary measure, Investigation Team after consultation with CISO, decided to conduct a Forensic System Audit by the external agency. M/s KPMG was appointed for the same and to check whether there is adequate checks and measures placed at Bank's end as per industry standards to prevent the intrusion of the cyber attackers in the Bank's system through client's Host-To-Host gateway causing unforeseen damages to other customers. • Post Forensic System Audit, M/s KPMG had summarized in their report that the security measures adopted in Bank's Power Access API application is adequately secured and robust to withstand in the case of cyber-attack incidents at customer's / client's end.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Since, the fraudulent activity occurred at client's / customer's end, there is no liability devolves on the Bank. **Modus Operandi** • Executing transactions through Power Access API platform of customer unauthorizedly by the way of hacking and gaining server login credentials by cyber attackers. **Root Cause** • Adequate security measures not adopted by client / customer at their end in Power Access API facility provided by Bank resulting in cyber-attacker's intrusion in the system by gaining server login credentials and causing unauthorized transactions. **Action Taken/Proposed** • A police complaint has been filed in Vaishali Nagar Police Station, Jaipur in the matter by the Branch on 08.11.2023. • M/s KPMG report was shared with the Power Access API Team and IT Control Team of the Bank.	
213		Shree Hospital's Criticare and Trauma Centre Private Limited		24.40		Background of the case • Shree Hospital's Criticare and Trauma Centre Private Limited (SHCTCPL) operates a multi-specialty hospital, located in Pune, Maharsahtra, India. The company was incorporated on 22.06.2009. • Axis Bank is the sole banker to SHCTCPL. • Axis Bank sanctioned term loan of Rs. 14.65 crore and working capital facilities of Rs. 2.50 crore to the company in March 2016. The working capital limits of Rs 2.50 crore has since been repaid and closed. • Resolution and Recovery Actions • The account was classified as NPA on 30.07.2019. • The advances were recalled on 01.01.2020. Notice u/s 13(2) of the SARFAESI Act was issued on 27.02.2020 and symbolic possession of the mortgaged collateral property was taken on 07.07.2021. The collateral property is a land parcel measuring 55952 sq. ft. situated in Pune, Maharashtra. • A recovery suit was filed before the DRT on 25.02.2022, wherein next hearing was scheduled on 05.01.2024. The same has be adjourned to 10.01.2024. • Subsequently, an order dated 21.10.2022 was issued u/s 14 of SARFAESI Act for physical possesion of the property. However, the physical possession could not be taken due to a complaint filed before the District Magistrate, Pune by Hule Construction (who has allegedly purchased this property from the borrower). • The Bank submitted requisite information to the District Magistrate vide letters dated 01.08.2023 and 17.10.2023.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• It may be noted that post NPA classification & prior to RFA classification, approx. Rs 11 crore has been recovered from the existing cash flows of the hospital and sale of collateral property. Further, post RFA classification, approx. Rs. 0.67 crore has been recovered by appropriation of balance in the current account. This amount was utilized towards clearance of outstanding balance in Cash-credit and term loan account. • RFA / Fraud Status • The borrower was classified as RFA due to sale of collateral mortgaged to the Bank, without prior NOC. • Axis Bank appointed Chaturvedi and Chaturvedi to conduct forensic audit of the borrower, wherein sale of collateral property mortgaged to the bank was highlighted. • The borrower did not co-operate in the forensic audit exercise and requisite information was not shared. • The borrower was classified as 'Fraud', based on adverse observations in the forensic audit report and internal investigation. • The exposure has been prudentially written off (PWO) as at 30.09.2023. • Forensic Audit/Internal Investigations • Key findings of internal investigation regarding sale of asset mortgaged to the Bank are given below: • At the time of original sanction, the following collateral security was stipulated: • Survey no. 3/1, 3/2 and 3/3 at Kharadi Opposite Eon IT Park, Pune 411014; measuring 55952 sq. ft. in name of the Company. The land consisted of a commercial portion (front part) and a residential portion (back portion). As per the latest valuation report dated 01.07.2019, from valuer Pranjal Bhagwati, a Chartered Engineer and Government registered valuer, the commercial portion was valued at Rs 11.03 crore and the residential portion was valued at Rs 3.80 crore. • The security creation was completed vide MOE executed on 22.03.2016 and 06.04.2017. • The borrower was facing liquidity constraints during FY 2019, leading to irregularities in the account. The borrower had requested the Bank for an NOC towards sale of the aforementioned property, the proceeds of which would be utilised towards clearing the Bank's dues. • The bank had issued a No Objection Certificate (NOC) dated 17.05.2019, for sale of security collateral (partly or fully) with the below key terms: • For part sale of property, minimum amount to be deposited was Rs. 6 crore and for full property it was Rs. 15 crore. • Sale proceeds to be deposited in Axis Bank current account and would be utilised to reduce term loan.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• The company to agree to complete all legal formalities related to sale of part of the land and mortgage of remaining portion of land to the bank. • Pursuant to reporting the borrower as NPA on 30.07.2019, the bank had initiated recovery actions by recalling advances on 01.01.2020, issuance of notice under SARFESI Act and filing of recovery suit under DRT (details of legal action captured in previous section of this note). • In the meanwhile, the Bank received a payment of Rs. 6 crore on 24.03.2020 from Hule Constructions. It is understood from discussion with concerned Relationship Manager that the borrower had verbally intimated the Bank that they were discussion with Hule Construction for sale of the property. However, the Bank was not aware of execution of any sale deed between the borrower and Hule Construction. • The borrower via email dated 26.06.2020 and 09.07.2020 requested the bank for issuance of an NOC for sale of property mortgaged to the bank to settle their outstanding dues and stated the below: • Hule Constructions, a prospective buyer was keen to purchase the commercial and residential part of the land measuring 38000 sq. ft. and 14000 sq. ft. respectively and was in the process of raising funds for the said purchase. • A sale consideration of Rs 4.70 crore for the residential part was agreed upon between the two parties. Though no specific sale consideration for commercial part was mentioned, it was stated that Hule Construction had agreed to deposit Rs. 1 crore each towards purchase of commercial and residential part of the land. Such proceeds were to be adjusted against outstanding dues of the borrower. • Further, the borrower was also in advanced stages of availing a loan of Rs. 4 crore from an NBFC, for repayment of Bank's dues. • Subsequently, the bank issued a conditional NOC dated 21.08.2020, with the following terms and conditions: • Execution of sale deed of the commercial portion of the land to be allowed only upon the payment of Rs 11.03 crore to the Bank (including advance of Rs 6 crore already received). Post receipt of Rs 11.03 crore by the Bank, a separate NOC for execution of sale deed for commercial portion shall be issued. • Execution of sale deed for the residential portion of the land to be allowed only upon payment of Rs 4.70 crore to the Bank. Post receipt of Rs 4.70 crore by the Bank, a separate NOC for execution of sale deed for the residential portion shall be issued. • Title deeds of the properties would be released only upon receipt of total consideration of Rs 15.73 crore (inclusive of Rs 6 crore already received) and

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						complaince of other terms and conditions mentioned in the conditional NOC. • The amount of Rs 15.73 crore was to be paid on or before 30.09.2020. • It may be noted that the bank had received payments of Rs. 3 crore in multiple tranches between August 2020 and July 2021. Thus, a total of Rs. 9.01 crore was received from Hule Constructions as against the agreed upon amount of Rs. 15.73 crore. (It may be noted that till such time the Bank was not privy to execution of any sale agreement between the borrower and Hule Constructions). • Since the borrower did not comply with the terms and conditions of the said NOC, the NOC was revoked / cancelled by the Bank and borrower was informed about the same vide email dated 09.03.2021. • Subsequently, the bank intiated proceedings under SARFAESI to take symbolic possession of the property and a public notice was issued on 10.07.2021 in two local news papers Loksatta and Financial Express. • Further to an application filed by the bank before the Hon'ble District Magistrate Pune u/s 14 of SARFAESI Act, 2002 wherein an order was passsed on 21.10.2022 directing the Tahasildar to take the possession of the secured asset i.e. Sr.No. 3/1, 3/2 & 3/3 (collateral security mortgaged with the bank) and handover of the same to the authorised officer of the Bank. The date of physical possession was scheduled for 10.05.2023. • As per the process of physical possesion of property a notice was put up at the property specifying the date of physical possession. In response to the said notice, Hule Construction on 16.04.2023, submiited the agreement to sale/sale deed that it had executed with the borrower to the Bank. • A fresh Title Search Report (TSR) of the said property was conducted by Advocate A.N. Thite. Following was observed in TSR dated 24.10.2023 : • Sale deed dated 10.07.2020 and 29.12.2020, both registered in the office of Sub-Registrar at Haveli no. 7, Pune read with agreement dated 17.03.2020 which is registered in the office of the Sub-Registrar Haveli No. 7, Pune, executed by Shree Hospital's Criticare and Trauma Centre Pvt. Ltd. in favour of Hule Constructions Pvt. Ltd. • Mortgage deed dated 14.07.2020 executed by Hule Constructions Pvt. Ltd. in favour of Ashwini Finance Limited, registered in the office of Sub-registrar, Haveli No-7, Pune. • Hule Construction has filed a securitization application before DRT (SA No.243/2023), Pune, seeking release of the said property. In response to the said application, the bank filed its reply with the	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						DRT. DRT has not ganted any relief to Hule Constructions and the matter is currently subjudice. • From the above sequence of events, it may be noted that the borrower had sold the property mortgaged to the Bank, without prior intimation to the Bank and its NOC. Terms and conditions of a subsequent conditional NOC dated 21.08.2020 issued by the Bank have not been complied with. The said conditional NOC was subsequently revoked. • Key findings of Forensic Audit report are as under: • Disposal of collateral security • The borrower had provided a land parcel as collateral security in lieu of the term loan and cash credit facility of Rs. 17.15 crore availed by them. Details of the land are as below: • Survey no. 3/1, 3/2 and 3/3 at Kharadi Opposite Eon IT Park, Pune 41101; measuring 38 acre and 14 acre at Rs. 7.37 crore and at Rs. 4.99 crore, respectively • The bank had issued an NOC dated 21.08.2020 to the borrower upon their request for sale of the said collateral property to clear bank's dues. • The borrower had executed the sale of the collateral property in violation of the NOC. Further, the borrower had deposited Rs. 9.01 crore with the bank as against the amount of Rs. 15.73 crore (to be paid by 30.09.2020) from sale of collateral. Subsequently, on account of non-adherence to the terms, the said conditional NOC was cancelled and borrower was informed vide email dated 09.03.2021. • Thus, sale of property in violation of the said NOC can be construed as fraud with the malafied intention to put the lender at a position of loss. • Analysis of Financial Statements • Based on the financials, it was noted that during FY 2017 to FY 2022, the borrower generated an aggregate revenue of Rs. 51.32 crore and gross margin of Rs. 43.03 crore (after deducting cost of materials consumed) and EBITDA of Rs. 5.43 crore (EBITDA margin: 10.57%). • It was noted that there was a drastic reduction in the EBITDA margin from 30.75% during FY 2020 to 3.63% in FY 2022 which creates suspicion that the management was doing business with dubious intention. • Analysis of Trade Receivables and Trade Payables • Analysis of trade receivables identified that the receivables increased from Rs. 0.08 crore in FY 2017 to Rs. 1.75 crore (FY 2018), Rs. 3.54 crore (FY 2019), Rs. 5.24 crore (FY 2021), Rs. 4.87 crore (FY 2022). • However, in the absence of access to books of accounts, details about ageing of debtors', actual recoveries could not be verified and thus the	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						veracity/genuineness of the transactions undertaken by the borrower could not be commented upon. • Investigation remarks • It was noted that the borrower's hospital became operational towards second half of FY 2017 and the business picked up gradually. Further as mentioned in the NPA status note there was delay in receiving claims from insurance companies and increasing competition. This led to pile up of receivables. The receivables increased every year and were at its peak during Covid-19 induced pandemic. • Analysis of Stock Statements • Based on the stock statements (SS) and financials submitted to the bank, the below drawing power analysis was derived: • It was noted that as per the stock statements submitted to the bank, the inventory was reported after deducting unpaid stock i.e. creditors. However, in absence of books of account it was not possible to comment upon value of trade creditors outstanding towards stock. Further, the inventory values reported in the ABS is significantly lower than the SS submitted to the Bank. • Since the borrower did not provide any information pertaining to book debts that were outstanding for more than 90 days, the ageing of book debts could not be verified. Hence, total trade receivables as reported in ABS has been considered. • Conclusion by Forensic Auditor: • Considering the irregularities, discrepancies and observations in the business and banking operations of the borrower and on the basis of analysis of details made available and extracted through public domain, it may be concluded that the intentions and integrity of the borrower seems to be doubtful especially with reference to sale of mortgaged property without obtaining NOC from lender, increasing trade receivables and non-recovery from them. • Considering the above, the borrower company and management seem to be engaged in financial maleficence / diversion of funds and fraudulent activities with mala-fide intention • Issuance of Show Cause Notice to the Borrower • Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued show-cause notice (SCN) to the borrower on 27.09.2023 and subsequent follow-up dated 12.10.2023, seeking explanations on the below: • Violation of the terms of conditional NOC by way of the following: •	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Entering into sale agreement and execution of sale transaction with Hule Construction without the knowledge or prior NOC of the Bank. • The sale agreement was valued at Rs. 12.36 crore as against Rs. 15.73 crore as per the NOC • Repayment of only Rs. 9.01 crore to the bank as against Rs. 15.73 crore by 30.09.2020 • The borrower responded to the SCN vide letter dated 05.10.2023, wherein the following were stated: • The borrower and Bank, both had filed legal proceedings against each other before the Honourable DRT, Pune and the matters are sub-judice. • The Bank demanded Rs. 6.33** crore with penal interest in their original application over and above Rs. 15 crore , under the proceedings under Securitization Act. • The borrower has decided to deposit an amount of Rs. 3.50 crore with DRT Pune subject to the outcome of the pendency of original application and its decision • The loan taken from the bank was utilized to purchase medical equipment's and upgrade the hospital and entire utilisation of the loan amount was transparent. • The bank has engaged in harassing the Directors of the hospital by sending notices to collect evidence which are without jurisdiction and authority of law since the dispute is pending with the competent authorities. • There has been no fraud in the entire transaction and the show-cause issued by the bank was to harass the applicant / SCHTCL. • ** This was the outstanding bank dues as on the date of filing the DRT suit and hence was demanded correctly by the Bank. • Axis Bank provided the below response to the borrower vide letter dated 12.10.2023: • The bank has rightfully claimed dues as per the terms of the sanction and payable by the borrower (The Bank dues of Rs 6.33 crore was o/s as on the date of filing the DRT suit and hence was demanded correctly by the Bank.) • The bank had shared details of outstanding dues from time to time with last communication being 27.09.2023 and he same were also submitted before the Honorable DRT. • The bank was not made aware of deposit of Rs. 3.50 crore with DRT Pune. • The allegations made by the borrower were an attempt to create obstacle in the recovery process of the bank and to divert attention from the fraudulent sale transactions entered into with respect to disposal of secured assets. • Modus Operandi

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Selling-off of hypothecated/mortgaged security, without NOC Root Cause • Selling-off of hypothecated/mortgaged security, without NOC Staff Accountability • Assessment of staff accountability across sanction, monitoring and disbursement process is in progress. Action Taken / Proposed • 100% provision has been done as per guidelines • Police complaint has been filed against the borrower. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR). • Fraud to be reported to the Serious Fraud Investigation Office (SFIO).	
214		Bhairavi & Co		44.10		Background of the case • Bhairavi & Co, a proprietorship firm based out of Vijayawada, is engaged in wholesale trading of edible oils and other grocery products. • Axis Bank is the sole banker to the firm. • Axis Bank sanctioned CC limits (under Services Power scheme) of Rs.2.25 crore in March 2016, including takeover of Rs.1.66 crore from Indiabulls Housing Finance Limited. The limit was gradually enhanced to Rs.4 crore till August 2019. • ECLGS limits aggregating Rs.1.17 crore were sanctioned in 2020/2021, which have since been repaid in February 2023. • The firm availed a business loan of Rs.17 lac from SBB (Retail Segment). • Resolution and Recovery Actions • The account was classified as NPA on 31.03.2023. • Legal action on recovery under SARFAESI has subsequently been initiated • RFA / Fraud Status • The borrower was classified as RFA on 03.04.2023, as the borrower stopped routing of funds from Axis Bank and submitting stock statements, and the proprietor was non-traceable. • Axis Bank appointed Sarath & Associates to conduct forensic audit, which was inconclusive due to non-cooperation by the borrower. • Misrepresentation in stock statements submitted by the borrower was identified in internal investigation. • Letters were issued seeking clarification from the borrower, however the same have retuned undelivered. • The borrower was classified as 'Fraud', based on adverse findings of internal investigations. • Exposure/Loan Details (as at 30.09.2023) • Provision of Rs.2.72 crore was held against the exposure as on 30.09.2023. • Forensic Audit/Internal Investigations	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Key findings of Forensic Audit report are as under: • Non-cooperation from the Borrower: • The borrower did not co-operate (was absconding) in the forensic audit exercise and did not provide access to the books of accounts/accounting systems along with supporting documents, which were required for completion of the forensic audit exercise, despite several reminders. • The review was conducted basis documents submitted by the Bank. • Unit Inspection: • Forensic Auditor conducted a visit to the combined warehouse and office premises of the borrower, situated at Door No. 74-6-11/5 B2, Netaji Road, Ayyappa Nagar, Krishna District or NTR District, Vijayawada-520007 in May 2023 and was accompanied by officials of Axis Bank. • A thorough physical inspection of the godowns was conducted, which revealed the absence of stock. No goods or inventories were found on the premises. • Analysis of stock and book debts statement and calculation of Drawing power (DP): • As per terms of sanction, DP was to be calculated with a margin of 25% on stock and receivables. Receivables up to 90 days were to be considered for the calculation of drawing power. • On review of the stock statement, it was noted that borrower provided list of continuing debtors during the particular three month period, but ageing of debtors was not provided. • Ageing of debtors was not available in the ABS provided by the borrower as well. The drawing power could not be verified in the absence of ageing data. • Bank statement analysis: • A comprehensive review of the account statements provided by Axis Bank has revealed that a considerable proportion of payments made by the borrower have been directed towards entities including companies, firms and sole proprietor businesses. • Based on the review of bank statements, it was observed that the majority of the debtor names in the stock statement were not available in the bank statement. • Despite repeated requests for documentation and information, the borrower has failed to provide the necessary data, which includes books of accounts that would have enabled to gain complete understanding of the nature and genuineness of these transactions. • Further, on review of CC account number 916030023698577, it was noted that the total payments from the account were Rs.165.87 crore and the receipts in the account was Rs.161.63 crore	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						from various parties. However, due to the non-availability of books of accounts and other supporting documents auditor was unable to comment on the nature and genuineness of the transactions. • Routing of transactions through other Banks: • Comparison of cash paid against purchases as per ABS and cash debit transaction as per bank statement: • As per the table above it appears that entire purchases were not routed through Axis Bank. • Based on the review of the bank statement, it was noted that the borrower was maintaining current account with Indian Overseas Bank (IOB). Some of the transactions were being routed through IOB. • Conclusion by forensic auditor: • The borrower did not provide access to the books of accounts and critical data / records / information was also not shared despite multiple reminders. Satisfactory responses / clarifications were also not received. Thus, the borrower is construed as 'non-cooperative'. • It was noted on physical verification that there was no stock available in the borrower's office/ godown. Further, it was noted that no routing was done through Axis Bank's account from February 2023 onwards. • Owing to the non-cooperation from the borrower and non-availability of information and documents and limitations, it could not be conclusively established whether any transactions are fraudulent or not. • Key findings of internal investigation are as under: • Comparison of stock statement vis-à-vis audited financials: • On comparison of values disclosed in stock statements for the months of March 2017 to March 2022 with corresponding audited financials, the below was observed: • Overstatement of inventory were observed in stock statements for March 2017, March 2018 and March 2019. However, no explanations for the same was available. • As per the terms of sanction debtors less than 90 days were to be considered for DP calculation. Ageing wise break up /details of debtors were not available in the ABS. However, even if we consider the debtors mentioned in the ABS to be less than 90 days, still there was overstatement in debtors as on March 2017, March 2018 and March 2020. • The DP calculated as per ABS as on March 2017 and March 2018 were less than the outstanding in CC account. Thus, there were overdrawing in the account. • Unit Inspection:	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• As per the unit inspection conducted by the bank in January 2023, it was observed that only about 5% of total inventory was available. The proprietor was not contactable. • Routing of transactions • It was noted in March 2017 that the borrower was routing major chunk of sales from IOB and was advised to close the current account. • During the next 2 years, more than 90% of turnover was routed through Axis Bank. However, transaction routing reduced to 70% of turnover post FY 2019. • Takeover by ICICI Bank • As per the NPA status note, the borrower had approached ICICI Bank in July 2022 for takeover of limits from Axis Bank. As per details submitted by CBG, Centre Head, the following were noted: • The borrower deposited DDs drawn on ICICI Bank for payment of Rs.4 crore in CC account and Rs. 0.47 crore and Rs. 0.42 crore in ECLGS accounts in Axis Bank on 22.08.2022 and 05.09.2022, respectively. The said payments were purportedly towards taking over of Axis Bank's CC and ECLGS limits. However, Axis Bank was not intimated about the take-over either by ICICI Bank or the borrower. • The coverage team reached out to the borrower seeking explanation, whereupon the borrower agreed to refund takeover amount back to ICICI Bank. The borrower further requested for enhancement of existing CC limits in Axis Bank. • Based on the request of the borrower vide letter dated 30.11.2022, the Bank passed entries on 07.12.2022 for reversing the credits received (from ICICI Bank) in both the ECLGS accounts. The amount reversed was parked in the SLFIT account (Office account) for issuance of DD in favour of ICICI Bank. However, the amount received in CC account of the borrower could not be reversed as the unutilized limit in the account was insufficient. This had happened as further drawals were made by the borrower from the CC account subsequent to credit received from ICICI Bank. • The borrower vide letter dated 08.12.2022 informed Axis Bank that it would close the loan with ICICI Bank and provide closure letter and No Dues Certificate prior to the release of enhanced limit by Axis Bank, which was requested earlier. • Despite repeated follow-ups by the Bank, no credits were made in CC account to make adequate space for refunding ICICI Bank. • The customer had utilised the entire limits in the CC account by 17.01.2023. In view of the same, lien was marked on the SB account of the proprietor and the CC account of the borrower on 18.01.2023.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Subsequently the borrower stopped responding to the calls and visits from the Coverage team. Hence, the funds parked in SL FIT account (Office account) on 07.12.2022, were appropriated back towards clearing of dues in ECLGS accounts on 01.02.2023. The excess funds were credited in CC account. • ICICI Bank, vide letters dated 14.03.2023 and 23.03.2023, requested Axis Bank to reverse the entire amount disbursed by them to the borrower as they had not received the property documents. • Axis Bank vide letter dated 24.03.2023 responded to ICICI Bank, stating that since no communication was received from ICICI Bank earlier regarding transfer of funds, ICICI Bank should contact the borrower for further course of action. • Issuance of Show Cause Notice to the Borrower • Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued Show-Cause Notice (SCN) to the borrower on 29.08.2023 and subsequent follow-up reminders dated 13.09.2023 and 26.09.2023, seeking explanations on the below: • Forensic auditor conducted an inspection of the warehouse and office premises in May 2023 wherein no stock was found. Further, in January 2023 bank officials had conducted an inspection wherein only 5% of the total inventory was found. Details of disposed stock and location to be provided. • As per internal investigation, significant differences were observed on comparison of financial year end stock statements with the audited financials as on the corresponding March ending period i.e. FY 2017 to FY 2021. Overstatement of Trade receivables in stock statements was observed in FY 2017 of Rs.0.86 crore, stock was overstated by Rs.1.22 crore leading to overutilization of DP. • Inadequate routing of credits was observed in Axis Bank account for FY 2017, FY 2020, FY 2021 and FY 2022. The routing was just above 70% in comparison to the sales reported as per ABS. • However, the borrower was not present in the registered address and SCN / reminders have returned undelivered. Modus Operandi • Fabricated / Inflated Stock / Book Debt Statements Root Cause • Misrepresentation in stock statement for availing bank finance Staff Accountability • Staff accountability has been identified with respect to 3 employees for lapses in monitoring of the account.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Assessment of staff accountability across sanction, monitoring and disbursement process is in progress. Action Taken / Proposed • 100% provisioning to be done as per guidelines. • Police complaint is being filed against the borrower. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR). • Fraud to be reported to the Serious Fraud Investigation Office (SFIO).	
215		Suraj Oil Industries		92.70		Background of the case • M/s Suraj Oil Industries, based in Bikaner is a partnership firm established in July 2011. The firm is promoted by three partners, namely, Mrs. Pramila Devi Bafna (mother), Mr. Ajay Bafna and Mr. Sanjay Bafna. • M/s Suraj Oil Industries is engaged in the business of manufacturing of ground nut oil, cattle feed, gram pulses and biofuels. • Axis Bank is the sole banker to the firm. • Axis Bank had sanctioned SBB loan of Rs 13.46 crore to the firm in March 2022 (Rs. 10 crores as cash credit, Rs. 2.40 crore as Term loan and Rs. 1.06 crore as ECLGS-Term loan) by way of takeover of existing facilities from Kotak Mahindra Bank plus enhancement. • Further Axis Bank sanctioned Auto loan of Rs. 0.08 crore in May 2022. • Resolution and Recovery Actions • The account was classified as NPA on 01.05.2023. • Securitization Appeal (SA- 468/2023) is filed before Debt Recovery Tribunal (DRT), Jaipur titled as Axis Bank Vs Kotak Mahindra Bank & Others against the action taken by the Kotak Mahindra Bank under SARFAESI Act 2002. The SA is listed before the Registrar on 08.01.2024 for filing reply to our applications for amendment. Interim order by DRT is in operation. • Securitization Appeal (SA- 529/2023) is filed before Debt Recovery Tribunal (DRT), Jaipur titled as Suraj Oil Industries Vs Kotak Mahindra Bank. The SA is listed before the Registrar on 08.01.2024 for filing reply to our applications under Order 1 rule 10 CPC. Interim order by DRT is in operation. • Original Application (OA-1044/2023) is filed before Debt Recovery Tribunal (DRT), Jaipur titled as Axis Bank Vs Suraj Oil & Others. OA is listed before the Registrar on 12.01.2024 for filing WS. Interim order by DRT is in operation • RFA / Fraud Status • The borrower was classified as RFA since the security creation was not perfected for more than 300 days, borrower had misused Balance Transfer funds, was not cooperating for stock audit and had diverted funds to group firms.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Axis Bank appointed M/s J N GUPTA & Co on 06.05.2023 to conduct forensic audit of the borrower. • The borrower did not co-operate in the forensic audit exercise and requisite information was not shared. • The borrower was classified as 'Fraud', based on adverse observations in the internal investigation. • Provision of Rs.4.21 crore was held as on 30.09.2023. • Forensic Audit/Internal Investigations • Key findings of Forensic Audit report are as under • Non-cooperation from the Borrower: • Forensic Auditor had sent the requirement details to borrower through email and post. Forensic Auditor had also discussed the requirement with Mr Ajay Bafna (Partner) during telephonic discussion. • Further, visit was performed by Forensic Auditor at the borrower premise and Mr. Ajay Bafna (Partner) was met. No documents / details were provided by the borrower despite multiple follow-ups. • Conclusion by forensic auditor: • Since the borrower had refused to provide any document/information sought for the purpose of Forensic Audit, the same may be treated as non-cooperative borrower as per RBI Norms • Key findings of internal investigation are as below: • Takeover from Kotak Mahindra Bank (KMB): • The borrower had approached Axis Bank in January 2022 for takeover of limits from Kotak Mahindra Bank. • As per the sanction terms, existing loans of Kotak Mahindra Bank were to be closed with the disbursement amount paid by the Axis Bank and Top-up amount was to be released after receiving the security documents and creation of equitable mortgage. • Credit Information Report (CIR) was waived by Regional Credit manager as per policy. As per the feedback obtained from Credit team, request was sent to Kotak Mahindra Bank for submission of CIR on 05.01.2022 via POD no 21103200149067 by the credit manager, Mr. Pradeep Kumar. (Request letter sent to KMB and POD copy is not available and credit manager, Mr. Pradeep Kumar has left the organization) • Disbursements of Rs 8.06 crore (Rs. 5.24 crore in cash credit, Rs. 1.49 crore in OD account, Rs. 0.29 crore in ECLGS extension account, Rs. 1.02 crore in ECLGS account) were made directly into Kotak Mahindra Bank account of the borrower through issuance of demand draft. • Demand draft payslip for depositing demand draft into borrower's KMB account on 23.03.2022 does not have acknowledgement stamp by Kotak Mahindra Bank.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Axis Bank issued letter dated 02.04.2022 to Kotak Mahindra Bank, informing of takeover of loans of M/s Suraj Oil Industries in Kotak Mahindra Bank. The letter was acknowledged by Kotak Mahindra Bank only on 04.04.2022. Hence, there was a delay of 10 days from issuance of DD in obtaining acknowledgement from Kotak Mahindra Bank. • Additionally, disbursement of Rs 1.75 Crore from cash credit account was allowed on 11.04.2022, based on recommendation by Regional Sales Manager and approval by National Credit Manager. • Borrower continued to utilize the cash credit and OD account of Kotak Mahindra Bank during the period from March'22 to August'22, as the accounts were not closed/put under debit freeze by Kotak Mahindra Bank, even after its acknowledgment of the takeover intimation letter on 04.04.2022. • The borrower has not submitted the property documents of industrial property and residential property (collateral security) required for creation of equitable mortgage. • The borrower has breached the terms of loan agreement dated 26.02.2022 by not utilizing the funds disbursed towards closure of loans with Kotak Mahindra Bank and by not submitting the security documents for creation of mortgage in favor of Axis Bank. • As per legal opinion report dated 08.08.2023 from empaneled advocate, Ashok Kumar Narang, M/s Suraj Oil Industries is the owner of an industrial property and Mr. Sanjay Bafna (partner) is the owner of a residential property, which were stipulated as collateral security for the limits sanctioned/disbursed by Axis Bank. Both the properties continue to be mortgaged with Kotak Mahindra Bank, and equitable charge can be created post release of properties by Kotak Mahindra Bank. • Multiple reminders were sent to the borrower and Kotak Mahindra Bank for completion of takeover of facility during August 2022 to March 2023. • The loan recall notice was issued by the empanelled legal advocate Sanjay Singhal on 21.11.2022 to the borrower M/S Suraj Oil Industries, partners of M/s Suraj Oil Industries and Kotak Mahindra Bank. • Stock audit was initiated by credit team however could not be completed since the borrower was not co-operating and requested details were not submitted. • During surprise visit by SBB team (Business team and credit team) in Sept 2023, borrower (partners) was met however no activity was observed at the factory. • It is evident, based on available documents, that the borrower has availed double financing from Axis Bank and Kotak Mahindra Bank intentionally.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Issuance of Show Cause Notice to the Borrower • Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued show-cause notice (SCN) to the borrower on 14.09.2023 and subsequent follow-up notice dated 30.09.2023, seeking explanations on the adverse findings of the forensic audit and internal investigation. • A response was received from the borrower on 11.10.2023, a gist of which is as follows: • The borrower has resisted classification of its account as fraud. It has advised Axis Bank officials to sensitize themselves towards the stringent guidelines/directions of RBI as well as recent judgement dated 27.03.2023 rendered by the Hon'ble Supreme Court in the matter of Civil Appeal No. 7300 of 2022 titled as State Bank of India & Ors. v/s Rajesh Agarwal & Ors. about classification of an account as "fraud". • Borrower has requested for additional information / documents such as: • Correspondence exchanged between Axis Bank Ltd and Kotak Mahindra Bank Ltd (KMB) for takeover of the accounts of Suraj Oil Industries. • Bank's policy on Takeover of a Credit Facility account. • Confirmation to the compliance with laid down guidelines by the Bank relating to "Takeover of the account" of Suraj Oil Industries. • Copy of the Letter of sanction of credit facilities and facility documents executed from Suraj Oil Industries related to takeover facility from KMB. • Copy of Valuation of the assets of Suraj Oil Industries taken by Axis Bank. • Name of the Axis Bank official(s) along with designation of the Bank right from the proposal processing stage till the sanction, disbursement, supervision, and control stage who have remained associated with the proposal of Suraj Oil Industries. • Modus Operandi • Disbursed funds towards takeover not utilized for closure of existing facility with another bank. • Root Cause • Non closure of existing account (Balance transfer) by borrower and non -submission of security documents for creation of mortgage. Staff Accountability • Staff accountability has been identified with respect to 3 employees for lapses in sanctioning and Balance Transfer process. • Assessment of staff accountability across sanction, monitoring and disbursement process is in progress.

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been filed in the matter. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR). • Fraud to be reported to the Serious Fraud Investigation Office (SFIO). • Provision has been made as per guideline.	
216		M/s. Fabchair		15.04		Background of the case • The customer M/s. Fabchair is maintaining a current account with Bavdhan Branch (Sol ID: 1918) and customer is an importer of raw material and accordingly remitted Rs. 150.42 lakhs (USD 181,658) in 4 transactions to overseas supplier. The following are the details of the import payments. • The first import payment was executed on 21.07.2023 for USD 45600 favouring an overseas beneficiary basis the payment request submitted by our customer. • Further, other three payments were executed on 10.08.2023 (USD 45600), 29.08.2023 (USD 60458) and 03.10.2023 (USD 30000) based on request received from our customer M/s. Fabchair. • All the four payments were transferred to fraudulent beneficiary accounts maintained with Regions Bank, Dallas, USA. • Investigation Findings • The customer M/s. Fabchair is maintaining a current account with Bavdhan Branch (Sol ID: 1918) since 28.08.2020. • The customer is into business of manufacturing chairs and they are importing raw material from supplier, Trade King Enterprises Co Ltd and the purpose of import payments was towards importing material. • The customer, M/s. Fabchair submitted an application for remittance against Direct Import Bill at Kothrud Forex (linked B Category Forex Branch for Bavdhan Branch) on 21.07.2023 along with invoice in the letter head of 'Trade King Enterprises Co Ltd', for executing import payment for USD 45,600.00. • In the application, customer had mentioned the beneficiary's name for the import payment as 'Trade King Enterprises Co Ltd', and beneficiary account no. as 0313109413, with Swift Code: UPNBUS44. • Trade Finance Centre (TFC) of the Bank had executed the import bill payment for USD 45,600.00 on 21.07.2023 vide reference no. 0104FIDB230190 to Regions Bank (A/c no. 0313109413) based on the scanned images of the documents received through Tradax System from Kothrud Forex.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Subsequently, other two import payments were executed on 10.08.2023 (USD 45600) and 29.08.2023 (USD 60458) vide reference no. 0104FIDB230213 and 0104FIDB230236 respectively to Regions Bank (A/c no. 0313109413) basis the request received from the customer M/s. Fabchair. • Fourth payment was executed by the bank on 03.10.2023 (USD 30000) vide ref no. 0104FIDB230267 to Regions Bank (A/c no. 0347195533) basis the request received from the customer. • The fourth payment dated 03.10.2023 was kept on hold, by the foreign bank, due to mismatch in beneficiary account name and account number in their records. • According to our customer, he used to receive invoice and suppliers bank details over an email and since supplier's email ID account was compromised, supplier account details shared on email to our customer were replaced with fraudulent account details. • The customer informed that, Ms. Candy email ID, employed with their overseas beneficiary (Supplier) Trade King Enterprises Co Ltd was compromised. • As per customer, the original email ID of Candy was (candy@tradeking.com.tw), however, he stated that he had received a mail through an email ID 'candy.tradeking.tw@dr.com' related to fraudulent payments. • Customer stated that without noticing the wrong email ID (candy.tradeking.tw@dr.com), he had submitted the application for payments with beneficiary bank account details received through the above compromised email ID with the Bank. • Bank had initiated recall of funds with foreign bank on 14.10.2023 however, foreign bank confirmed that they are unable to return funds for earlier three payments aggregating to USD 151,658 since no funds are available in the beneficiary account. • Fourth payment executed on 03.10.2023 for USD 30000 is not yet reversed by the foreign bank since for refund of the transaction, indemnity from customer, M/s. Fabchair is yet to be received towards submission to the beneficiary bank. • The signature on the four import payment applications was found to be matching with the specimen signature of the customer registered in the account. • All the four import payments transactions executed is compiled and the transactions are processed after TFC compliance. • The payments were executed based on the request received from the customer and as per the documents	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						and details submitted by our customer. Hence, the payments processed by the bank were in order. • Hence, no staff lapses are attributed to Kothrud Forex Officials and TFC Officials. • There is no liability devolves on the bank. • The customer had lodged a Police complaint with the Cyber Cell, Pune, for the fraudulent transactions. • Modus Operandi • Overseas party (beneficiary) email ID was compromised, and payments were transferred to modified beneficiary bank account details received through the compromised email ID. • Import payments effected to modified overseas beneficiary account numbers. • Root Cause • Customer did not verify the email ID of the overseas beneficiary, prior to accepting the payment invoices of the supplier. Staff Accountability • Not Observed Action Taken / Proposed • Police complaint has been filled in the matter. • Kothrud Forex team is advised obtain the requisite indemnity from the customer, M/s. Fabchair and continue follow up with beneficiary bank, for recall of funds (USD 30,000) remitted on 03.10.2023.	
217		Mr. Gurdip Singh (NRI customer)		11.09		Background of the case • Mr. Gurdip Singh maintains NRO accounts bearing no. 914010039517941 and 916010077837438 with Nakodar Branch, Sol ID: 578 since 19.09.2014 and NRO accounts bearing no 919010030819210 with Sodal Road, Jalandhar branch Sol ID: 692 since 15.04.2019. • He reported fraudulent transactions in his accounts executed through internet banking and mobile banking channels aggregating to Rs. 1.11 Crores • NRI Relationship Manager (RM), while reviewing the branch accounts, noticed depletion of balances in Mr. Gurdip Singh's savings accounts (NRO) • To ascertain the reason for such reduction, the RM enquired the same with the customer, who was not aware of these transactions • Pursuant to this, customer verified transactions in all his Axis Bank accounts and raised a complaint for the fraudulent transactions. • Post the complaint was raised by the customer, it was reported that during discussion with the Banking Ombudsman Team, customer mentioned that he had not requested for transfer of his account number 919010030819210 from Lambra branch (Sol Id – 1277) to Sodal Road branch (Sold Id – 692). • Further, the customer stated that the mobile number and email id updated in his account in February 2023 / March 2023 was without his knowledge/ consent. • Investigation Findings	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Disputed account Transfer • The account was transferred thrice from Lambra branch, Sol Id - 1277 to Sodal Road branch, Sol Id – 692 and vice-versa in February, May and August 2022 • The signature of the customer, Gurdip Singh and Surinder Kaur on the 3 CRF for the account transfer were not matching with the specimen signature of the customer in the bank records. • Lapses noted on the part of the respective staff for processing the request with mismatch in customer's signature. • Lapses also observed on the part of Parshant Rai, Branch Head of Sodal Road branch as he was instrumental in transferring the account of the customer from Lambra branch to Sodal branch and vice-versa three times basis the notice/ information received by him of his transfer from Lambra branch to Sodal Road branch. • As a branch head, he failed to ensure due diligence while transferring the said account from one branch to other branch with proper justification. • It was observed that then branch head of Lambra Branch, Parshant Rai and then branch head of Sodal Road branch, Meenakshi Sharma are husband and wife. • Disputed Mobile Number and Email Id updation in customer accounts • The customer has disputed mobile numbers and email ids updated in his CIF Id. • The initial disputed Mobile number 7087615409 and email id – g.singh1951@yahoo.com was updated in the bank records through CRF. These disputed CRF were dated 28.02.2023 and was submitted through Sodal Road branch. • Although Slight variance was observed in signature of the customer on the CRF as compared to the specimen signature in the bank records, however • Parshant Rai, Branch Head of Sodal Road branch and the Max Life Insurance RA informed that in the month of Feb 2023, they had visited customer at his residence and had pitched a Max Life Insurance policy to the customer for which customer agreed and to process the policy. • For MLIC policy, the consent code is required to be sent on the registered mobile number and email id. Since customer's international mobile number was not active in India and his email id updated in the bank records was incorrect, they updated customer's Indian number and email id in his account after taking duly signed CRF from the customer and with his knowledge and consent. • Further, on viewing the video POSV of the customer, done at the time of MLIC policy application, i.e., at the same day when the disputed	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						mobile number 7087615409 was updated in the bank records of the customer, Gurdip Singh, it was evident that the customer, Gurdip was on the video. • Further, reportedly the customer has informed the BO team, that he was previously using the disputed mobile number 7087615409, which he handed over to his driver while leaving from India in March 2023, i.e., post updation of the said mobile number in the bank records. • This indicates that the disputed mobile number was in possession of the customer. • Subsequent mobile number and email id updations were updated in the bank records through digital mode and thereafter the transactions disputed by the customer was debited from customer's account through mobile/ internet banking. • Other observations • Customer is a senior citizen aged 72 years. • It is observed that the customer's signature has not been consistent and found to be generally at variance, apparently due to his age. • Malafide involvement of any staff in misappropriations of customers funds could not be corroborated/evidenced in our findings. • Since the registered mobile number was reportedly in possession of the customer's driver, involvement of driver cannot be ruled out in the case. • The IP addresses used in the fraud are from Ludhiana, Hoshiarpur, Mohali and nearby places in Punjab. • Customer has filed police complaint and further details could be ascertained on completion of police investigations. • Basis the fraud reported pertaining to the transactions in the account, the case is recommended to be concluded as "Fraud with customer liability". Modus Operandi • Perpetrator carried out the disputed transactions by changing the mobile number, email id and login credentials of the customer. Root Cause • The customer (victim) reportedly handed over his SIM card (linked to his accounts), to his driver while returning to United Kingdom. Customer RMN and email ID was changed by the perpetrator • Disputed transactions were done either by the SIM cardholder or inadvertently sharing of confidential credentials/ OTPs with unauthorized parties by the driver Staff Accountability • Lapses noted on the part of the respective staff for processing the request with mismatch in customer's signature. • Lapses also observed on the part of Parshant Rai, Branch Head, as he was instrumental in transferring	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			the account of the customer three times basis the notice/ information received by him of his transfer from Lambra branch to Sodal Road branch. • As a branch head, he failed to ensure due diligence while transferring the said account from one branch to other branch with proper justification. Action Taken / Proposed • Police complaint (FIR) has been filed by Sodal road, Jalandhar branch on 06.12,2023 • Online complaint has been filed against the numbers 917717621898/ 917087615409 for the said incident on 20.12.2023 • Post consultation with the customer, Sodal road, Jalandhar branch is advised to complete the following: • Deactivation of all digital channels in the account i.e., IB/MB/UPI • Update of correct mobile number/ email address in the account following due KYC process (updated on 22.12.2023) • Advice customer to reset all confidential credentials viz. PIN/Password of all the banking applications (internet/mobile banking)
218	Multiple Gold loan borrowers – Ajnala Branch	20.50	Background of the case • Spurious gold ornaments were found to be pledged in 34 live gold loan accounts pertaining to 17 borrowers with aggregate outstanding of Rs.1.21 Crore at Ajnala Branch. • Fraud Control Unit (FCU) conducted surprise purity re-verification of pledged gold for the disbursed gold loans as per pre-defined process and identified that spurious ornaments were pledged in 34 Gold Loan A/cs. • Internal Investigations • Key findings of internal investigation are given below: • The aforementioned 34 Gold loans were sanctioned and disbursed to 17 borrowers during the period from January 2022 to April 2022. • The loans were sourced by the Gold Loan Relationship Executive (RE) of M/s Quess Corp Ltd. and the Branch Relationship Officer (BRO) who connived with Gold Appraiser and some borrowers to perpetrate fraud. • The borrowers were relatives / friends of Gold Loan RE or BRO or some ex -Agri REs. • Loan documents were not found in 23 cases, whereas, in 11 cases, incomplete documents were found with forged signatures of the borrower. • Borrowers informed that they had not visited the branch for availing gold loan and the ornaments pledged, did not belong to them. • The disbursement proceeds were either transferred to the account of the Gold loan RE or transferred to SB accounts of the borrowers and then withdrawn in

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						cash. Some disbursements were credited to the SB accounts maintained with other Banks. • Additionally, 22 closed Gold loan accounts of these 17 borrowers aggregating Rs. 0.81 crore were identified which were discrepant and were closed prior to the incident coming to light. • Issuance of show cause notice to the borrower • Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued show-cause notice (SCN) to the borrowers on 31.05.2023 and subsequent follow-up notices dated 12.06.2023 and 17.07.2023, seeking explanations on the adverse findings of the internal investigation. • However, no response was received from the borrowers Modus Operandi • Gold Loan accounts opened without loan documents or with incomplete loan application form i.e. without borrower signature or with forged signature of borrower, against pledge of spurious gold ornaments. Root Cause • Connivance of the Gold Loan RE, Gold Appraiser and other branch staff in the perpetration of the fraud. • Failure to adhere to the Bank's laid down guidelines in respect of processing of Gold Loans. • Staff Accountability • Staff lapses are identified on the part of 11 staff for lapses in the sanctioning, disbursement and monitoring processes. • 2 staff (Branch Head and BRO) have been dismissed and 1 staff (Operations Head) has been discharged. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • FIR has been lodged by the Bank. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR). • Fraud to be reported to the Serious Fraud Investigation Office (SFIO) • provision has been made as per guideline.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
219	Bhanu Properties Limited	18.10	Background of the case • Bhanu Properties Limited (BPL) a Kolkata based company is engaged in leasing of properties. • It ventured into sale of frozen foods, wherein the processing is outsourced to associate concern, Bhanu Farms Limited (BFL). • Axis Bank is the sole lender to the company. • Axis Bank sanctioned CC limits of Rs.7.50 crore in February 2016 and ECLGS limit of Rs.1.51 crore in August 2020. The ECLGS limit has since been repaid in December 2022. • Resolution and Recovery Actions • The account was classified as NPA on 30.06.2023. • Symbolic possession of a collateral property was taken on 01.12.2023, under SARFAESI. The borrower filed petition before Kolkata HC, challenging the recovery action by the Bank. • Recovery of Rs.1.92 crore was made in December 2023.\ • RFA / Fraud Status • The borrower was classified as RFA on 11.07.2023, based on adverse observations in stock audit report dated 30.03.2023. • Axis Bank appointed S Poddar & Co to conduct forensic audit, wherein misrepresentation in stock statements submitted to the Bank and audited financials were identified. • Show-cause notice was issued to the borrower and Directors seeking explanations on the adverse findings of forensic audit. However, no satisfactory response was received from the borrower. • The borrower was classified as 'Fraud', based on adverse findings in forensic audit report. • Forensic Audit/Internal Investigations • Key findings of Forensic Audit report are as under: • Non-cooperation from the Borrower: • The borrower did not co-operate in the forensic audit exercise and did not provide access to the books of accounts/accounting systems along with supporting documents, which were required for completion of the forensic audit exercise, despite several reminders. • The review was conducted basis documents submitted by the Bank and data available on public domain • Analysis of financial statements: • As per stock audit report dated 26.03.2018, rent receivable of Rs.11.26 crore was shown as outstanding for more than 300 days from group company Bhanu Farms Limited (BFL) in February 2018. However, outstanding from BFL was Rs.5.78 crore as on 01.04.2017 and rent income recorded in FY 2018 was only Rs.0.20 crore. • As per stock audit report dated 11.06.2018, receivables outstanding from BFL as on February

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						2018 was Rs.11.04 crore. The receivable figure is inconsistent with findings of the previous stock audit • It was also observed that, stocks sent to Bhanu Farms Limited for processing were lost by it resulting in loss of business of around one year for which processed stocks worth Rs. 7.15 crore was to be provided by BFL as part of settlement terms. • As per the stock audit report dated 30.04.2022, all the stocks were obsolete, old and expired as informed by the borrower. However, inventory reported in the audited balance sheet for FY 2022 was ~Rs.6.88 crore • As per the stock audit report dated 30.03.2023, products were not in eatable condition and can be considered obsolete. However, value of said stock was shown as Rs.5.50 crore in the books. • There were inconsistencies between inventory and receivables reported in the stock auditors reports and financial statements. • Analysis of stock and book debts statement and calculation of Drawing power (DP): • As per terms of sanction, DP was to be calculated with a margin of 25% on stock and receivables. Receivables up to 90 days were to be considered for the calculation of drawing power. • Overstatement of inventory & trade receivables in stock statements were noted. Trade payables have also not been considered in the stock statements for DP calculation. • As evident from the financial statement and the stock statement, the borrower has accounted trade receivables from sister concern Bhanu Farms Limited for calculations of DP in March 2018, which is a clear violation of the terms of sanction. • Based on the information available from the figures reported in the annual reports, it was observed that there was inadequate drawing power in all of the financial years Bank statement analysis: • On review of the bank statements of CC and ECLGS accounts it was noted that, the total credits and debits aggregated to Rs.14.56 crore and Rs.11.04 crore respectively. Majority of debits and credits were from Bhanu Farms Limited (BFL). • Related party transactions during FY 2017- FY 2023 were observed. It was noted that amount paid to BFL was Rs.1.04 crore and received was Rs.7.25 crore. Other related parties, with whom transactions were carried out, were Daffodil Tie Up Private Limited, Archana Bangur, Hall and Anderson Limited, Keshav Bangur etc. • An amount of approximately Rs.0.81 crore was advanced to Mr. Keshav Bangur who is holding the position of Director in the company. An amount of	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Rs.0.65 crore has been received from Mr. Keshav Bangur after 31.03.2022. • The above was primarily been utilized to service the interest and outstanding in the loan account. However, it should be noted that no Interest against this advance has been booked and due to non-availability of data from the borrower, it could not be determined if the sum received contains an Interest element. • Accounts maintained with other banks/ non routing of transactions: • On review of financial statements and the stock audit report provided, it was observed that the borrower was maintaining current account at HDFC Bank, Park Street Branch, Kolkata. • Credit summation in Axis Bank current account was not proportionate with the quantum of revenue reported by the borrower. • This indicates accounts being maintained with other banks. However, no supporting evidence/ access to the books of accounts was provided to conclusively establish any potential diversion of funds. • Conclusion by forensic auditor: • The borrower did not provide access to the books of accounts and critical data / records / information was also not shared despite multiple reminders. Thus, the borrower is construed as 'non-cooperative'. • The records of Stock Audits carried out and the inventory figures reported in the ABS show variances. • It should be noted that due to the nature of the financing agreement the borrower was provided a facility based on the charge created on the current assets of the company of which inventories and trade receivables form a major part. Inconsistencies noted in these accounts raise a significant question on the account and its operations. • Further, variances were observed in stock value as mentioned in stock statements and ABS as submitted by the borrower. It Is evident that the borrower itself has submitted contradicting pieces of information to the bank. • Considering the above scenario and documents it can be concluded that the borrower carried out these activities with an intention to defraud the bank. Findings of Internal Investigation: • Issuance of Show Cause Notice to the borrower • Hon'ble Supreme Court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued Show-Cause Notice (SCN) to the borrower on 30.12.2023 sharing our findings and forensic audit report and seeking explanations on the below:	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Justification for misrepresentation in stock and receivables position in stock statements submitted to the Bank, compared to audited financials of the company. • Justifications for discrepancies observed in the receivables reported from Bhanu Farms Limited (BFL) in FY 2017 and FY 2018. • Details of settlement received from BFL and utilization of the same. • Justification for discrepancies observed in value of stock as per stock audit reports, compared to audited financials. • Justifications for non-routing of entire turnover through Axis Bank, in spite of Axis Bank being the sole lender to the company • The SCN issued to the borrower and 2 of the Directors were delivered on 02.01.2024 and one of the Directors (Devvrat Tapuriah) was delivered on 04.01.2024. • Further, Mr. Devvrat Tapuriah reverted on 11.01.2024 stating he was no longer the Director of the company and had resigned in 2019 and he should not be issued notices by the Bank. (Investigation Remarks: Mr. Devvrat Tapuriah held directorship in the company from 04.10.2008 till 24.06.2019 and internal investigation revealed suspected fraud from FY 2017-18 onwards) • Response from other Directors has not been received so far. • Axis Bank has issued a formal reply on 17.01.2024 and sought further explanation from Mr. Devvrat Tapuriah. However, no satisfactory response was received from him. Modus Operandi • Fabricated / Inflated Stock / Book Debt Statements Root Cause • Misrepresentation in stock statement for availing bank finance Staff Accountability • Assessment of staff accountability across sanction, monitoring and disbursement process is in progress. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • 100% provisioning has been done as per guidelines. • Police complaint has been filed against the borrower. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR). • Fraud to be reported to the Serious Fraud Investigation Office (SFIO).	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
220	Multiple Gold loan borrowers – Rai Bareli Branch	13.60	Background of the case • During the gold loan verification process carried out by FCU at Rai Bareli Branch (UP), the assayer, M/s Ravi Ornaments, found 100% spurious gold ornaments pledged in 25 gold ornament packets pertaining to 8 borrowers. • Spurious gold pledged to the Bank was found in 25 Gold Loan Accounts (GLA) opened by 8 borrowers, having total outstanding amount of Rs.136.33 lakh, which were sanctioned & disbursed between January 2022 to May 2022. • Internal Investigations • Key findings of internal investigation are given below: • Multiple Gold loan accounts opened by the 8 borrowers who are related to each other. • At the time of loan sanctioning, valuation of these gold ornaments was conducted by gold appraisers, who certified them as genuine. • It is suspected that one of the borrower Prabhat Singh is the mastermind in opening of these gold loan accounts alongwith the other borrowers. Joint holder in the SB account opened by one of the borrower is also suspected to be actively involved in the fraud. • The role of the Gold Loan Officer (GLO) is suspected. However, since CCTV footage is not available and the GLO is not in the system, substantial evidence was not available to prove malafide intentions. Further personal financial transactions observed in the account of the Gold loan RE with one borrower. • SB accounts of 4 borrowers were opened shortly prior to opening of Gold Loan Accounts with the intention to collect disbursement proceeds of their respective accounts. • Enhanced Due Diligence (EDD) and Second Level Field Verification (SLFV), conducted by the branches during investigation found negative report for Permanent as well as the Communication addresses of all the borrowers. The borrowers were not traceable at these addresses. • Issuance of show cause notice to the borrower • Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued show-cause notice (SCN) to the borrowers on 31.05.2023 and subsequent follow-up notices dated 14.07.2023 and 10.08.2023, seeking explanations on the adverse findings of the internal investigation. • However, no response was received from the borrowers. Modus Operandi

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Borrowers availed Gold loan by pledging 100% spurious gold ornaments which could not be detected by the gold appraisers. Root Cause • The gold loan appraiser did not highlight the spurious nature of the gold ornaments, pledged by the borrowers. Staff Accountability • Staff accountability has been attributed to 7 staff for lapses during Gold loan / liability account onboarding process. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been lodged by the Bank. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Provision has been done as per guideline.	
221		Multiple Gold loan borrowers – Malkangiri Branch		10.10		Background of the case • Difference observed in the weight of gold ornaments in case of 7 gold loans as compared to the weight mentioned on gold loan packets. • During the fortnightly verification of gold loan packets in June 2022, newly posted Branch Head suspected discrepancy in actual weight of gold ornaments as compared to the weight mentioned on some gold loan packets. • FCU appointed independent assayer conducted verification of all 516 Gold loans at the branch and identified 7 Gold loans having major difference in gross weight of gold ornaments (Total weight as per GDR: 2.56 Kg, Actual weight:: 0.91 Kg; Shortfall in weight: 1.65 Kg) • These 7 loans belonging to 6 borrowers were sanctioned during the period March 2022 to May 2022 (principal outstanding Rs.0.84 crore) • Internal Investigations • Key findings of internal investigation are given below: • Investigation findings revealed that the GLO Prativa Jena had connived with the key perpetrator Soumya Ranjan Das (Ex-BDE), Bishwa Ranjan Das (brother of Soumya Ranjan Das & Ex-RE- Microfinance), T. Jagdish Rao (Agri RE & borrower), Gourav Haldar (Teller) and Gold Appraiser to perpetrate fraud. • As per modus operandi, Soumya Ranjan Das brought genuine gold ornaments which were handed over to the GLO. • Gold loan documents were arranged having forged signature of borrower and gold ornaments were given to Appraiser for the assessment. • GLO updated inflated valuation in Caslite application.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• No borrower was seen in CCTV at the time / day of loan processing in identified discrepant gold loan cases. • CCTV footage revealed that the Teller was forging the signature on the cheques of the borrower (2 incident identified) which were provided by GLO for cash withdrawals from SB account of one borrower. • 3 additional Gold loans sanctioned to one borrower (father of Agri RE) were identified where the borrower's signatures were forged leading to the total amount involved of Rs. 1.01 crore for 10 Gold loan accounts sanctioned to 6 borrowers. • Suspicious transactions identified in the SB account of GLO with third parties, branch staff, Gold Appraiser, Security Guard and two borrowers. Financial transactions also identified in the account of two borrowers with other borrowers. • Issuance of show cause notice to the borrower • Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued show-cause notice (SCN) to the borrowers on 30.05.2023 and subsequent follow-up notices dated 03.07.2023 and 02.08.2023, seeking explanations on the adverse findings of the internal investigation. • However, no response was received from the borrowers. Modus Operandi • Gold loan accounts were opened & disbursed without the knowledge & consent of the borrowers with forged signature on loan documents. Inflated weight of gold ornaments was updated against these loans. Root Cause • Connivance of the Gold Loan officer, Ex-staff, Gold Appraiser and other staffs / borrower in the perpetration of the fraud. • Failure to adhere to the Bank's laid down guidelines in respect of processing of Gold Loans • Staff Accountability • Staff lapses are identified on the part of 7 staff including the Operations Head for lapses in the sanctioning and monitoring processes. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been lodged by the Bank. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Provision has been made as per guideline.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
222	Sonam Kailash Singh and 23 other customers (Transport Nagar)	25.90	Background of the case • On 21.09.2023, a written complaint was received from the customer, Sonam Kailash Singh maintaining a savings account (A/c no. 919010017952420) with Transport Nagar Branch. • The customer mentioned that 4 unauthorised debit transactions aggregating to Rs.0.25 crore were executed from her savings account without her consent and knowledge. • Complainant confirmed that the instruments used for the above 4 unauthorized debit transactions were in her possession. • On her enquiry with the Branch Operations Head, Dheeraj Kushwah, Manager, (Emp no. 135338), had promised to return the funds to her account. • Complainant informed that post her discussion with Dheeraj Kushwah, her account was deposited with Rs.0.25 crore on 15.09.2023 by way of cash deposits. • Branch on scrutiny of 15th September 2023 vouchers, it was observed that amount of Rs.0.25 crore were credited to the account of the complainant Sonam Kailash Singh by liquidating two FDs aggregating to Rs.0.09 crore of the customer Rajni Yadav and 9 FDs aggregating to Rs.0.16 crores of the customer Raghuveer Rai without their consent. • Shivali Singh (BRO, AM, 372815) and Dheeraj Kushwah (BOH, Manager, emp no. 135338)) are the maker and checker of the above 11 FD closures. • Post customer Sonam Kailash Singh complaint, the staff, Dheeraj Kushwah absconding from the Branch since 21.09.2023. • Further, branch had received complaints from 23 other customers as on date against staff Dheeraj Kushwah related to unauthorised withdrawals / cash not deposited into their accounts amounting to Rs.2.34 crores. • Review of the above customers' complaints revealed that the staff Dheeraj Kushwah had misappropriated customers' funds aggregating to Rs.2.59 crores. • Investigation finding • Investigation findings relevels that staff Dheeraj Kushwah executed 116 unauthorized transactions in the 24 complainant accounts (savings accounts, current account, and fixed deposits) without the customers' consent and authorization during the period 15.03.2021 to 15.09.2023. • These 116 transactions include cash not deposited in the customer accounts, unauthorised debits and cash payments, FDs were opened and closed, fictitious cash deposit entries in customer accounts without deposit of physical cash. • It was observed that in 42 occasions funds were withdrawn without physical cheque or cheque / debit mandate having forged customer signature.

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Dheeraj Kushwah was either the maker or checker in 104 disputed transactions. • Basis CCTV footage reviewed it was observed that the staff, Dheeraj Kushwah had executed the transactions using login credentials of Branch Relationship Officers (BROs) and Tellers. • In two occasions, it was observed through CCTV footages that the Tellers (Shivali Singh and Ayushi Jain) were handing over the cash deposits aggregating to Rs.0.14 crore received from the complainants to the staff Dheeraj Kushwah without crediting into the accounts of complainant customers in an envelope. • Since mobile number of the staff Dheeraj Kushwah is switched off, interactions could not be made with staff. • Interactions with the branch BROs, and Tellers revealed that the transactions were executed by Dheeraj Kushwah using their login credentials without customer consent, vouchers / cheques / debit mandates / request letters. • During the interactions with the customers, few customers informed that they were unaware of unauthorised withdrawals or deposits in their accounts, few customers stated that when they have inquired with Dheeraj Kushwah for unauthorized debits, he informed to the customers that SMS alerts were erroneously sent and the balances in the accounts were safe. • Few other customers stated that Dheeraj Kushwah had returned the funds, either to their accounts through transfer or through cash deposits. • On review of vouchers, cheques, and CCTV footages of these 116 disputed transactions and basis interaction with the customers revealed that Dheeraj Kushwah had misappropriated aggregate amount of Rs.2.59 crore from the 24 customers for his personal use / gain. • Out of Rs.2.59 crores, Dheeraj Kushwah had adjusted aggregating amount of Rs.1.46 crores to 13 customers out of the 24 customers by initiating fraudulent debits from other complainant accounts and by way of cash deposits. • The remaining amount of Rs.1.13 crores is considered as net liability to the Bank. • Due to the continuous follow-ups from the 3 complainants (Raghuveer Rai, Jandel Singh Pal and Machel Singh), Transport Nagar Branch had restored an amount of Rs.0.35 crore to these 3 complainants accounts (lien was marked in accounts till the completion of investigation). Modus Operandi • Funds were withdrawn without physical cheque or cheque / debit mandate having forged signature of customers.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Misappropriation of customers' cash by Branch Operations Head. • Unauthorised transfer of funds from one customer account to another customer account, without customer consent. • To make good of the amounts fraudulently withdrawn from the accounts of customers, fictitious cash deposit entries were made in their accounts. • Root Cause • Misappropriation of cash deposits made by the customers into their accounts. • Cash withdrawal / transfer from the customer accounts, without their consent and knowledge. • Login credentials were shared with the BOH by the branch staffs for executing the disputed transactions. • Staff Accountability • Staff Accountability has been identified in respect of Dheeraj Kushwah, Branch Operations Head and Shivali Singh/Ayushi Jain, Tellers as a Malafied and 9 other staff being negligent/Gross Negligent in executing the disputed transactions (cash withdrawals / cash deposits / transfers / FD opening & closures) and for lack of supervisory oversight. • The staff Dheeraj Kushwah and two staffs (Shivali Singh and Ayushi Jain) has been suspended from the services of the Bank. • Action Taken / being taken • Police complaint has been filed in the matter against Dheeraj Kushwah. • Anticipatory bail petition moved by Dheeraj Kushwah got rejected by High Court and supreme Court. • Dheeraj Kushwah is absconding and liaising with Senior Police officials to arrest the accused. • Provision has been made for the fraud loss amount. • Insurance claim has been lodged for Rs.0.98 crores. Filing of insurance claim is underway for the additional complaints received.	
223		Multiple credit card customers (GOKIWI)		114.3		Background of the case • RUPAY credit cards which allows linking of credit cards to UPI transactions was introduced by the Bank during June 2023 • The Bank had launched Rupay Credit Card variant "KWIK" partnering with "GOKIWI" as its distribution partner (external) • These are Virtual Credit cards (no physical cards are issued) • 247 Suspicious credit cards were referred for investigations wherein single tokenised Aadhaar were used against multiple valid PAN. Investigation Findings • Systematic Procurement of Multiple Valid 10-Digit PANs by Unknown persons	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Fraudsters impersonating as genuine customers had applied for Axis Kwik credit card with multiple valid PAN (name similar to impersonated Aadhaar) • Single Tokenised Aadhar matching with same name of PAN were used against multiple PANs. • Credit Card applications approved basis good Bureau present against the PAN cards. • EKYC and VKYC validation took place since the PAN was validated through NSDL site. Tokenised Aadhaar were validated through UIDAI portal. Customer consent was obtained Via OTP received on the mobile numbers mentioned during On Boarding. • In 72 cases, cards were overutilized against the limits assigned, due to system failure (Open To Buy issue) • Issue specific to RUPAY Cards UPI Transaction EMI Conversion wherein upon EMI conversion of such transactions, system used to pass Credit to Customer Account however OTB was not getting blocked which allowed customer to go over limit Modus Operandi • Fraudulent usage of valid PANs and Aadhaar matching the same name of PAN • EKYC and VKYC validation took place through NSDL (PAN) and UIDAI portal (Aadhar) Root Cause • Non validation of tokenised Aadhaar during on-boarding / dedupe process. • Cards OTB getting reset after EMI conversion leading to overutilization. • Status on Action Taken / Being Proposed • Product is put on Hold Since 2nd Dec 2023 • Aadhar Token and PAN dedupe implemented in Newgen platform (21st Sep) • Passing of Aadhar Token from Newgen to Posidex implemented (3rd Nov) • EMI Issue Tech fix: Fix was deployed – (27th Oct) • EMI conversion feature disabled (27th Nov) • Bank has identified IDFY (External Vendor) to ensure PAN-Aadhaar linkage validation. (Work In Progress) • Validation of Mobile Number Linked to Aadhar (31st March) • Strengthening of V-KYC process (30th April) Way Forward / Recommendation • Police complaint has been filled • Recovery of fraud loss amount- Collections team to prioritise collections. • Rectification of CIBIL score of the complainants by delinking the PANs from the credit cards. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR)	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Fraud to be reported to the Serious Fraud Investigation Office (SFIO). • Examination of staff lapses. • BIU is advised to put a system in place to track the over utilization of the cards if any on daily basis and report any such abnormalities to Business and Risk teams immediately.	
224		Araria - Robbery		10.00		Background of the case • Araria Branch, is a Semi urban Branch, located in the State of Bihar. • On 23.01.2024, Araria Branch, Bihar circle reported an incident of Robbery in the Branch premises. • It was reported that the miscreants had looted cash of Rs.1.00 crore (Rs 1,00,31,908/-). • Investigation Findings • On 23rd January 2024, at around 12.05 p.m., six armed miscreants carrying guns entered the branch premises, threatened all the branch staff, Guard and customers present in the Branch premises. • The miscreants forced the Branch Operations Head and the Teller to open the vault and locked all the Branch staff, Guard and customers inside the Vault. • Araria Branch has one security Guard (unarmed) who was discharging his duties at the Branch entrance gate. • All the staff and customers are safe and no casualty was reported. • The miscreants reportedly stole cash of Rs. 1.00 crore and has taken away the DVR installed in the Branch Head Cabin. • Araria Branch is a Gold Loan active Branch and the pledged gold loan ornaments are safe and intact in the vault. • The Cash Retention Limit of the Branch is 2.25 crores. • The matter was then informed by the branch to the local Police Authorities on 23.01.2024 and the Police investigation in the matter is underway. • The branch is under the Bank's Centralised Command Centre surveillance. • The physical cash present in the Branch which was left behind by the miscreants was Rs. 1.56 lakhs. • The incident has been reported as Robbery to RBI on 24.01.2024. • The Insurance claim has been filed by the Bank with the Insurance Company. Modus Operandi • The miscreants entered the Branch and threatened the Branch staff & security guard at Gun Point. The miscreants looted Cash available at the cash counter. Root Cause • Surprise action of the miscreants by entering the Branch, threatening the staff at gun point result into robbery of the cash kept at the Cash counter.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Staff Accountability • No lapses on the part of the Bank staff have been identified. Action Taken / being initiated • FIR has been filed in Araria Police Station in the matter by the Branch on 23.01.2024. • On 23.01.2024, Araria Branch had debited the SA Branch short cash A/c No. 21540176101420 by Rs 1,00,31,908/-.	
225		Cheating and Forgery Shifa Medical & General Stores		18.10		Background of the case • Shifa Medical & General Stores is a sole proprietorship firm engaged in retail/wholesale trading of medicines & FMCG products. • Axis Bank is the sole lender to the company. • Axis Bank sanctioned credit facilities of Rs.2 crore in September 2015, including takeover of limits from Bank of India. The limits were gradually reduced to Rs.1.85 crore by 2019. Resolution and Recovery Actions • The account was classified as NPA on 30.09.2019. • Recall notice was issued on 19.12.2019 and notice under SARFAESI Act was issued on 03.01.2020. RFA / Fraud Status • The borrower was classified as RFA, pursuant to 'fraud' classification of group concerns (Dhruv Wellness Limited and Jayesh Lifescience India Private Limited) by Axis Bank. • Internal investigation concluded mis-representation in stock statements submitted to Bank for availing excess drawing power. • The borrower was given ample opportunities by way of show-cause notice/reminders to submit clarifications. A personal hearing was conduct to permit the borrower to present his justifications. • However, despite offering adequate opportunity for representation, satisfactory clarification against the investigation findings and/or supporting documents have not been submitted. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of internal investigation. • The exposure has been prudentially written-off as on 31.12.2023. Internal Investigation Findings Key findings if internal investigation are as under: Overstatement of Drawing Power in Stock Statements submitted to the Bank: • On comparison of stock statement for March 2016 vis-à-vis audited financials for FY 2016, the following discrepancies were observed: o For FY 2016, DP as per stock statement was 89% more than DP as per ABS. This was	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						mainly on account of overstatement of inventory and understatement of creditors in stock statement. o O/s in CC limit as on 31.03.2016 was Rs.1.81 crore which was more than eligible DP based on audited financials. o Justification for such variance from the borrower was not available. o For FY 2017, DP as per stock statement was 400% more than DP as per ABS. This was mainly on account of understatement of creditors in stock statement. o O/s in CC limit as on 31.03.2017 was Rs.1.82 crore which was more than eligible DP based on audited financials. o Justification for such variance from the borrower was not available. o For FY 2018, DP as per stock statement was 178% more than DP as per ABS. This was mainly on account of understatement of creditors in stock statement. o O/s in CC limit as on 31.03.2018 was Rs.1.99 crore which was more than eligible DP based on audited financials. o Justification for such variance from the borrower was not available. • The ABS for FY 2019 was not provided by the borrower. Hence, the comparative analysis of stock statement for March 2019 vis-à-vis ABS for FY 2019 could not be carried out. Adverse Media Reports on GST Fraud • As per media reports, Mr. Pravinkumar Narayanbhai Prajapati, director of Sulabh Pharmaceutical Pvt. Ltd, was arrested by the Mumbai unit of Central Goods and Services Tax (CGST) in January 2019 for fraudulently availing input tax credits of Rs.158 crore. • Probe by CGST allegedly revealed that the accused opened 17 firms in his name and those of family members, friends and employees. Later, paper transactions were carried out among these 17 firms by issuing fake invoices, without any sale, purchase, or supply of goods or services. • As per the probe details, related entities of the borrower i.e. Jayesh Lifescience India Pvt. Ltd., Sulabh Pharmaceutical Pvt. Ltd. and Dhruv Wellness Ltd., were identified as part of these 17 entities. • Mr. Pravinkumar Narayanbhai Prajapati is the son of Mr. Narayanbhai M Prajapati who is a proprietor of Shifa Medicals & General Stores. • Present status of the probe by GST authorities could not be verified independently. Issuance of Show-Cause Notice to the Borrower • Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of natural justice' must be	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						read into the provisions of RBI Master Direction on Frauds. • In view of the said judgement, the Bank issued show-cause notice (SCN) to the borrower on 19.04.2023 seeking explanations on the below adverse findings of internal investigation report. o DP as per stock statement (SS) was more than DP as per ABS for FY 2016, FY 2017 and FY 2018. This led to availment of higher DP from the Bank than its actual eligibility during the said period. o Multiple transactions with related parties viz. Jayesh Lifesciences India Pvt Ltd, Dhruv Wellness Ltd and Sulabh Pharmacuticals Ltd. were observed. In absence of underlying documents, it could not be ascertained if the transactions were done at arm's length. • Borrower responded to SCN on 05.07.2023, which is as below: o The claim made is not correct and no details have been provided w.r.t. the variance observed. o From 2016 till 2018, CC account was regularly renewed based on the ABS submitted and no discrepancy was observed during the time. Further, during inspection carried out by the Bank no query was raised. o Most of the documents, records, and details have been confiscated by the GST dept, hence documents/bills/invoices could not be produced. No discrepancy was observed in the ABS of respective related parties. Further, all related party transactions were carried out under Bank's monitoring and no such observations were made during that time. • Axis Bank responded to borrower's response to SCN on 17.07.2023, as under: o Details of variance in DP arrived basis SS and ABS for FY 2016, FY 2017 and FY 2018 were provided. o Underlying documents/invoices/bills were sought w.r.t. related party transactions were sought. • Borrower responded Axis Bank's SCN dated 17.07.2023 on 05.08.2023, as under: o To grant personal hearing to explain the queries. o To provide additional time to produce underlying documents. Personal Hearing with Mr. Pravinkumar Narayanbhai Prajapati • The borrower vide letter dated 02.01.2024 was requested to appear for a personal hearing on 10.01.2024. The borrower vide mail dated 08.01.2024, requested for re-scheduling of the hearing to 24.01.2024. • In the personal hearing dated 24.01.2024, opportunity was accorded to Mr. Pravinkumar Narayanbhai Prajapati who is the son of the	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						proprietor Mr. Narayanbhai Prajapati, to present their views. • Prior to being given an opportunity for representing on behalf of the proprietor, Mr Pravin Prajapati submitted an authority letter duly notarised and which stated that the said authority letter shall supersede and override all previous POAs/ authority letters etc. to the extent set out in the fresh POA/ authority letter. This letter was obtained as per directions from the Law Department of the Bank. • Based on the above authority letter, Mr Pravin Prajapati was given an opportunity to present his justification on the concerns raised in the show-cause notice (SCN). It was noted in the meeting that Pravin Prajapati appeared for the hearing as the proprietor is a senior citizen with medical issues. Further, Mr Pravin is managing the operations of the entities promoted by the family. • On being queried about the observations noted in the SCN, Mr. Pravin could not provide satisfactory justification and responded that he needs to ascertain the reason for variance in DP with the Chartered Accountant as he does not have the justification handy. • He mentioned that all the documents have been confiscated by the GST authorities as part of their investigations in the Group, which is currently sub-judice. They have requested GST department for release of the supporting documents which is currently under process. He requested the Bank to permit additional time for submission of the supporting documents. • Based on the above-mentioned representation, the borrower was permitted time till 10.02.2024 for submission of the relevant documents. The said timeline was communicated to the borrower vide email dated 30.01.2024. • The borrower vide mail dated 01.02.2024 has responded that they are in the process of getting the documents from GST department and will provide the same within 10 days of receipt of the documents. • No supporting documents have been submitted by the borrower till date Modus Operandi • Fabricated / Inflated Stock / Book Debt Statement Root Cause • Misrepresentation in stock statements submitted to the Bank for availing higher DP. Staff Accountability • Assessment of staff accountability across sanction, monitoring and disbursement processes is in progress.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been filed against the borrower. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • The exposure has been prudentially Written-off. Process Gaps / Recommendations Comparison of figures in stock statements with audited financials o Process of comparing figures disclosed by the borrower in stock statements and audited financials to be put in place. Remedial Action Plan o Process of comparing figures disclosed by the borrower in stock statements and audited financials and seeking clarification from the borrower in case of any mismatch, has been put in place. o Comparison of values reported in ABS vis-à-vis Stock Statement has been automated through Online DP platform in FY 2022 o For all exposures, variances are included in Fraud EWS post review by CBO.	
226		Cheating and Forgery Gopinath Traders		27.00		Background of the case • Gopinath Traders is a sole proprietorship concern, which was engaged in wholesale trading of oil, ghee and sugar. • Mr. Bhagwandas Matta is the proprietor of the firm. • Axis Bank is the sole lender to the firm. • Axis Bank sanctioned Cash Credit facility of Rs.2.70 crore, under Agri Power Scheme, in September 2014, including takeover of limits from HDFC Bank and ICICI Bank Resolution and Recovery Actions • The account was classified as NPA on 30.09.2016. • 1st auction of the mortgaged properties under SARFAESI was not successful. Alert/ Fraud Status • A complaint was received from a third party, accusing the borrower of unlawful transfer of Government property and mortgaging the same to Axis Bank for availment of credit facilities, in collusion with Bank employees and empaneled Advocate. • Fresh TSR and legal opinion from independent advocates were obtained, wherein it was observed that one of the immovable properties, cross-collateralized against the exposure, does not exist and the land under the survey area is owned by Government of MP.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Show-cause notice was issued, seeking explanations from the borrower. However, no response was received. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of investigation. • The exposure has been prudentially written-off as on 31.12.2023. Internal Investigation Findings • The Bank has received complaint from a third party, alleging unlawful transfer of a Government property by the proprietor under his name and availing credit facilities by mortgaging the said property as collateral, in collusion with employees and empanelled advocate of Axis Bank. • It was noted that the property in question, i.e. Survey no. 134/1, Patwari Halka no.26 (New 12), Village Gokalpur Tehsil, Depalpur Dist. Indore (admeasuring 2.333 Hectares), was one of the 4 immovable properties offered as collateral for Gopinath Traders. The said property was also cross-collateralized for the limits sanction to Vishvas Marketing. • It was observed that satisfactory TSR and valuation reports from empanelled advocates were obtained at the time of security creation. There were no adverse observations in the said reports. • As per report of Legal Audit dated 17.07.2023, conducted during the investigation, the documents taken as a part of mortgage security are found to be complete in all respects, valid and enforceable by the Bank. • During investigation, fresh TSR from empanelled advocate, Mr. Ankit Kushwah was obtained. As per TSR dated 31.07.2023: o Survey no. 134/1 does not exist. Land under survey no. 134 is owned by Government of MP, as per Khasra (map of the land). Since title does not exist, equitable mortgage cannot be created on said property • Clarifications were sought from Mr. Sharda Prasad Khare, the empanelled advocate who carried out TSR of the said property during 2014 and 2016. Summary of response is given below: o TSR report was submitted basis sale deed of the property, Copy of notarized Will, Certified copy of Diversion Order and Certified Copy of Khasra P-2, from 1995-96 to 2008-09. o Above certified documents were verified at Office of Sub-Registrar in Indore against Index II of Depalpur. The documents were issued by various Government Depts. and therefore, they were considered, prima-facie, reliable. There was no method of further verifying the above documents against Government records.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• An independent opin • ion on the matter was obtained from advocate Shabistan Khan. Summary of legal opinion dated 10.10.2023 and 20.02.2024 is as below: ○ MP Government has come up with online portal (mpbhulekh.gov.in) to verify the revenue records of Government sites in 2017. As verified from the portal, the property having survey no. 134/1 does not exist. As per the revenue records, the property with survey no. 134 is reflected in name of the Government of MP. ○ In case of TSR related to diverted land, the advocate has to verify against Index-II from the Office of Sub-Registrar and also from the Revenue Records which are available on online portal since 2017. Before 2017, documents were to be verified by physically obtaining certified copy of revenue records from the Tehsil office. • Basis legal opinion obtained from an independent advocate, it can be inferred that while conducting TSR during 2014/2016, the advocate relied upon the documents submitted by the borrower, without verifying them against the revenue records at Tehsil office. Hence, a valid and clear title report was submitted to the Bank on a non-existent property. Therefore, lapses have been identified against advocate Mr. Sharda Prasad Khare for failure to conduct adequate due diligence during Title Search. • Issuance of Show-Cause Notice to the Borrower: Show-Cause Notices (SCNs) were issued to the borrower, Gopinath Traders on 22.11.2023 seeking explanations against the below adverse findings during investigation: ○ The property, located at survey no. 134/1, Patwari Halka no.26 (New 12), Village Gokalpur Tehsil, Depalpur Dist. Indore, admeasuring 2.333 Hectares, which was mortgaged to the Bank as security for the limits availed by Gopinath Traders and Vishvas Marketing, does not exist. The said property was mortgaged basis forged Sale Deed and EM cannot be created on it. ○ No response has been received from the borrower. Modus Operandi • Property not in existence/Wrongly identified by the Bank. Root Cause • Submitting forged documents of mortgaged property to avail credit facilities from the Bank. Staff Accountability • Relevant guidelines for sanction/documentation process were found to be complied with. No lapse or collusion by Axis Bank employees were identified. Action Taken / Proposed	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• Order intimating 'Fraud' classification by registered post to be issued. • Police complaint is being filed. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Advocate Mr. Sharda Prasad Khare, who was responsible for submission of inaccurate TSR, to be de-empanelled/blacklisted.	
227		Cheating and Forgery Vishvas Marketing		10.00		Background of the case • Vishvas Marketing is a sole proprietorship concern, which was engaged in wholesale trading of oil, ghee and sugar. • Mr Amrit Matta, son of Mr. Bhagwandas Matta (proprietor of Gopinath Traders) is the proprietor of the firm. • Axis Bank is the sole lender to the firm. • Axis Bank sanctioned Cash Credit facility of Rs.1.00 crore, under Service Power Scheme, in May 2014. Resolution and Recovery Actions • The account was classified as NPA on 30.09.2016. • 1st auction of the mortgaged properties under SARFAESI was not successful. 2nd auction is being initiated. Alert/ Fraud Status • A complaint was received from a third party, accusing the borrower of unlawful transfer of Government property and mortgaging the same to Axis Bank for availment of credit facilities, in collusion with Bank employees and empaneled Advocate. • Fresh TSR and legal opinion from independent advocates were obtained, wherein it was observed that one of the immovable properties, cross-collateralized against the exposure, does not exist and the land under the survey area is owned by Government of MP. • Show-cause notice was issued, seeking explanations from the borrower. However, no response was received. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of investigation. Internal Investigation Findings • The Bank has received complaint from a third party, alleging unlawful transfer of a Government property by the proprietor under his name and availing credit facilities by mortgaging the said property as collateral, in collusion with employees and empanelled advocate of Axis Bank. • It was noted that the property in question, i.e. Survey no. 134/1, Patwari Halka no.26 (New 12), Village	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Gokalpur Tehsil, Depalpur Dist. Indore (admeasuring 2.333 Hectares), was one of the 4 immovable properties offered as collateral for Gopinath Traders. The said property was also cross-collagenized for the limits sanction to Vishvas Marketing. • It was observed that satisfactory TSR and valuation reports from empanelled advocates were obtained at the time of security creation. There were no adverse observations in the said reports. • As per report of Legal Audit dated 17.07.2023, conducted during the investigation, the documents taken as a part of mortgage security are found to be complete in all respects, valid and enforceable by the Bank. • During investigation, fresh TSR from empanelled advocate, Mr. Ankit Kushwah was obtained. As per TSR dated 31.07.2023: o Survey no. 134/1 does not exist. Land under survey no. 134 is owned by Government of MP, as per Khasra (map of the land). Since title does not exist, equitable mortgage cannot be created on said property • Clarifications were sought from Mr. Sharda Prasad Khare, the empanelled advocate who carried out TSR of the said property during 2014 and 2016. Summary of response is given below: o TSR report was submitted basis sale deed of the property, Copy of notarized Will, Certified copy of Diversion Order and Certified Copy of Khasra P-2, from 1995-96 to 2008-09. o Above certified documents were verified at Office of Sub-Registrar in Indore against Index II of Depalpur. The documents were issued by various Government Depts. and therefore, they were considered, prima-facie, reliable. There was no method of further verifying the above documents against Government records. • An independent opinion on the matter was obtained from advocate Shabistan Khan. Summary of legal opinion dated 10.10.2023 and 20.02.2024 is as below: o MP Government has come up with online portal (mpbhulekh.gov.in) to verify the revenue records of Government sites in 2017. As verified from the portal, the property having survey no. 134/1 does not exist. As per the revenue records, the property with survey no. 134 is reflected in name of the Government of MP. o In case of TSR related to diverted land, the advocate has to verify against Index-II in the Sub Registrar Office and also from the revenue record. Revenue records are available	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						on online portal since 2017. Before 2017, documents were to be verified by physically obtaining certified copy of revenue records from the Tehsil office. • Basis legal opinion obtained from an independent advocate, it can be inferred that while conducting TSR during 2014/2016, the advocate relied upon the documents submitted by the borrower, without verifying them against the revenue records at Tehsil office. Hence, a valid and clear title report was submitted to the Bank on a non-existent property. Therefore, lapses have been identified against advocate Mr. Sharda Prasad Khare for failure to conduct adequate due diligence during Title Search. Issuance of Show-Cause Notice to the Borrower: • Show-Cause Notices (SCNs) were issued to the borrower, Vishvas Marketing, on 22.12.2023 seeking explanations against the below adverse findings during investigation: o The property, located at survey no. 134/1, Patwari Halka no.26 (New 12), Village Gokalpur Tehsil, Depalpur Dist. Indore, admeasuring 2.333 Hectares, which was mortgaged to the Bank as security for the limits availed by Gopinath Traders and Vishvas Marketing, does not exist. The said property was mortgaged basis forged Sale Deed and EM cannot be created on it • No response has been received from the borrowers. Modus Operandi • Property not in existence/Wrongly identified by the Bank. Root Cause • Submitting forged documents of mortgaged property to avail credit facilities from the Bank. Staff Accountability • Relevant guidelines for sanction/documentation process were found to be complied with. No lapse or collusion by Axis Bank employees were identified. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint is being filed in the matter. • Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Advocate Mr. Sharda Prasad Khare, who was responsible for submission of inaccurate TSR, to be de-empaneled/blacklisted.	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
228	Cheating & Forgery Supreme & Co. Private Limited	275.70	Background of the case • Supreme & Co Private Limited (SCPL), based in Kolkata, is engaged in manufacturing of electrical equipment, execution of power transmission & distribution projects, and dealership of automobiles. • Manufacturing division of SCPL availed working capital limits of Rs.202.65 from Consortium of BoB (lead bank) and Axis Bank. EPC division of the company availed working capital limits of Rs.80.26 crore under Multiple Banking Arrangement (MBA) from UBI, Indian Bank and Canara Bank. Further, Auto division of the company availed working capital limits of Rs.18.75 crore under Multiple Banking Arrangement (MBA) from Tamilnad Mercantile Bank and Tata Capital. • Axis Bank sanctioned working capital limits of Rs.42.50 crore in 2014 and ECLGS of Rs.4.50 crore in 2022, for Manufacturing Division. • Resolution and Recovery Actions • The borrower was classified as NPA by Axis Bank on 29.12.2022. • Recall notice issued on 13.03.2023 and notice u/s (13/2) of SARFAESI Act was issued on 17.11.2023. • Post NPA, recovery of Rs.1.60 crore (approx.) made from internal accruals and liquidation of cash margin for BGs. • RFA / Fraud Status • The borrower was classified as RFA on 26.07.2023, based on RFA classification by Bank of Baroda (lead bank). • The forensic auditor has concluded his report as 'fraud'. Subsequently, clarification on the forensic audit findings were obtained from the borrower by issuing SCNs. The clarifications received from the borrower were reviewed by the forensic auditor and not found to be satisfactory. • Further, during personal hearing, the explanation provided could not be corroborated with evidence, data and the forensic audit report and hence the explanation cannot be substantiated. • Majority of the lenders have referred the case to their competent authority for taking final decision, which are pending. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of forensic audit report • Provision of Rs.23.66 crore was held against the exposure as on 31.12.2023. • Forensic Audit Findings Key findings of forensic audit report are as under: Observations on movement of Inventory:

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						○ As per ABS for FY 2022, the borrower had reported total inventory of Rs.235 crore. To verify physical stock, the forensic auditor along with member bank officials visited 3 premises of the borrower on 31.10.2023. ○ However, borrower did not provide any assistance towards verification of quantity/value of stock, stock-inward and stock-outwards registers at the time of inspection. Majority of stock was found to be in scrap/obsolete condition, the value of which could not be ascertained in absence of required information. ○ Non-submission of requisite information about sales, purchases and inventory for the audit period, division-wise details of stock existing at each location as on date, non-cooperation of the borrower for verification of stock with the auditor raised concerns on the actual stock of the company. Longstanding receivables from related party: ○ The borrower entered into sales transactions of Rs.4.80 crore and Rs.2.36 crore with Utkal Galvanisers Limited (UGL), a related party as per disclosure in ABS, during FY 2019 and FY 2020, respectively. ○ During the audit period, payments of only Rs.0.60 crore were received from UGL. As per stock statement of the borrower for February 2023, there were o/s receivables of Rs.16.22 crore from UGL. ○ Further, it was observed that UGL had positive net worth for FY 2020, FY 2021 and FY 2022. ○ Hence, outstanding receivables from related party UGL, against sales made in FY 2019 and FY 2020, in spite of its healthy financial position, tantamount to diversion of funds. • Comparative analysis of trade payables as per Stock Statement (SS) and ABS: ○ Comparison of trade payables as per audited balance sheet and stock statement for FY 2020 till FY 2022 is as below. ○ As per the above table, trade payables in SS was lower by Rs.4.61 crore as compared to ABS for FY 2020. This variance raises concern about misrepresentation to the banks. ○ Further, non-submission of required information about variance observed in trade payables as per SS vis-à-vis ABS also raises question on the actual amount of trade payables. ○ From the above table, it was observed that advances amounting to Rs.2.69 crore were given to foreign subsidiaries of the borrower and were o/s prior to 2019. Further, MC industries is an associate concern of the borrower and security	

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						deposit given to MC Industries were o/s prior to 2019. ○ In absence of required information from the borrower, the purpose of advances given and recovery status could not be commented upon. • Conclusion of Forensic Auditor: ○ There are certain transactions which are suspicious in nature and reason for the same remained unexplained, even after giving multiple opportunities to the borrower. ○ The account falls under 'fraud' category based on the aforementioned observations Discussion by Lenders: • In Joint Lenders' Meeting (JLM) dated 05.12.2023, member Banks opined that considering the facts and findings transpiring from the report, the account is to be recommended to respective Bank's authorities for classifying as 'fraud'. • Bank of Baroda suggested that each lender should issue show-cause notice individually and separately to the borrower as per respective Bank's practice. Issuance of Show-cause notice (SCN) to the Borrower: • The Bank issued Show-Cause Notice (SCN) to the borrower on 08.12.2023 seeking explanations on the following adverse findings of forensic audit: ○ Inventory mismatch during physical verification: As per ABS for FY 2022, borrower had reported inventory of Rs. 235 crore. However, during physical verification carried out in October 2023, majority inventory was found in scrap/obsolete condition and value of the same could not be ascertained. ○ Diversion of funds: Long overdue of o/s receivables from related party i.e. Utkal Galvanisers Limited. ○ Misrepresentation of Trade Payables under SS: As per SS for manufacturing division for March 2020, there was under-reporting of trade payables vis-à-vis ABS for corresponding FY. • The borrower submitted its response vide email dated 27.12.2023. Additionally, they sought personal hearing from the Bank to represent their case. • Forensic auditor's opinion has been sought regarding the response from the borrower and the same was received on 11.01.2024. Details of borrower's response and auditor's opinion have been captured below: ○ Observations on movement of Inventory: Borrower's response: ▪ The delay in submission of records was due to severe labor unrest since 2022, resulting in	

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						constant obstruction to operations which had to be shut down in January 2023. ▪ Various suppliers/vendors has to be managed to co-operate in reconciliation of figures of the movement of raw materials and finished goods. ▪ Further, currently there is stock in form of WIP, finished goods and scrap situated at various locations where site inspection various facilities can be arranged. Auditor's view: ▪ The borrower expressed inability to reconcile actual stock, debtors, creditors due to labor unrest since 2022. However, as per stock statement for October 2022, paid stock of Rs.123.84 crore was declared. ▪ Hence, borrower's contention of inability of reconciliation of stock is not acceptable. o Longstanding receivables from related party: Borrower's response: ▪ The order for goods were received from Gupta Power Infrastructure Ltd (GPIL), which were executed through UGL. Total value of transactions with UGL during past 5 years were more than Rs.70 crore, against which a net debit balance would be below Rs.5 crore only, i.e. less than 10%. ▪ The transaction appears in the audited financials and MCA returns of both the companies. Auditor's view: ▪ The borrower has acknowledged sales to UGL, however non-release of payment linked with GPIL has not been explained with supporting documents. Investigation Remarks: ▪ UGL has been disclosed as a 'KMP/relative of KMP having significant control' in notes to audited financials of the company. However, entity-wise break-up of sale and purchase transactions has not been provided under 'related party transaction' section. o Comparative analysis of trade payables as per Stock Statement (SS) and ABS: Borrower's response: ▪ Stock Statements submitted are based on the provisional data. Further some stock statements for the month-ended March were submitted on a prior date, whereas the forensic auditor has compared the same with audited balance sheet figures. Difference between the 2 figures is only around 10%. It is a standard practice among Banks to permit a 10% variation between provisional & audited figures. Auditor's view: o The comparison which was done based on information submitted by the borrower to banks	

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						in its stock statement and the audited financials of the year end. Second Discussion by Lenders ▪ Another JLM was held on 15.01.2024 to discuss way forward in the account. ▪ Lead Bank, Bank of Baroda (45% share), communicated that their stance on classification as fraud/otherwise is yet to be finalized. Axis Bank (13% share) opined that 'fraud' classification of the borrower will be recommended to competent authorities. ▪ Indian Bank has confirmed their stance of 'non-fraud' classification of the borrower whereas Canara Bank, Tamilnad Mercantile Bank, and Union Bank (having exposure to EPC and Auto divisions of borrower and 42% share in total outstanding) are awaiting views from their competent authorities. ▪ Below is the current status of shareholding based on o/s amount and status of classification of the account as fraud/otherwise. ▪ Personal Hearing with Mr. Harish Kumar Agarwal and Mr. Rajesh Kumar Agarwal: ▪ The personal hearing was attended by Mr. Harish Agarwal (the promoter and director of SCPL) and Mr. Rajesh Agarwal (part of promoter family and acting as a President in SCPL). ▪ Prior to being given an opportunity for representing, an authority letter, duly notarised, stating that the said letter shall supersede and override all previous POAs/ authority letters etc. to the extent set out in the fresh POA/ authority letter, was obtained from Mr. Rajesh Kumar Agarwal. ▪ Forensic auditor had observed that the borrower had reported an inventory of Rs.235 crore as per ABS for FY 2022, whereas inventory as per stock statement submitted for October 2022 was Rs.123.84 crore. Further, during physical inspection by the forensic auditor on 31.10.2023, scrap and obsolete stock was noted. Representatives of the company were enquired about reason for difference in inventory during period as mentioned above. Mr. Rajesh responded to the query as below: o Rs.235 crore was the consolidated inventory for all the divisions of the company. The inventory of manufacturing division would be Rs.100 crore (approx.). o The business was standstill as none of the banks permitted operations post NPA classification and the factory has been occupied by the labour union on account of non-payment of wages. He further explained that stock is present in	

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						the factory, however is currently not accessible due to presence of labour union at site. o Further, 60% of stocks was lying with job-working vendors, which was not getting processed due to non-payment of dues. The said vendors were also not cooperating with the reconciliation of stock position. o The labour unions have backing of the political parties and hence they did not pursue any protection from the law enforcement agencies. ▪ Upon being enquired about reason for not providing information to the forensic auditor about stocks lying with various vendors for verification, Mr. Rajesh responded to the query as below: o The forensic auditor was informed about the situation. However, necessary documents and records could not be provided as the promoter/management was unable to access the file system/books due to occupation of the factory premises by labour union. o The stock was not obsolete and the forensic auditor did not have technical expertise to differentiate between good stock and obsolete/scrap stock. ▪ Mr. Rajesh could not provide any response to the query regarding reason for not conducting the audit/valuation of stocks by a qualified valuer, as was suggested by both Axis Bank and BoB post NPA classification. ▪ The company's representatives were enquired about reason for long standing receivable of Rs.16.22 crore from Utkal Galvanizers Limited (UGL) which is related party despite having positive net worth. Response from Mr. Rajesh to the query was as below: o Mr. Rajesh advised that he had taken over UGL around 10 years back in his personal capacity. o UGL holds lot of inventory of SCPL (as a result of cancellation of the GPIL order post COVID) and substantial amount is due from SCPL on account of price variation which they have not billed to SCPL due to GST related issues. o UGL has to deposit Rs.1.30 crore GST if they raise invoice on SCPL. Further, if SCPL takes back the said stock from UGL, they will have to pay GST of Rs.1 crore. Further, as they lack the means to pay the same presently, it would result in l default with GST. ▪ The company's representatives were enquired about reason for not taking appropriate action for recovery of dues from Gupta Power Infrastructure Limited (GPIL). Response from Mr. Rajesh to the query was as below:	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						○ SCPL has had a long standing relationship with GPIL and they have been in constant touch with GPIL for recovery of the dues. However, at present no legal action has been initiated. ○ SCPL would have to pay GST of Rs.1 crore if they claim their dues from GPIL. Further in case they were not able to pay the said amount they would default with GST. ▪ The company's representatives were enquired about action plan of the company since lot of orders have been cancelled post COVID. Response from Mr. Rajesh to the query was as below: ○ Resolution would be possible only if the lenders permitted holding on operations and restructuring of LC/BG dues into WCTL. Otherwise, the residual stocks would have to be sold at scrap resulting into minimal realization. ○ The company had submitted proposals to the lenders for allowing holding-on operations and selling-off of collaterals for clearing of dues. However, it was confirmed by SAG that the claims made by the company representative regarding submission of concrete resolution plan was not factual Modus Operandi ▪ Diversion of funds Root Cause ▪ Diversion of funds Staff Accountability ▪ Assessment of staff accountability across sanction, monitoring and disbursement processes is in progress Action Taken / Proposed ▪ Order intimating 'Fraud' classification by registered post to be issued. ▪ Police complaint is being filed in the matter. ▪ Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO) ▪ Full provision to be made as per guideline.	
229		Misappropriation and criminal breach of Trust Cash shortage at branch and various customers Bansepur Branch		70.35		Incident • On 14.02.2024, an incident of shortage of cash of Rs. 97.49 lakhs was identified at the Bank's Bansepur Branch. • Several complaints were received from customers disputing transactions in their accounts. Background • Bansepur Branch is a Rural-Unbanked Branch. Gaurav Sharma (Branch Head) and Sanjeet Kumar (Teller) were the custodians of cash at Bansepur Branch on the date of the incident. • In view of high cash holding of > Rs. 90 lakhs vs CRL of Rs. 16 lakhs and pendency of uploading scan	

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						copy of voucher for scrutiny, Circle BBO Head deputed the Dy BBO Head to the Branch to conduct Snap Audit. • The Dy BBO head reached the branch in the morning on 14-02-2024 and found that Branch Head Gaurav Sharma had not come for the day and only branch teller was available in the branch. On that day there were two officials only posted in the branch. On asking the Branch Head, he informed that he will come to the Branch shortly as his mother was not well. But later on, he neither came to the Branch nor hewas contactable. • In the meantime, officials from a customer M/s Omaxe New Amritsar Developers Pvt Ltd visited the branch to inquire about one transfer cheque transaction of Rs 80 lacs which was debited from their account on 13.02.2024 but was not credited in the intended beneficiary account. On checking it was found that the amount was transferred to some other account and amount was withdrawn from that account • Subsequently, the Cluster Head visited the Branch and the vault was opened with the help of duplicate set of keys and on checking the vault cash, total cash of Rs. 0.35 lakh was found against previous day system vault closing cash of Rs. 97.84 lakhs i.e. cash shortage of Rs.97.49 lakhs. • In the meantime, some more customers visited the branch to check their accounts and submitted complaint disputing transactions in their accounts Preliminary Investigation Findings • Preliminary investigation revealed that fictitious cash deposit entries were made in several accounts of the customers which may be a major reason leading rise to the inflated cash GL balance of the Branch. However, the incident is under investigation. • The Cash Vault Register, Cash Balance Register and Vouchers w.e.f 1st January '24 were found missing from branch as of now. It is alleged that these were taken away by the Branch Head Gaurav Sharma on 13.02.2024. • Later on, it was noticed that the Branch had received Rs.5.00 lakhs from the currency chest in inward remittance but it was not accounted for in the Cash GL Balance. The amount was also not available in the Branch. In view of the same, the total cash shortage in the Branch is arrived at Rs. 102.49 lakhs (97.49 + 5.00). • Subsequently 64 complaints were received from various customers alleging unauthorized debits to their accounts. • The amount involved in these 64 complaints was aggregating to Rs.1342.01 lakhs. Out of these 64 complaints, investigation has been completed in	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						respect of 12 complaints wherein the amount involved in fraud has been crystallised at Rs.190.54 lakhs. • Investigation of the complaints revealed that the registered mobile number in the customer's accounts were changed fraudulently through customer request form containing forged signature of the customer, Fixed deposits were closed and funds were withdrawn from the accounts of the customer by cash / Transfer to third party accounts / remittance through NEFT/RTGS. • Investigation is under progress for the remaining 52 complaints and the amount involved in these complaints aggregated to Rs.1151.47 lakhs, which is yet to be investigated and validated. Modus Operandi • The registered mobile number in the customer's accounts were changed fraudulently through customer request form containing forged signature of the customer, Fixed deposits were closed and funds were withdrawn from the accounts of the customer by cash / Transfer to third party accounts / remittance through NEFT/RTGS. • Fictitious cash deposit entries were made in the accounts of customers and the amounts were transferred to other Bank account through RTGS/NEFT. Root Cause • Infidelity of the custodians and inadequate supervisory oversight Staff Accountability • Examination of staff accountability is underway Action Taken / being taken • Gaurav Sharma & Sanjeet Kumar are placed under suspension. • Bank has lodged FIR with Mullanpur Police Station on 14.02.2024. • Gaurav Sharma & Sanjeet Kumar were arrested by Police authorities. • 100% provision will be made for the fraud loss amount.	
230		Misappropriation and Criminal Breach of Trust Cash Shortage at 3 offsite ATMs,Andhra Circle		16.60		Incident • On 24.01.2024, Self Service Channel-CO Team was informed by Independent ATM Deployer (IAD) AGS Transact Technologies Ltd about cash shortage of Rs.1.66 crores at 3 Offsite ATMs located in Andhra Circle. • The Cash Replenishment Agency (CRA) Secure Value India Ltd. identified shortage during their audit conducted on 19.01.2024 and 20.01.2024 Investigation Finding • The Bank's ATM services are under an outsourced model which is managed by vendors known as Independent ATM Deployers (IAD).	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• These IADs appoint Cash Replenishment Agencies (CRAs) for replenishing cash pertaining to the Bank's ATMs • Secured Value India Ltd, is an outsourced Cash Replenishing Agency (CRA) engaged under Independent ATM Deployer (IAD), AGS Transact Technologies Ltd. • Secure Value India Ltd, identified Cash shortage of Rs.1.66 crores during their audit conducted on 19.01.2024 and 20.01.2024 in 3 Offsite ATMs located in Andhra Circle. • Secure Value India Ltd, has confirmed that the custodians' M Ravindra and Y Kishore Babu were involved in the cash misappropriation. • The CCTV footage was not retrieved and reviewed, as the actual date on which cash misappropriation took place could not be identified. • The vault lock of the above ATM was enabled with One Time Combination (OTC). • As per guidelines, the Physical Cash Verification for the Offsite ATM to be conducted by Branch once in a year and by CA Firm once in 4 months (3 Blocks of April - July, August-November, December – March). • Physical Cash Verification (PCV) of ATM is assigned to Velagapudi Branch (Sol Id 3425) and Mangalgiri Branch (Sol ID 2907). Accordingly, the Branch officials conducted PCV of the ATMs as per Circular and found that physical cash was tallied with reconciliation balance. Hence, no lapse found on the part of the Branch. • Similarly, PCV of the ATMs is assigned to Venkat Associates (CA Firm) but they have not conducted PCV of the ATMs as per circular during 2 blocks i.e., April 2023- July 2023 and August 2023 – November 2023. • SSC, CO Team, vide mail dated 08.02.2024, informed that as per Service Level Agreement (SLA), Venkat Associates needs to achieve target completion of not less than 95% of the Total ATMs allocated to them within stipulated timelines and in case the target is not achieved as per threshold, then penalty would be levied as per agreed SLA. • In the period starting from April till July 2023 they have achieved their Target; hence no penalty applies. For the period starting from August till November 2023 penalty is already levied since, set target was not achieved. • Secure Value India Ltd, filed the police complaint in the matter with Mangalagiri Rural Police Station, Guntur vide FIR No.61/2024. • As per the terms of Service Level Agreement (SLA), the entire amount of Rs.1.66 Crores has been recovered from the IAD AGS Transact Technologies Ltd on 20.02.2024.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Modus Operandi • Misappropriation and breach of trust by the custodians of Cash Replenishing Agency (CRA), an outsourced agency. Root Cause • Infidelity and Misappropriation of cash and breach of trust by the custodians of CRA, resulted in perpetration of fraud. Staff Accountability • No lapses on the part of the Bank staffs have been identified. Action Taken / Proposed • The Hunter Team is advised to add PAN No. DAIPM0033E of M Ravindra and PAN no. AXGPY9924N of Y Kishore Babu to their Negative list. • Cash Replenishing Agency (CRA) filed the police complaint in the matter with Mangalagiri Rural Police Station, Guntur vide FIR No.61/2024. Investigation is under way.	
231		**M/s Royal Agro Mart Private Limited (RAMPL)**		2.42		Background of the case • M/s Royal Agro Mart Pvt. Ltd. (RAMPL) is an Agro commodity based trading company (mainly paddy), based out of Mumbai, Maharashtra. • Commodity Finance facility (against Paddy) of Rs.5 crore was sanctioned to the borrower, RAMPL in May 2023. • An amount aggregating Rs. 2.42 crore was disbursed to RAMPL against 2 Stock Receipts (SRs) in July 2023. • M/s Indian Commodities, which is empanelled with the Bank, was appointed as Collateral Management Agency (CMA). Resolution and Recovery Actions • The account was classified as NPA on 30.10.2023. • Loan Recall Notice (LRN) was issued to the borrower on 02.08.2023. • DRT filing is in process. Court fees are awaited. • Notice dated 08.08.2023 was issued to CMA to indemnify the Bank towards the loss occurred on account of non-performance of due diligence. A Lien was marked on the FD of Rs.1 crore taken from the CMA. RFA / Fraud Status • The borrower was classified as RFA on 22.08.2023, basis adverse findings in the Financial Crime Intelligence (FCI; erstwhile FCU) Report: Intention of the borrower to repay the loan seemed doubtful, as the commodity pledged has been suspected to be removed from Warehouse.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• The borrower was classified as 'Fraud', based on adverse observations in the internal investigation. Internal Investigations • Key findings of Internal Investigation are as under: • Commodity Finance facility limit of Rs.5 crore was sanctioned to the borrower, RAMPL in May 2023. • As per the sanction terms, funding was to be done against Warehouse Receipts (WR) / Stock Receipts (SR), issued by the Collateral Management Agencies (CMA) after certifying the quality and insurance of the stock, for which the funding request was to be received. • M/s Indian Commodities was appointed as Collateral Management Agency (CMA) in this case. M/s Indian Commodities is empaneled with the Bank. • The stock was to be stored in a private unlicensed Warehouse i.e., Sri Venkateshwara Warehouse located in Bellary, Karnataka, onboarded by the Bank through a sub-lease agreement executed between the CMA and the borrower. • On 01.07.2023, 3 SRs were received from M/s Indian Commodities for disbursement of loan against the stock. The commodity pledged by the borrower was paddy. • Accordingly, on receipt of the SRs and quality certificate duly certified for quality of the stock, issued by M/s Indian Commodities (CMA), the Bank disbursed a net amount of Rs.1.34 crore and Rs.1.08 crore aggregating to Rs.2.42 crore, after considering margin of 25%. • The third SR with the stock valuation of Rs.2.59 crore was rejected as it was found that the stock to be funded was not insured. • On 05.07.2023, Economic Offences Wing (E.O.W.), Mumbai sent a Notice to Debit Freeze Bank A/c No.921020017796907 (Current Account) of RAMPL in view of their on-going investigation against Parth Jadhav, the Director of RAMPL, Kashinath Jadhav (father of Parth Jadhav)and others in a case of cheating and criminal breach of trust to the tune of Rs.17 crores, filed by one Mr. Amir Ali. • On 20.07.2023, Bureau Veritas India Ltd. (BVIL), FCI appointed verification agency, conducted the monthly visit as per process to verify the stock stored in Sri Venkateshwara Warehouse located in Bellary, Karnataka. • The agency observed and highlighted serious irregularities like the Warehouse name was not mentioned anywhere at the location, Stock Register was not maintained, Pledge Board of the Bank was not found and above all the most critical observation was that the stock i.e., paddy bags were found to be non-stacked and were in uncountable position.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						• The BVIL Verifier also informed that part of the stock as per the SR was kept in other Warehouses, one of which was located at a distance of 1.5 kms from the location. These Warehouses were not on-boarded by the Bank and were not present in the Bank's system. It was also informed by them that the CMA supervisor was not having keys for the other 2 Warehouses. • On 25.07.2023, Mr. S. Prathap, the Sales Rural Executive, posted at Axis Bank, Siruguppa Branch visited the Warehouse location to cross validate the information received about the shortage of bags and found that the Warehouse No.1 was empty. The paddy bags were removed from the Warehouse without permission of the Bank. • He also pointed out that the capacity of the Warehouse was shorter than the quantity mentioned in the SR issued by the CMA. • As per the Commodity Finance Guidelines, a Private Unlicensed Warehouse is on-boarded by the CMA, who takes the control over the Warehouse by way of Lease / Sub-Lease Agreement, then appoint their Supervisor and put their own lock and key in place. • As per the process, on receipt of the FCI agency report and CMA's godown verification report, the godown creation process initiated by the Sales RM is pushed in the tray of CO-Underwriting Godown on-boarding team in eCBF system. • Once the godown is approved by the Underwriting team, CO, the CMA has to execute the agreement (between borrower and CMA) and update the agreement details along with the scan copy of the agreement in the eCBF system at CMA interface. • Once updated, the warehouse creation process moves to the tray of Operations Team for agreement verification and warehouse activation in eCBF. • Sri Venkateshwara Warehouse was on-boarded by the CMA - M/s Indian Commodities and the charge of the Warehouse was taken by way of a sub-lease agreement dated 30.06.2023 executed with the borrower, RAMPL. • After on-boarding of the Warehouse on 01.07.2023, they issued three SRs for disbursement, of which as mentioned above, one SR was rejected for want of stock insurance. • On 20.07.2023, the CMA was alerted about the partial stock being moved to other Warehouses as per the BVIL report. • The CMA M/s Indian Commodities informed that the locks used by them were broken and replaced by some other locks by unknown person. They informed that when their team visited the location to investigate, local villagers prohibited them entry to the Warehouse. It was found by them that the stock was moved from the Warehouse, and they were	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						suspecting Supervisor's (CMA staff) lapses / involvement in the incident. This indicated that the CMA had totally lost the control over the Warehouse. • The underlying lease agreement, if at all, was executed by the borrower with the Warehouse Owner, was not verified by the CMA as later it was found that the ownership of the Warehouse was claimed by a third party who completely denied having leased the Warehouse to any party. • The Bank had on-boarded the Warehouse basis the sub-lease agreement provided by the CMA and the verification report of FCI. (The Warehouse ownership verification process adopted by the Bank has been strengthened by the Product team in November 2023.) • As the borrower was in police custody, clarification could not be obtained from him. • In view of the obvious lapses on the part of Collateral Manager (CM), the Bank informed the CMA to render a Fixed Deposit of INR 1 crore on which lien would be imposed. The CMA has deposited the same but tried to shift the onus of the due diligence failure on the Bank, to which appropriate response has been sent to them refuting all their claims. • The borrower (Parth Jadhav, Director of the RAMPL) was arrested by the police with respect to some other cheating matter and the commodity involved in both the cases is also different. Presently, the borrower is out of jail on conditional bail. • With reference to the instant matter, M/s Suvidh Commodities E-Com Pvt. Ltd. (Trade Name: Indian Commodities) filed a private complaint u/s 156(3) of CrPC with Hon'ble Judicial Magistrate First Class (JMFC), Siruguppa, directing the local police to register a criminal case against the RAMPL, its directors and staff members of M/s Indian Commodities, u/s 120(B), 408, 420, 465, 467, 468, 471 R/w 34, of IPC who are suspected of having connived with the borrower / prime accused. • Indian Commodities alleged in the police complaint that RAMPL conspired with other accused persons with an intention to defraud Axis Bank, create false documents that there were 34,100 bags of paddy in the warehouse, named, Venkateswara Warehouse at Tulur Village, Siruguppa Taluk, Bellary District, Karnataka. • In view of the allegations made by the Indian Commodities, it is suspected that the borrowers have submitted false sub-lease agreement and in connivance with the local staff of Indian Commodities presented fake Stock Receipt. • Show Cause Notice (SCN) was issued to the borrowers, RAMPL and its 2 Directors, viz., Mr.	

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank	
						Parth Kashinath Jadhav and Ms. Madhuri Mohandas More on 24.02.2024 through the Legal Department. However, no reply has been received to the Notice. • The exact extent of the borrower's involvement in this incident could be substantiated upon conclusion of the police investigation, however, their role as suspected perpetrator, could not be denied. • Also, the role of the supervisor and other field staff of the CMA is suspected, and the exact extent of their involvement can be substantiated after the conclusion of the police investigation, and they are considered as co-perpetrators.Conclusion: • The account to be classified as 'Fraud' perpetrated by the borrowers, viz. RAMPL and its Directors in connivance with the staff of Indian Commodities, based on the following: • It was found that the CMA concerned, M/s Indian Commodities (IC) has executed the sub-lease agreement with RAMPL without proper due diligence and verification of the Master Lease Agreement of the Warehouse. • The ownership of the godown is disputed thus, raising a doubt on the bona fides of the sub-lease agreement itself executed between M/s IC and the borrower. • The CM's staff at the location committed serious breaches and deliberately suppressed material information or facts, leading to the Indian Commodities filling a criminal case in this matter against RAMPL and its Directors as well as their own staff concerned. • Active involvement of the CM's field staff in removal of funded paddy bags (commodity pledged with the Bank) is not being ruled out. The CM has lodged a complaint with the local police station. • In view of the foregoing, it is suspected that the fraud has been committed on the Bank by the borrower in connivance with the staff of the CMA.Modus Operandi • Unauthorized release / removal of the commodity pledged with Bank from Private Unlicensed Warehouse due to the Collateral Management Agency having lost control over the Warehouse. Root Cause • Godown / Warehouse on-boarding process did not stipulate verification of ownership of the Warehouses and only the structure of the Warehouse is verified. However, additional checks have been introduced. Staff Accountability • Assessment of staff accountability in sanction, disbursement and monitoring process are in progress. • Action Taken / Proposed	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Order intimating 'Fraud' classification by registered post to be issued. • Police Complaint has been lodged by the Bank. • Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO) • Full provision has been made as per guideline Process Gaps / Recommendations • Strengthening of Warehouse Ownership Documentation and Verification Process: • Gaps observed in the process of on-boarding of Third-Party Unlicensed Warehouses. Remedial Action Taken: • The Product team vide OAS (Ref. No. Axis/OAS/2023-24/616513) dated 22.11.2023 has issued revised guidelines on warehouse ownership documents for different types of Godowns. • With respect to Third Party Unlicensed Warehouses – any of the following ownership document has been made mandatory as acceptable document: - • Copy of the Sale Deed / Copy of Index 2 / Copy of the latest Municipal Tax Receipt / Transfer Deed / Gift Deed / Land Records (Khasra / Katauni / 7-12 / Jamabandi and other state specific land documents). • As per the revised guidelines, both, online and physical records, are acceptable. If the land records are submitted as an ownership proof, then the land record ownership must confirm to the party name in CM lease agreement. In case of any change due to succession, onward lease, land division etc. then confirmation from Patwari is required. • It has been further mentioned that in case the ownership proof documents are in regional language, approval from Area Underwriting Team to be obtained on mail

Details of default, if any, including therein the amount involved, duration of deflt and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon

As on the date of this Offering Circular, the Bank has no outstanding defaults in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, deposits and interest thereon and loans and interest thereon from any bank or financial institution, except where there is dispute under litigation.

Summary of reservations, qualifications or adverse remarks of auditors in the last five Fiscal Years immediately preceding the year of circulation of this Offering Circular and of their impact on the financial statements and financial position of the Bank and the corrective steps taken and proposed to be taken by the Bank for each of the said reservations or qualifications or adverse remark

No reservations, qualifications or adverse remarks have been given by our auditors in the last five Fiscals immediately preceding the year of circulation of this Offering Circular.

The independent auditors report for Fiscal 2020 Financial Statements contains an emphasis of matter with respect to the ongoing COVID-19 pandemic and its impact on the financial statements of the Bank. For details, see "*Consolidated Financial Statements - Note 1.2 of Schedule 18*" on page F-141, "*Standalone Financial Statements - Note 1.2 of Schedule 18*" on page F-45, "*Business - Impact of COVID-19*" and "*Risk Factors - Risks Relating to the Bank's Business - The extent to which the recent coronavirus (COVID-19) pandemic impacts*

the Bank's business, cash flows, results of the operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted".

- Details of defaults in annual filing of the Bank under the Companies Act

  As on the date of this Offering Circular, the Bank has not made any default in annual filings of the Bank under the Companies Act.

Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Bank and its future operations.

Except as stated in this section, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Bank and its future operations.