

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(i) of this General Information Document.

Registered Office: “Trishul”, Third Floor, Opp. Samarsheshwar Temple,
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Corporate Office: Axis House, P.B. Marg, Worli, Mumbai – 400025.

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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 (“NCS”) (AS DEFINED IN THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, AND ANY AMENDMENTS THERETO (“SEBI NCS REGULATIONS”)) FOR AN AMOUNT NOT EXCEEDING INR 35,000 CRORE AS PERMITTED BY THE SPECIAL RESOLUTION PASSED BY SHAREHOLDERS OF THE ISSUER ON APRIL 24, 2025 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 MECHANISM 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 ELIGIBLE 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: 18-Nov-2025

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	
 M M NISSIM & CO 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		kkc & associates llp Chartered Accountants (formerly Khimji Kunverji & Co LLP) 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 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 DOCUMENTS 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.

THE CONTENTS OF THE OFFER DOCUMENTS ARE INTENDED TO BE USED ONLY BY THOSE INVESTORS TO WHOM THE OFFER DOCUMENTS ARE ISSUED. THE OFFER DOCUMENTS ARE NOT INTENDED FOR DISTRIBUTION TO ANY OTHER PERSON AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT.

THE PERSON WHO IS IN RECEIPT OF THE OFFER DOCUMENTS SHALL MAINTAIN UTMOST CONFIDENTIALITY REGARDING THE CONTENTS OF THE OFFER DOCUMENTS AND SHALL NOT REPRODUCE OR DISTRIBUTE IN WHOLE OR PART OR MAKE ANY ANNOUNCEMENT IN PUBLIC OR TO A THIRD PARTY REGARDING ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE ISSUER.

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.

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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 DOCUMENTS 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 DEBT SECURITIES 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-PoD-1/P/CIR/2025/117 dated August 13, 2025 titled 'Master Circular for Debenture Trustees', 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 <i>inter alia</i> 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 (Disclosures 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 72.68%, 68.98% and 68.27% of the Bank’s operating revenue (comprised of net interest income plus non-interest income) for fiscals 2023, 2024 and 2025 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 7.31% as at March 31, 2023, 7.056% as at March 31, 2024 and 6.58% as at March 31, 2025. 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 ₹56,265 crores as at March 31, 2023, ₹75,004 crores as at March 31, 2024 and ₹74,027 crores as at March 31, 2025 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.

US rates now project between 50-75 bps rate cuts in CY25, with the potential for one 50 bps move after weak data. The 10y treasury yield is now trading at 4.05%, having come off as aggressive rate cuts under new Fed leadership could now be seen as justifiable given 2 months of weak payrolls and limited evidence of inflation from tariffs so far. Domestic markets have seen 10y yields come off peak, with the effects of the GST redesign now not seen as fiscally worrisome as initially thought. However, the overhang of supply remains on markets, an expected development after the end of OMO purchases earlier in the year. The MPC has also indicated the effective end of rate cuts, with likely future recourse to non-monetary policies, given a bottoming of inflation and financial outflows creating INR stress. As per our monthly views, current pricing appears to be around fair value.

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 2023,2024 and 2025 the Bank recorded income from Treasury operations ((profit/ loss) on sale of investments (net) and profit on exchange/derivative transactions (net)) of ₹1,527 crores, ₹3,731 and ₹4,148 crores 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 2.02%, 1.43% and 1.28% 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, 2023, March 31, 2024 and March 31, 2025 respectively. The Bank's net NPAs, represented 0.39%, 0.31% and 0.33% of net customer assets as at March 31, 2023, March 31, 2024 and March 31, 2025 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, 2023, March 31, 2024 and March 31, 2025 the provisioning coverage ratio (including prudential write offs) of the Bank was 93.71%, 94.07% and 93.56% 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. 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 Trade, Infrastructure, NBFCs, Basic metal and metal products, Banking and Finance, and representing 5.76%, 5.13%, 3.96%, 2.79% and 2.75% and respectively, of the Bank's gross advances outstanding as at March 31, 2025 which is as per the published financial statements.

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, 2025, aggregate credit exposure (including derivative exposure) to the Bank's 20 largest borrowers (fund and non-fund based) amounted to ₹1,50,927 crores, representing 76.59% 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, 2025 had a loan balance of ₹19,110 crores, representing 9.70% 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. The Bank continues to be guided by the pillars of the aforesaid strategy. These strategies may fail to contribute to the Bank's growth or profitability or may 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 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 customers 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. The Bank cannot assure you that it will be able to undertake 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 it 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 ₹4,87,571 crores as at March 31, 2023, ₹5,83,265 crores as at March 31, 2024 and ₹6,22,897 crores as at March 31, 2025. 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 5,377 as at March 31, 2024 to 5,876 as at March 31, 2025. The Bank's total assets have grown from ₹13,17,326 crores as at March 31, 2023 to ₹14,77,209 crores as on March 31, 2024 and ₹16,09,930 crores as on March 31, 2025.

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, 2025, 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, 2023, 2024 and 2025 28.63%, 30.51% and 27.33% 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, 2023, 2024 and 2025 71.37%, 69.49% and 72.67% 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 2023, 2024 and 2025 36.23%, 41.99% and 42.42% respectively, of the Bank's total deposits had maturities of one year or less, or were payable on demand. Also, as at March 31 2023, 2024 and 2025 19.83%, 21.84% and 26.83% 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.

The Reserve Bank issued an updated guideline on 'Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR) – Review of Haircuts on High Quality Liquid Assets (HQLA) and Run-off Rates on Certain Categories of Deposits'.

As per the updated guideline, a bank shall:

- assign additional run-off rates of 2.5 per cent to internet and mobile banking enabled retail and small business customer deposits.
- adjust the market value of Government Securities (Level 1 HQLA) with haircuts in line with margin requirements under the Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF).

In addition, the final guidelines also rationalise the composition of wholesale funding from 'other legal entities'. Consequently, funding from non-financial entities like trusts (educational, charitable and religious), partnerships, LLPs, etc. shall attract a lower run-off rate of 40 per cent as against 100 per cent currently.

The revised instructions shall become applicable w.e.f. April 01, 2026.

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 (ANBC) 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 2025. Loans to identified "weaker sections" of society must comprise 12% of adjusted net bank credit. As at March 31, 2023, 2024 and 2025, the Bank's lending to priority sectors (on a quarterly average basis for that year/period) accounted for 42.53%, 46.37% and 48.48% respectively, of adjusted net bank credit, with 18.92%, 19.76% and 18.42% 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 1.53%, 1.38% and 1.86% as at March 31 2023, 2024 and 2025. 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 2023, the Rupee depreciated 8.42% to ₹82.17 per U.S.\$1.00 as at March 31, 2023 and in fiscal year 2024, The Rupee depreciated 1.50% to ₹83.41 per U.S.\$1.00 as at March 28, 2024. The Rupee further depreciated 2.48% to ₹85.48 per U.S.\$1.00 as at March 28, 2025.

The Bank complies with regulatory limits on its unhedged foreign currency exposure. As at March 31 2023, 2024 and 2025 contingent liabilities (calculated pursuant to the Banking Regulation Act 1949 and Accounting Standard 29) on account of outstanding forward exchange contracts were ₹6,04,835 crores, ₹8,40,387 crores and ₹12,56,588 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 2025, there were 137 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 44 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 centres 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. The Income Tax Act has undergone significant amendments, including provisions that allow domestic companies to opt for reduced income-tax rates subject to certain conditions regarding tax exemptions, deductions and incentives. Any future changes to tax legislation may impact the Bank's tax obligations and financial performance.

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 on 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, 2025, 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 7.89% of the Bank's issued and paid-up equity shares as on June 30, 2025.

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 centres (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 centre in Bengaluru in the event that the Bank's main computer centre 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 centres, 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 defence 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 Document and 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 has upgraded the Bank's credit rating to "BBB" while the outlook has been revised to "stable" from "positive". 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 other 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 6.5% in FY25, slowing from the 9.2% rate of FY24. The numbers still show good increases in fixed asset investment, seen as driving longer term growth trends. The RBI estimates growth in FY26 at 6.5%. However, growth risks continue to emanate from global factors (including geopolitical tensions), the spatial and temporal distribution of the monsoon, and slow recovery in global demand. Most central banks have cut rates globally, though further cuts in the US have so far been held back by caution around the inflation impact of tariffs – easing could help support long term growth, but easing more than justifiable from an inflation context can set up longer term macro and market risks.

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. Additionally, quality concerns around the system retail portfolio might also impact 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. Lastly, shifts in India's international relations also could have negative effects.

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/regional 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 States and European policymakers around trade, investment and military developments, the exit of any 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 evolution of fiscal, monetary and geo-strategic policies 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 past 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. Also, moves towards easing these guardrails might begin to once again build up longer term macro and market risks.

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 60-80/bbl over the last one year, despite geopolitical risks as demand has remained weak, and supply seeks to assert market share amid geopolitical flashpoints. 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.

Inflation has recently been very low, largely owing to larger than usual seasonal variations in the prices of perishable food commodities – masking otherwise rising inflation. Normalisation of food prices could lead inflation back higher. 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.

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

India's trade, financial and remittance relationships with other countries can influence Indian economic conditions. The current account deficit has been in the 0.6-0.7% of GDP range since FY24, but this small number has not prevented INR depreciation with financial outflows being seen on a sustained basis. 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. This has been seen of late, with effective reserves (including forwards) hitting lows earlier in the year. A too-steep drawdown in reserves risks higher interest rates as well as financial controls, which might impair prices of Indian assets substantially. In addition, declines in foreign exchange reserves could adversely affect the valuation of the Rupee and could result in reduced liquidity – all of which 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 2023, 2024, and 2025 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. The extent and severity of these natural disasters determine their impact on the Indian economy. For example, in fiscals 2015, 2016 and 2024, 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, a 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. The recent developments relating to Operation Sindoor, disagreements on trade and global affairs with global powers, and value chain competition are all part of this. 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 have been 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 September 30, 2025:

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	7.89	---	---

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 ONE YEAR 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 THE DESIGNATED STOCK EXCHANGE FOR THE ISSUE IF NON-CONVERTIBLE SECURITIES ARE PROPOSED TO BE LISTED ON MORE THAN ONE STOCK EXCHANGE(S).

DETAILS OF THE STOCK EXCHANGE WHERE THE RECOVERY EXPENSE FUND IS BEING OR HAS BEEN CREATED.

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: +91 79 – 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 6th 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, 2025, 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, 2025 and March 31, 2024 were ₹16,09,930 crores and ₹14,77,209 crores respectively, and the Bank's net advances and deposits as at March 31, 2025 and March 31, 2024 amounted to ₹10,40,811 crores and ₹9,65,068 crores respectively, and as at March 31, 2025 and March 31, 2024 amounted to ₹11,72,952 crores and ₹10,68,641 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, 2025, the Bank had a network of 5,876 domestic branches and extension counters, 7,022 ATMs and 6,919 Recyclers distributed across 3,194 locations in India. As at 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. 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 3.7 crores savings customer accounts as at March 31, 2025. The Bank's total assets have increased from ₹14,77,209 crores as at March 31, 2024 to ₹16,09,930 crores as at March 31, 2025 with net retail advances (retail advances net of provisions) increasing from ₹5,83,265 crores as at March 31, 2024 to ₹6,22,897 crores as at March 31, 2025. Furthermore, total deposits increase from ₹10,68,641 crores as at March 31, 2024 and ₹11,72,952 crores as at March 31, 2025. As at March 31, 2024, the Bank had 9,153 ATMs and 6,873 cash deposit and withdrawal machines. As at March 31, 2025, the Bank had 7,022 ATMs and 6,919 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 2025 and March 31 2024 was 17.07% and 16.63% and CET-1 ratio was 14.67% 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 75% as on March 31 2025.

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 2025, the Bank had a network of 5,876 branches & extension counters and 13,941 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 around 58 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 FY25 and 8% market share in RTGS (value) for FY25. The Bank has witnessed improvement in digital adoption with 97% of financial transactions being done by individuals through digital channels in Q4 FY25. The Bank's mobile app is world's highest rated mobile banking app with a rating of 4.7 on the Play store and ~15 million mobile banking monthly active users in Mar'25. 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 offered by the Bank are provided across its physical and digital network, allowing it to 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

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 the 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. The Bank 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, driving improvement in resource productivity through 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. Various initiatives are underway for deposit mobilisation that are specifically focused on accelerating granular retail SA and individual term deposit franchise. At the same time, the Bank is equally focussed on scaling up its current account book, both wholesale and retail. 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.

The Bank believes that its initiatives and such customer-specific orientation will help it to 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 one of the important drivers 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, adjusted from time to time based on prevailing internal and external factors in its quest for increasing the market share. The Bank will focus on the following:
 - Making right choices on distribution channel i.e., growing disbursements through its low-cost channels and focus on disbursement from Bharat branches
 - 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
 - *Drive deeper customer engagement including digital engagement with existing customers for effective cross-sell & continue identifying new spaces*
- *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 identified SBUs and review them from time to time. 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. Build digital wholesale bank
- *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 Asset Management Company, 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 commercial banking, transaction banking and investment banking/ capital markets, 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. This will be done with deeper customer engagement including enhancing digital engagement. The Bank will continue to broaden its skill base and expertise in financial product development. 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.
- *Maintain control over credit costs* – The Bank will continue to maintain control over its credit costs and reposition retail assets in the current credit cost environment. The Bank will also focus on strengthening its collections infrastructure.

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 to be the leading tech and digital bank committed to technological excellence and innovation, delivering a secure and resilient banking system, while driving cost efficiency and maximizing return on investment. It also aims to continue building a cost efficient and customer centric, future ready, resilient, predictable Ops platform enabled by automation, predictive analytics and faster resolution.

In addition, Bank has been working towards building & retaining talent and enhancing productivity.

- *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 a strengthened assurance framework through an integrated assurance approach in the Bank which is monitored by the Board. The Bank has always emphasized on building a strong risk and compliance culture along with focus on Group governance 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). A central Project Management Team (PMT) has been setup to improve scale and efficiency of execution. We have launched a suite of initiatives under the Execution Excellence framework. Key initiatives that have progressed are enumerated below:
 - o Proactive tech upgrade for enhancing dominant need fulfilment of key tech systems
 - o Rebalancing human to tech mix with Operations as a test-bed
 - o Defined framework for Agile eligibility, Agile maturity assessment of tech applications and external validation of Agile maturity
 - o Ease of doing business (EODB) initiative for reducing friction for the frontline
 - o Interventions to enable speed to productivity for new joiners
 - o 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, 2025 and March 31, 2024, was 119.35% and 121.17%, respectively, which is well above the regulatory requirement. As at March 31 2025 and March 31, 2024, the Bank had excess SLR of ₹1,14,609 crores and ₹85,056 crores, which is well above the regulatory requirement. The Bank's capital adequacy ratio and CET-1 ratio were 17.07% (including profit) and 14.67%, (including profit) as at March 31, 2025 and stood at 16.63% with CET 1 ratio of 13.74% as at March 31, 2024.

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, 2025. 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, 2025, the Bank had a provision coverage ratio (excluding technical write-offs) of 75% on NPAs. During the previous year ended 31 March, 2024, the World Health Organisation (WHO) has declared that COVID-19 is no longer a public health emergency of international concern, hence the provision of ₹5,012 crores carried by the Bank towards COVID-19 related risks is no longer required. Consequently, post approval of the Board of Directors, the Bank's management prudently

elected to carry forward the aforesaid provision amount in its entirety, towards potential expected losses on certain standard advances and / or exposures. The said amount was accordingly reclassified to provision for other contingencies and disclosed as other liabilities under Schedule 5 of the Balance Sheet as on reporting date.

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

Max Life Insurance Limited ('Max Life')

Axis Bank has infused ~Rs. 1,612 crores in Max Life in April'24 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%.

Go Digit Life Insurance Limited ('Go Digit Life Insurance')

Further to initial investment in May 2023, the bank infused ~INR 58.83 crores in Go Digit Life Insurance in their rights issue round in June'24 as part of the definitive agreement to invest INR ~69.9 crores in two tranches. As on Jun'25 the Bank held 8.22% stake in the company.

IBDIC Private Limited ('IBDIC')

Axis Bank invested INR 2.5 crores in rights issue round of IBDIC (Earlier IBBIC Private Limited) in June'24 resulting in its shareholding increasing to 5.77% from 5.56%.

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 Retail Banking business unit offers a comprehensive range of products and services across liabilities, assets, payments, and third-party offerings, tailored to meet the needs of retail customers.

Retail liability products include a variety of savings accounts designed with distinctive features and benefits to cater to diverse customer segments, including high net-worth individuals (HNWIs) and salaried employees, along with term deposits.

Retail asset products encompass home loans, loans against property, personal loans, auto loans, business loans, two-wheeler loans, gold loans, education loans, and a broad selection of both secured and unsecured lending options.

In addition, the Retail Banking unit provides a suite of services such as debit and credit cards, forex cards, bill payment services, and wealth management solutions. It also markets third-party products like mutual funds, life and non-life insurance policies, and Government-issued savings bonds. A wide range of liability and asset products is also offered to Non-Resident Indians (NRIs).

To access a larger segment of India's population, the Bank has developed a wide network of fully interconnected retail branches, extension counters, ATMs, loan centers, internet banking channel, Axis Virtual Center and mobile banking.

Customers, depending on their preference, can choose to interact with the Bank and access its various products and service offerings through any of these channels. The Bank's branches distribute savings account, current account, term deposits, debit cards, travel currency cards, credit cards, prepaid cards, UPI payments, merchant acquiring business and depository services. The bank also sells third party products such as mutual funds, insurance and promote Government schemes. The Bank's loan centers distribute retail lending products such as mortgage loans, personal loans, vehicle loans, educational loans, gold loans and business loans.

During the fiscal year 2025, the Retail segment contributed 73% of the Bank's deposits [(Current account + Saving account + Retail Term deposit)/Total deposits] and 60% and 72% of the Bank's advances and fee income respectively .

Retail Deposits

The Bank has made significant progress in key areas, particularly in acquiring savings accounts (SA). The acquisition channels have become more self-sufficient, resulting in a 13% Y-o-Y growth in Retail SA. By strategically increasing the average ticket size in metro and urban markets, there was a 17% Y-o-Y increase in the average ticket size. Additionally, efforts to attract premium customers led to a 140 basis points rise in the share of premium customers. New-to-bank (NTB) salary uploads improved by 18% Y-o-Y.

Operational improvements also contributed significantly to growth. Over 50 process enhancements reduced the account opening turnaround time from 7 days to 3 days, improving onboarding efficiency. The increased

use of the “Siddhi” App, seamless cross-sell journeys, and smart nudges enhanced the overall ease of doing business for both customers and employees. Furthermore, the introduction of an effort-based credit architecture for term deposit led to a 41% increase in inflows for March, 2025.

The focus on premiumization of deposits will continue by increasing the share of premium accounts in overall acquisitions, targeting high-value customers. As part of our long-term growth strategy, we have shifted towards premiumization in mass market variants, focusing on high-value customer segments while reducing reliance on lower-variant offerings in metro and urban branches. This strategy aligns with market dynamics and our commitment to enhancing profitability and brand positioning. We aim to further strengthen our premium product portfolio, leverage technology, and enhance customer experiences. This strategic focus will drive sustainable long-term growth and establish leadership in the premium banking segment. We have also streamlined processes by reducing friction points, enhancing digital journeys, and empowering service channels like phone banking, leading to fewer complaints and improved Net Promoter Scores (NPS). The Bank maintained a steady share of CASA deposits at 41% of total deposits at the end of fiscal 2025.

The Corporate Salary Suvidha proposition has been further explored to make better inroads into corporate clients. Key requirements for corporates wanting to disburse reimbursements to their employees were activated both physically and digitally through Employee Reimbursement Accounts, ensuring easy and quick conversions compared to paper-based accounts. Worksites in corporates were transformed and innovated beyond the traditional helpdesk approach. We added brand partnerships with the largest electric two-wheeler companies, multinational electronics, and consumer durable companies for deeper employee engagement at worksites and induction programs.

We also launched a Special Suvidha Masterclass series with curated topics such as digital fraud prevention, tax filing, succession planning, financial and estate planning, and will writing through virtual sessions for employees in top corporates.

The bank continues to focus on fraud prevention and regulatory features, strengthening the onboarding mechanism with thorough verification of customer details via NSDL and UIDAI checks, complete authentication of customer contact details, enhanced customer profiling checks, and redesigning the geo-tagging process for address verification.

Digital banking is enhancing the retail liabilities franchise by enabling the bank to source more accounts through seamless onboarding, personalized offerings, and data-driven engagement. Additionally, digital banking strengthens the overall customer relationship value by integrating savings, investments, and lending products into a unified experience, fostering long-term loyalty and higher wallet share.

In the transformational space centred around customer experience, the bank launched a Lean Digital Savings Onboarding journey for existing assets and payments customers, where all their demographic details and KYC are pre-filled in the savings application, and only incremental or missing details are fetched from the customer along with the necessary initial funding. In the assisted mobile-based onboarding space, the bank is an early adopter of UIDAI's facial recognition technology-based KYC, allowing customers to be onboarded based on face match with customer records in the Aadhar repository. The bank also enabled a savings application tracker that allows customers to check real-time updates and status of the savings application from submission to account activation seamlessly.

The Bank continued to focus on retail term deposits throughout the year by leveraging new individual customers through its strong acquisition channels. This was complemented by the revamp of its journeys on digital channels, such as the ability to book fixed deposits (FD) from outside funds and booking non-callable FDs online. Individual current account (CA) customers can now seamlessly book FDs via WhatsApp. Total term deposits increased by 14% Y-o-Y in fiscal 2025.

During the year, the bank introduced several new product propositions, including the ‘ARISE’ savings account for women and the Doctors Banking Program, to offer the best banking services and life experiences under one bouquet. Premiumization of the deposits franchise continues to be an important imperative for the bank.

ARISE Savings Account: During the year, the bank launched the ARISE savings account, a thoughtfully designed proposition for women seeking financial security, independence, and growth. Women customers have always been at the forefront of disciplined saving, often maintaining higher balances in fixed deposits and mutual funds.

With ARISE, we aim to not only enhance our deposit focus but also provide a product that caters to women's unique financial needs, whether they are balancers securing their family's future, simplicity seekers building emergency funds, or go-getters with long-term saving goals. When we solve for women, we solve for everyone.

Doctors Banking Program: In line with the premiumization strategy of the bank, we launched a Doctors Banking Program specifically targeting doctors as a micro-segment, which constitutes a high-income cohort. We intend to take a holistic “One Axis” proposition to them with this program, catering to all their needs comprehensively and increasing cross-selling opportunities for the bank, thereby building stickiness with these customers.

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 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.

Third Party Distribution

Our Bank is committed to provide a 360-degree suite of financial solutions that caters every stage of a customer’s life journey from protection to wealth creation. By embracing a holistic approach, we empower our customers to safeguard their future while growing their wealth through a wide array of Insurance and Investment products.

To ensure maximum choice and value for our customers, the Bank has adopted a Truly Open Architecture Model - a pioneering move in the Banking Industry with 8 General Insurance Partners and 6 Life Insurance Partners. This approach allows us to offer a wide range of customized insurance solutions from multiple leading insurers under one roof, giving customers the freedom to choose the plan that best suits their needs.

As of 31 March, 2025, the Bank’s mutual fund assets under management (AUM) stood at ₹91,661 crores, reaffirming its position as the third largest banking distributor in the industry. The Bank serviced a mutual fund customer base of ~12 lakhs as on 31 March, 2025, reflecting growing investor trust and engagement.

In addition to mutual funds, the Bank also provides access to select Alternate Investment products from SEBI-registered providers, offering customers a broader range of wealth creation opportunities.

The Bank offers online as well as offline trading services to its customers in collaboration with Axis Securities Ltd. under the brand name Axis Direct. Through its branches, the Bank has sourced ~6.36 million total customers for Axis Direct with 7.7 lakh customers being added in fiscal 2025.

The Bank continued to be one of the largest Bancassurance player in terms of both Life and Non-Life Insurance volume among private Banks with an annual fee growth of 39% in Life Insurance and 11% in Non-Life insurance in fiscal 2025.

The Bank’s strategy of adopting a Digital first approach, tailor-made solutions in Health Insurance with segmental product launches led to growth of 13% in topline premium placement for its insurance partners.

By securing more than 1.6 lakh+ retail accounts for National Pension System product, the Bank improved its retail market share to 21% from 13% in fiscal 2025 and thereby becoming number 1 in POP space in terms of new business. Continued innovation in this space includes Digital integration journeys in core Bank platforms and enabling SIP option for customers to invest.

The Bank has an innovative user-friendly digital interface - Axis Marketplace - to facilitate distribution of insurance solutions. Axis Marketplace offers third-party products integrated directly with insurance partner systems thereby providing seamless journeys and instant issuance facilities.

The Bank continues to focus on reimagining end to end journeys and build a digital ecosystem for Investment Products on its mobile banking app and internet banking to ensure seamless access anytime, anywhere.

Retail Liabilities Products and Services

The Bank’s retail deposit products include the following:

- **Savings Bank Accounts.** Demand deposits from retail customers that are interest-bearing and offer a withdrawal facility through cheque books and debit cards. As of 31 March 2025, the Bank had approximately 37 million savings accounts.
- **Fixed Deposits.** Tenure-based deposits of a fixed amount over a fixed term that accrue interest at a fixed rate and may be withdrawn before maturity in accordance with applicable rates and conditions.

- **Recurring Deposits.** Tenure-based periodic deposits of a fixed amount over a fixed term that accrue interest at a fixed rate and may be withdrawn before maturity in accordance with applicable rates and conditions.

In addition to the Bank's conventional deposit products, it offers a variety of specialized products and services suited to meet the demands of the Bank's varied customer base.

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

- **Burgundy Private** - 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 31 March 2025, asset under management for customers of Burgundy Private was ₹ 2,090.67 billion.
- **Burgundy** - Burgundy is the Bank's wealth management offering for high-net-worth individuals. Launched in September 2014, 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. Every Burgundy customer is provided a dedicated relationship manager who, backed by a team of experts, offers a range of customizable wealth management, personal banking, business and lending solutions to its customers. As of 31 March 2025, asset under management for customers of Burgundy was ₹ 2,849.10 billion.
- **Priority** - The Priority Banking Program 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 service them effectively. As on 31 March 2025, the Axis Bank Priority Program accounted for ₹ 532.59 billion in SA deposits, constituting 21.5% of the total savings bank deposits of the Bank.
- **Prestige**- The Bank launched the Prestige proposition for emerging affluent customer segment in 2012. The Product was positioned between Liberty and Priority proposition as a step towards premiumization of customers. The product intends to provide premium banking experience to emerging affluent customers and give them a flavour of individualized services. This is a stepping stone for customers to move from mass segment to premium segment.
- **Sampann**: The Bank Launched Bharat Banking Sampann Account in June 2023. Savings account today is very vital from financial aspects as every financial inclusion activity such Aadhaar based government grants, payments to individuals for social security measures, NREGA payments and so on are being directly linked to bank accounts. Thus, it is important to penetrate not only in metro & urban geographies but also cater rural economy. We introduced a new scheme code under Prestige segment for RUSU locations i.e. Bharat Bank Sampann Savings Account (BBSPN). This Sampann account which will be replica of Prestige Savings Account (SBPRP).
- **Liberty** - Liberty product aims to render clutter breaking, industry first features to the mass segment target customers, broadly classified as customers with an average annual income of INR 8 lakhs, early jobbers, and age group preferably between 30-45 years. This value proposition is positioned on the "Power of Choice" which is delivered through flexible balances maintenance criteria - Flexibility to maintain via balances or through spends (an Industry First Feature). As on 31st March 2025, the Liberty portfolio size is more than ₹ 200 billion in SA Deposits.
- **Arise**: Women's Savings account is essential for her financial independence, security and personal growth. Designed to meet the banking needs of the new-age woman, Axis Bank recently launched the ARISE Women's savings accounts in Dec 2024. The ARISE Women's Savings accounts offers a curated bouquet of offerings like tailored financial solutions for women, health care benefits to prioritize women's well-being and a host of lifestyle benefits to enhance everyday convenience. This proposition is a stepping stone to create an equitable banking ecosystem where every woman has the financial resources and confidence to achieve her aspirations.
- **Easy** - Easy Access Savings Account and variants, offer prompt and easily accessible banking services to customers in the mass segment. Customers get easy access to the Bank's wide network of branches, extension counters, ATMs and cash deposit and withdrawal machines, Internet Banking, phone banking and mobile banking app. Benefits of the savings account include a debit card, rewards program, dining discounts and access to Grab Deals. As of 31 March 2025, SA deposits under the Easy segment totalled ₹ 734.94 billion, constituting 29.66% of the Bank's retail savings bank deposits.

- **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. As of 31 March 2025, this product accounted for ₹ 157.53 billion constituting 6.36% of the retail savings deposits of the Bank.
- **Salary Accounts.** To offer complete banking solutions to salaried employees, the Bank introduced a comprehensive payroll product consisting of differential privileges and offered 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 31 March 2025, the payroll product portfolio totalled ₹ 568.99 billion in SA Deposits.
- **Investment Products**

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

o ***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 2025, the Bank earned fee income of ₹2,746.91 crores from its life insurance business as compared to ₹1,979.26 crores in fiscal 2024.

- o ***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 2025, the Bank's non-life insurance business earned fee income of ₹427.36 crores as compared to ₹383.97 crores in fiscal 2024.

- o ***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 ₹855.68 crores through the distribution of investment products in fiscal 2025 as compared to ₹702.31 crores in fiscal 2024.

- o ***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 behavior. 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 2025, March 31 2024 and March 31 2023 were ₹ 6,22,897 crores, ₹5,83,265 crores and ₹4,87,571 crores, respectively, constituting 59.85%, 60.44%, and 57.68% 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, 2025, 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, 2025, 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 14.2%, 14.0% and 14.0% market share of the Indian credit card market in fiscal years 2023, 2024 and 2025 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 2023 (Audited)	As at March 31, 2024 (Audited)	As at March 31, 2025 (Audited)
Automobile loans	52,277.75	58,746.65	58,318.56
Mortgage loans	1,57,391.52	1,65,899.11	1,67,144.23
Loans against property	50,756.17	63,673.50	75,315.67
Personal loans	54,561.01	71,592.29	77,332.11

Product	As at March, 31 2023 (Audited)	As at March 31, 2024 (Audited)	As at March 31, 2025 (Audited)
Retail agriculture loans	70,917.79	91,865.55	98,231.82
Education loans	2,228.54	3,266.04	4,182.84
Gold loans	1,689.43	2,142.92	4,379.44
Small business loans	42,981.57	57,218.55	66,757.31
Credit card loans	31,683.84	41,323.73	43,084.21
Other retail loans ⁽¹⁾	23,083.41	27,536.38	28,150.64
Total	4,87,571.03	5,83,264.71	6,22,896.83

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

March 31, 2025	YOY Growth
Product	
Automobile loans	-0.73%
Mortgage loans	0.75%
Loans against property	18.28%
Personal loans	8.02%
Retail agriculture loans	6.93%
Education loans	28.07%
Gold loans	104.37%
Small business loans	16.67%
Credit card loans	4.26%
Other retail loans ⁽¹⁾	2.23%
Total	6.79%

(2) 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, , 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 ₹410.33 crores in fiscal year 2023, ₹347.80 crores in fiscal year 2024 and ₹375.14 crores in fiscal year 2025 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 2023, 2024 and 2025.

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, 2023	For the year ended March 31, 2024	For the year ended March 31, 2025
Card fees	3,922.81	5,820.54	6,253.18
Non-card fees	6,751.66	8,676.40	9,948.25
Out of which			
MF and insurance distribution fees (including distribution fees relating to bonds, gold coins etc.)	2,095.47	3,078.08	4,050.47
Other retail fees (including foreign exchange service fees)	4,656.19	5,598.32	5,897.78
Total fee income from retail operations	10,674.47	14,496.94	16,201.43

Total fee income from the Bank's retail operations accounted for 18.07%, 20.04% and 20.35% 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 2023, 2024 and 2025 respectively, and 67.31%, 71.56% and 71.99% of the Bank's total fee income for fiscal years 2023, 2024 and 2025.

Retail Banking Strategy

1. **Product and Segment:** Focus on new product developments supported by specialized, segment-driven programs such as Make My Plan, which allows customers to select the features they want in their savings account instead of choosing from a predefined bank package. Other initiatives include Dream Builder, which helps customers save with a goal-based approach, and the Advantage and Pride accounts.
2. **Personas:** Identify and target strong customer personas, creating tailored offers. Enhance existing propositions like the Silver Lining program and accelerate the deep penetration of Arise accounts, which are designed specifically for women's banking needs.
3. **Partnerships:** We are forming partnerships across various dimensions, such as with Cards (Flipkart), fintech solutions (QuikDox), corporate BCs for acquisition, insurance companies (Axis Max, Bajaj), stockbrokers, and FirstCry.
4. **Channel:** We are empowering our channels with tools like Aarambh and Sharpsell, which help our field teams confidently pitch products and ensure the right fit based on customer profiles. Focused acquisition efforts will be driven by motivating the asset team to engage in liability acquisition, supported by a reward and recognition platform from senior management (SYMBIOSIS). Additionally, outreach market activities will be managed through SAMAROH, with enhanced tracking and efficient review of generated leads.
5. **Onboarding Journeys:** Our onboarding journeys have reached a pinnacle of excellence, as reflected in our high FTR levels, top NPS scores, and improved TAT. While we continue to strive for an even better customer experience, we remain committed to adhering to regulations and creating a seamless journey for customers to bank with us happily.
 - a) We are introducing innovative propositions such as allowing customers to choose their own account number. Other key initiatives are -

1. Facial biometric process for opening saving accounts,
 2. Account opening within 30 minutes.
- b) Co-origination Journeys: These journeys are a key enabler for our asset team, simplifying the savings account opening process alongside asset account openings. Having gone live with the SEG business, we will focus on other asset verticals this fiscal year. This will not only ensure a seamless experience for our customers but also provide quicker services through our resources. Our asset teams are now equipped to complete savings account acquisitions directly on their devices, an industry-first move compared to competitors who still assign leads to their sales teams.
6. **Corporate Salary Acquisition:** We are taking a focused approach to acquire premium accounts through top-tier corporates such as Unified and SCATA. We are creating programs that cater to the needs of COEs based on specific industry and segment requirements. Being mindful of competitors launching premium programs, we differentiate ourselves by offering a hybrid journey that makes it easier to onboard salary customers, helping us gain better market share. Various offers, including collaborations with brands for worksite events at corporate premises, have helped create strong mindshare among KDMS/corporates for our bank.
 7. **Digital Focus:** We are enhancing the Amaze product and launching a salary variant, while also exploring new partnerships. By leveraging digital website traffic, we aim to further refine our client acquisition strategies.

Wholesale Banking

Wholesale Banking business unit delivers a comprehensive suite of loan and fee-based products tailored to the needs of conglomerates, large corporates, mid-sized companies, multinational firms, Financial institutions including PSU & Govt entities and small and medium enterprises (SMEs), including micro-enterprises.

We offer a wide range of financial solutions, including:

- **Credit Facilities:** Cash credit, demand and short-term loans, project finance, export credit
- **Trade & Working Capital Solutions:** Factoring, bill discounting, supply chain finance, documentary credits, guarantees
- **Treasury & Risk Management:** Foreign exchange and derivative products
- **Transaction Banking:** Cash management services, tax payments, cross-border trade, correspondent banking
- **Capital Markets & Liability Products:** Capital market solutions, current accounts, certificates of deposit, and term deposits

Wholesale Banking segment is structured into two focused sub-groups:

- **Corporate Sub-Group (managed by the Wholesale Banking Coverage Group):** Serves government entities, strategic accounts, large corporates, multinationals, mid-sized companies, and medium enterprises.
- **Small Enterprises Group (managed by the Commercial Banking Coverage Group):** Caters specifically to SMEs, including micro and small businesses.

Supply Chain Finance (SCF) is a key offering under the Wholesale Banking Product (WBP) vertical and is distributed seamlessly across all coverage segments.

Corporate Sub-group (managed by Wholesale Banking Coverage)

The Corporate sub-group, a key pillar of the Bank's Wholesale Banking business, delivers a full spectrum of loan and fee-based solutions to a diverse client base ranging from government bodies and strategic accounts to large corporates, multinational companies, and mid-sized to medium enterprises.

This segment plays a pivotal role in mobilizing low-cost funds by offering a robust suite of current account products and transaction banking solutions. These offerings are tailored to meet the evolving needs of clients across sectors, including corporates, institutions, central and state governments, and small and retail businesses.

Our current account portfolio is designed with flexibility at its core, enabling clients to select products aligned with their operating scale and average balance requirements. Complementing this is a seamless omnichannel experience clients can transact and manage their accounts through our extensive branch and ATM network, as well as through secure digital platforms including internet banking, mobile banking, and phone banking.

By combining deep sectoral expertise with integrated banking solutions, the Corporate sub-group ensures clients receive high-impact, relationship-driven service that supports their growth and operational efficiency.

To create an integrated corporate banking franchise, the Bank reorganized the coverage structure of its corporate sub-group in 2024-25, as follows:

The Bank's Wholesale Banking Coverage model is structured to deliver specialized financial solutions across a diverse spectrum of corporate clients. Each segment is defined by strategic relevance, business scale, and sectoral focus, ensuring tailored relationship management and product delivery.

1. Conglomerates & Large Corporates (C&LC)

- Comprises pre-identified Corporate groups of strategic importance to the Bank.
- Includes all corporates with turnover exceeding ₹1,000 crore, excluding those classified under Mid Corporates (MC) or Multinational Corporates (MNC), except in Specified Geographies (Mumbai, Delhi-NCR, Chennai, Bengaluru, Kolkata, Hyderabad, Pune), where the threshold is ₹750 crore.
- Focused on deep, multi-product relationships with high-impact clients.

2. Real Economy Group (REG)

- Covers Indian corporates and financial sponsors engaged in infrastructure and real estate development.
- Infrastructure includes sectors as defined by RBI: roads, power generation, transmission & distribution, ports, airports, oil & gas transportation, telecom towers, data centers, social infrastructure, warehousing, and industrial parks.
- Real Estate includes commercial, residential, retail, and emerging segments such as co-working spaces, student housing, and leased residential assets. Hybrid structures like REITs & Invits also gets catered to by this segment.

3. Mid Corporates (MC)

- Corporates with turnover between ₹250 crore and ₹1,000 crore, not classified under C&LC, PSU, or MNC.
- In Specified Geographies, this segment includes clients with turnover up to ₹1,500 crore.
- Focused on scalable businesses with growth potential across sectors.

4. Medium Enterprise Group (MEG)

- Covers clients with turnover between ₹75 crore and ₹250 crore.
- Now integrated within the Mid Corporate framework for streamlined coverage and product delivery.

5. Multinational Corporates, New Economy Group & Financial Sponsors (MNC, NEG & FS)

- MNCs: Entities with foreign ownership exceeding 50% or majority control by a foreign parent.
- New Economy Group: Companies in emerging sectors such as FinTech, SaaS, D2C, Agritech, etc., with Series A and above funding.
- Financial Sponsors: Includes PE, VC, and venture debt firms with active investments in India.

6. Institutions & Government Coverage-

- **FIG:** Covers banks, NBFCs, mutual funds, insurance firms, capital market intermediaries, and investment firms (PE/VC), both domestic and offshore excluding entities mapped under GCG, C&LC, MNC, or MC.
- **PSUs:** Government-owned entities, departments, and undertakings with active credit relationships, excluding NHAI, Railways, and mapped group entities.
- **GCG:** Dedicated to entities majorly owned by the Government of India, including departments, federations, and statutory corporations.
- **GSSCA-** Custody & Capital Account Product team has been restructured under the Financial Institutional Group (Capital Markets) and renamed Global Securities Services & Capital Account Business (GSSCA). GSSCA offers specialized services across Custodial & Fund Services, Capital Fund products (IPO, QIP, Buyback, Dividend, Escrow, RERA, CSR), and Capital Account solutions (FI, OI, ECB), regulated by SEBI, RBI, and IFSCA.

7. Structured Assets Group (SAG)

- Manages the Bank's NPA book and stressed assets.
- Covers identified companies/groups requiring resolution and strategic turnaround support.

Segmental Coverage Overview

Coverage Segment	Client Profile
C&LC	Strategic corporate groups; turnover > ₹1,000 Cr (₹750 Cr in specified geographies)
REG	Infrastructure & Real Estate developers; Financial Sponsors
MC	Turnover ₹250 Cr – ₹1,000 Cr (up to ₹1,500 Cr in specified geographies)
MEG	Turnover ₹75 Cr – ₹250 Cr
MNC, NEG & FS	Foreign-owned corporates, New Economy firms, PE/VC sponsors
Institutional & Government Coverage	Financial institutions, Govt. undertakings with credit relationships along with Govt.-owned entities, departments, federations, Insurance, capital markets & Fis
SAG	Stressed assets and NPA accounts requiring resolution

- This framework ensures focused relationship management, optimized product delivery, and strategic alignment with the Bank's growth priorities across sectors and client segments.

Wholesale Banking – Products & Services Overview

The Bank's Wholesale Banking business unit offers a comprehensive suite of financial products and services tailored to meet the diverse needs of corporate, SME, and corporate agriculture clients. These offerings are designed to support clients across their business lifecycle—from working capital and project financing to transaction banking and risk management.

Product Classification

1. Fund-Based Products

These are direct credit facilities extended to clients, including:

- **Working Capital Finance:** Overdrafts, cash credit, demand loans
- **Corporate Finance:** Medium- and long-term loans
- **Project Finance:** Structured funding for infrastructure and industrial projects
- **Bill Discounting:** Liquidity solutions through receivables financing

Facility structuring is based on:

- Purpose of the loan
- Nature and quality of collateral

- Repayment terms
- Risk profile and credit behaviour
- Client-specific requirements

2. **Non-Fund-Based Products**

These are contingent credit facilities that enhance client credibility and support trade and contractual obligations:

- Documentary Credits
- Standby Letters of Credit
- Bank Guarantees

3. **Liability Products & Fee-Related Services**

Designed to support liquidity management and transactional efficiency:

- Current Accounts
- Non-Retail Term Deposits

4. **Fee-Based Services**

Value-added services that enhance operational convenience:

- Domestic & Cross-Border Fund Transfers
- Cash Management Services
- Government Tax Collection
- Trade Services

Delivery Channels

Clients can access these products and services through:

- The Bank's nationwide branch network
- Correspondent banking partnerships
- Digital platforms: Internet banking, mobile banking, phone banking
- ATMs and self-service kiosks

Credit Risk & Policy Framework

The Bank adheres to RBI-mandated credit classification norms, ensuring robust risk governance across its wholesale portfolio. Key features include:

- **Risk Classification:** Each client and transaction are assigned a risk rating based on exposure, collateral, and credit behaviour.
- **Credit Scoring Models:** Advanced models assess client profiles and determine credit limits and pricing.
- **Policy-Driven Lending:** Credit decisions are guided by a dynamic policy framework that allows for differentiated interest rates based on risk.
- **Back-Office Validation:** All transactions are verified for documentation, limit adherence, and compliance.

The Bank's credit policy and scoring models are reviewed periodically to align with market dynamics and portfolio performance indicators.

This structured approach ensures that Wholesale Banking clients receive customized, risk-aligned financial solutions delivered through a seamless and secure banking experience.

Commercial Banking Coverage

CBG is a critical and vital segment of the Bank, contributing significantly to both business growth and profitability. As per Axis Bank's motto, "Har Raah Dil se OPEN - Our commitment to open every window of opportunity," CBG caters to the evolving needs of MSMEs across the entire customer value chain. This includes Loans, Trade/Forex, Liabilities, and Fee-based products, providing tailored banking solutions for both business owners and their employees, ensuring seamless financial support at every stage of their journey.

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

The MSME sector has consistently demonstrated its resilience and remains the backbone of the Indian economy. Recognizing this, CBG is committed to serving their diverse financial needs through innovative solutions, a customer-centric approach, and strategic partnerships. CBG strives to be a trusted partner, enabling MSMEs to scale and succeed. CBG's digital first approach and robust credit delivery framework have enhanced reach and engagement during FY25. The advanced digital renewal journey streamlined loan servicing. Our relationship managers, equipped with real-time data through advanced digital tools, played a key role in delivering proactive, personalized service.

Loans to SMEs (including SME agricultural loans) amounted ₹89,398 crores ₹1,03,654 crores as at March 31 2023 and 2024 respectively, constituting 10.58% and 10.74% of the Bank's total loan portfolio as at March 31 2023 and 2024 respectively. As at March 31 2025, the same stood at ₹1,18,521 crores constituting 11.39% of the Bank's total loan portfolio.

As MSMEs progress in their journey, CBG aims to be their trusted financial partner, providing comprehensive banking solutions that fuel their growth and contribute to the nation's economic prosperity. In fiscal 2025, the CBG segment made substantial contributions to Priority Sector Lending (PSL), aligning its efforts with national developmental goals while strengthening its liability portfolio to enhance stability and profitability.

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, 2023	As at March 31, 2024	As at March 31, 2025
		% of total	% of total	% of total
1	AAA	29	27	28
2	AA ⁽¹⁾	38	40	41
3	A ⁽²⁾	22	22	21
4	BBB ⁽³⁾	10	10	9
5	BB and below	1	1	1
	Total	100	100	100

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

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

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

In fiscal years 2023, 2024 and 2025 approximately 89%, 89% and 90% 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 ₹2,548 crores as at March 31, 2025 as compared to ₹2,978 crores as at March 31, 2024.

The four industry groups with the highest representation in the standard Corporate sub-group's loans rated BB and below are power (representing 32.59% of the Corporate sub-group's loans rated BB and below as at March 31, 2025), infrastructure and construction (representing 10.18% of the Corporate sub-group's loans rated BB and below as at March 31, 2025), real estate (representing 6.87% of the Corporate sub-group's loans rated BB and below as at March 31, 2025) and Food processing (representing 6.19% of the Corporate sub-group's loans rated BB and below as at March 31, 2025).

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 0.38% and 0.28% as at March 31, 2023 and March 31, 2024, as compared to 0.23% as at March 31, 2025. 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 1.31% and 1.07% as at March 31, 2023 and March 31, 2024, as compared to 0.85% as at March 31, 2025.

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, 2023	As at March 31, 2024	As at March 31, 2025
		% of total	% of total	% of total
1	SME1	11	10	8
2	SME2	22	19	18
3	SME3	48	45	45
4	SME4	14	17	20
5	SME5 -7	6	8	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, 2025, the Bank's acceptances, endorsements and other obligations portfolio amounted to ₹55,341 crores, compared with ₹59,087 crores as at March 31, 2024.
- **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, 2025, the Bank's outstanding guarantees amounted to ₹1,41,189 crores compared with ₹1,28,127 crores as at March 31, 2024.

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, 2023 and March 31, 2024, the non-retail current account deposit balance with the Bank totaled ₹1,49,120 crores and ₹1,57,268 crores respectively, compared with ₹1,66,799 crores as at March 31, 2025. As at March 31, 2023 and March 31, 2024, the non-retail term deposit balance with the Bank totaled ₹1,96,703 crores and ₹2,53,618 crores, compared with ₹3,11,201 crores as at March 31, 2025.
- **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 ₹2,967 crores, ₹3,313 crores and ₹3,550 crores for fiscal years 2023, 2024 and 2025 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 Wholesale Banking Product unit offers a comprehensive suite of fee-based products and services designed to meet the evolving needs of corporate, institutional, and government clients. These offerings are structured to enhance operational efficiency, optimize liquidity, and support digital transformation across sectors.

- **Cash Management.** Our Cash Management solutions are designed to optimize liquidity, streamline collections, and improve working capital efficiency. The Bank offers a full spectrum of services across Payments, Collections, Liquidity Management, and Commercial Cards. Leveraging our extensive branch network and robust API infrastructure, clients can seamlessly integrate their ERP or treasury systems with the Bank's platform. This enables Real-time balance visibility, Instant payments, and Automated reconciliation. To further enhance client experience, the Bank has

launched an API Developer Portal, enabling businesses to adopt a self-service model for integration and innovation.

- **Government Services.** Authorized by the Reserve Bank of India and various government bodies, the Bank provides specialized banking solutions for central, state, and local governments. These include Tax payments, Utility collections and Welfare disbursements, etc. Our offerings are built on a foundation of speed, accuracy, compliance, and security, supporting efficient fund management and promoting financial inclusion across the country.
- **Trade & Supply Chain Finance.** The Bank delivers a comprehensive range of Trade and Supply Chain Finance solutions for both domestic and international trade. These services are accessible through our branch network and digital platforms, with seamless integration into client systems. Key offerings include Export and Import financing. Bank guarantees, Working capital optimization and Liquidity & risk management. A dedicated team of product specialists across sales, product, and operations ensures tailored support for client requirements.
- **Correspondent Banking and Payments** Through a robust network of Nostro and Vostro relationships, the Bank facilitates cross-border banking and payment services. Our Correspondent Banking solutions support Retail and non-retail remittances, Cheque clearing, Trade finance and Treasury payments. These services enhance global connectivity and provide customers with a wide range of options for international transactions.
- **Corporate Digital Transformation: “NEO by Axis Bank”** is our flagship digital initiative, reflecting our commitment to becoming a leading digital transaction bank. The platform offers API Banking, Corporate Internet Banking, Host-to-Host integration and Strategic fintech partnerships. With over three years of sustained investment, NEO has demonstrated strong product-market fit and widespread adoption. The Bank has developed tailored digital solutions to meet the needs of clients across varying levels of digital maturity, including a Corporate Developer Portal for seamless, self-service integration.

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, 2023	For the year ended March 31, 2024	For the year ended March 31, 2025
Corporate sub-group fees	2,801.46	3,092.52	3,331.10
SME sub-group fees	569.98	611.51	701.15
Transaction banking fees	1,812.54	2,056.35	2,270.16
Total fee income from Wholesale Banking operations	5,183.98	5,760.38	6,302.41

Fee income derived from the Corporate sub-group accounted for 4.74%, 4.28% and 4.18% 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 2023, 2024 and 2025 respectively, and 9.20%, 7.89% and 7.81% of the Bank’s total fee income for fiscal years 2023, 2024 and 2025. Fee income from the Bank’s SME sub-group accounted for 0.96%, 0.85% and 0.88% 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 2023, 2024, and 2025 respectively, and 3.59%, 3.02% and 3.12% of the Bank’s total fee income for fiscal years 2023, 2024 and 2025.

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 ₹188 crores, ₹239 crores and ₹292 crores for fiscal years 2023, 2024 and 2025 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, 2023	As at March 31, 2024	As at March 31, 2025
Savings bank deposits	297,416	302,132	3,11,389
Demand deposits	149,120	157,268	1,66,799
Term deposits	500,409	609,241	6,94,764
Total deposits	946,945	10,68,641	11,72,952

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 "Fair value through Profit and Loss", "Available for Sale" "Held to Maturity" and "Subsidiaries and Associates".

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 ₹27,741 crores (40% of its net worth as at March 31, 2024, as adjusted for subsequent capital injection). The Bank's exposure to the capital markets (as defined by the RBI) as at March 31, 2025 was ₹41,959 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, 2024, the Bank had ₹16,61,577 crores in outstanding forward exchange and derivatives contracts compared with ₹26,26,182 crores as at March 31, 2025.

Profit on exchange/derivatives transactions (net) increase from ₹1,935 crores in fiscal year 2024 to ₹2,163 crores in fiscal 2025.

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 2024 and 2025, the Bank acted as arranger for ₹ 2,77,365.18 crores and ₹ 3,55,866.17 crores, respectively. As on 30th June 2025 (1st quarter); the Bank was associated with total issues of ₹ 1,18,605.96 crores for various PSUs and Corporates.

In January 2025, The Asset Triple A Sustainable Finance Awards 2025 awarded the bank for Best Bond – NBFI and Best Bond – Airport. In October 2024, “Asset Benchmark Research 2024” awarded the bank as “Top arranger - Investors' Choice for primary issues - Corporate bonds and “Top sellside firm in the secondary market - Corporate bonds”. 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 team were included in the list of Indian Rupee Best Sellside Individual for Asset Benchmark Research Awards 2024. 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, 2025, the Bank has overseas branches at Singapore, DIFC - Dubai and an Offshore Banking Unit at the International Financial Service Centre (IFSC), Gujarat International Finance Tec-City (GIFT City), Gandhinagar, India.

The Bank’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 ₹56,531.95 crores, which constituted 3.51% of the Bank’s total assets as at March 31, 2025.

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, 2025 the Bank had opened approximately 0.29 crores basic savings accounts PAN India and had a network of 1,42,319 customer service points PAN India. 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 28.05 lakh transactions on the Aadhaar Enabled Payment System amounting to ₹914.52 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, 2025, the Bank had a total priority sector lending portfolio of ₹4,12,211 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, 2023	As at March 31, 2024	As at March 31, 2025
Agricultural advances ⁽¹⁾	1,33,226.98	1,50,465.00	1,59,802.33
Micro and small enterprises ⁽²⁾	1,32,263.77	1,71,624.09	1,50,816.92
Other priority sector lending ⁽³⁾	34,813.32	28,130.10	1,01,591.41
Total	3,00,304.07	3,50,219.19	4,12,210.66

(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 its 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. We provide both 'pre-harvest' and 'post-harvest' credit to the farm 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 funding for logistics and storage including warehouses & 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 2025, the bank had a network of 6,265 banking outlets with 5,865 branches, 11 extension counters, 152 specialized branches, and 234 BCBOs and 3 Digital Banking Units (DBU) as compared to 5,377 branches and extension counters as at March 31st, 2024.

The Bank has opened 500 new branches and extension counters in fiscal 2025.

As at 31st March 2025, the Bank also had 302 central processing centers and 152 specialized branches (lending centers) and 7,022 ATMs and 6,919 recyclers. As of 31st March 2025, the Bank's geographical reach in India extended to 35 states and union territories, covering around 3,134 centres and 705 districts.

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 40 Circle Offices and nine regional offices, which are administrative units that controls a cluster of branches, 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 25.

Category	Number of Branches	Percentage of Branches
Metro	1,787	30.47%
Urban	1,321	22.52%
Semi-urban	1,683	28.70%
Rural	1,074	18.31%
Total	5,865	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 25.

Category	Number of Branches	Percentage of Branches
Northern	1530	26.10%
Eastern	925	15.78%
Western	1089	18.58%
Southern	1337	22.81%
Central	984	16.79%
Total	5865	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 2025, Open by Axis application had 4.7 rating out of 5 on Google Play Store and 4.8 rating out of 5 on iOS 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.

Neo by Axis Bank, our industry-leading digital initiative, is driving impactful outcomes while empowering businesses through **Neo for Business** and **Neo for Corporates**

Neo for Business, Axis Bank's MSME proposition launched in September 2023, is rapidly scaling with approximately **1.8 lakh customers onboarded**.

- **28% growth in transactions** (Q4 over Q3), positioning Neo for Business as a cornerstone of our digital ecosystem
- **Over 70,000 Android and 50,000 iOS mobile app users**
- **Integrated value-added services** designed to offer a **comprehensive one-stop solution** for all business needs

Neo for Corporates, Axis Bank's tailored internet banking solution for large enterprises and complex financial needs, now serves **over 2.02 lakh customers**.

- **Reimagined customer journeys** through a unified front-end platform supporting both **domestic and international payments**
- **Product-specific dashboards and reports** for enhanced visibility and control
- **LIVE mobile app** available for **secure payment authorization on the go**

The **transformational impact of Neo** is evident in its strong product-market fit, reflected through:

- 1.3× growth in API-based corporate integrations
- 1.7× increase in linked Current Accounts (CA) and CDAB
- 1.1× rise in transaction count
- 1.6× surge in transaction throughput

Driven by a **360-degree client-centric approach**, Neo is transforming the way businesses engage with banking:

- **Strategic partnerships with major ERP providers** in the SME/MSME segment are enabling a seamless, integrated banking experience, positioning Axis Bank as the **transaction bank of choice** for these corporates
- **Axis Neo Connect's deep solutioning capabilities** allow tight integration with the complex tech ecosystems of mid and large corporates, resulting in a **2× year-on-year increase** in adoption
- A **comprehensive Transaction Banking API suite**, backed by advanced product capabilities, is delivering **significant mandate wins**
- **Connected Banking solutions** tailored for fintechs and other new-age companies are powering the Bank's **BaaS engine**, expanding our presence across the digital ecosystem

The Bank continued strengthening its cards and payments business, expanding its portfolio through strong organic growth and successfully integrating Citibank's high-value consumer portfolio.

In recent years, Axis Bank has consistently pushed the boundaries of digital innovation in the payments space. The introduction of feature-rich Debit Cards and Video KYC-based savings accounts laid the foundation for seamless customer onboarding and instant transaction capabilities. Building on this, the Bank expanded its wearable payments portfolio with the launch of the Axis Bank Active Watch, enabling contactless transactions directly from a smartwatch. These advancements were complemented by the enablement of Axis Bank Debit Cards on multiple payment platforms, allowing customers to make secure, tokenized payments via their mobile devices.

Axis Bank has also collaborated with a major e-commerce giant to introduce the Axis Bank Flipkart Debit Card as part of the Advantage Savings Account, further expanding its digital offerings and delivering a tailored payment experience to online shoppers. These initiatives reflect the Bank's continued commitment to building innovative, secure, and customer-centric digital solutions.

The Bank secured the number one position in the UPI space with a market share of 30.8% as Payer PSP during the fiscal year 2025. The Bank now has partnerships with all the major third-party UPI apps in the ecosystem (including Google Pay, PhonePe & Paytm) with more than 182.7 crores customer UPI IDs registered as on March 31, 2025.

New journeys like FD via UPI and enhancements to neo for Corporates and neo for Businesses are redefining digital experiences for individuals and enterprises alike.

The Bank's digital initiatives have received widespread recognition. The bank was honoured with the Infosys Finacle Innovation Award in the Corporate Banking Innovation category for its Neo for Corporates platform. Additionally, the Bank was named Best Digital Bank by Financial Express. Further cementing its leadership in digital transformation, the Bank received the India Domestic Digital Transformation Bank of the Year Award for Neo for Corporates at the Asian Banking & Finance Wholesale Banking Awards 2025.

Digital Banking

It is a key strategic initiative and an area of distinctiveness for the Bank. The Bank was among the first to launch an independent “fully Digital Bank” within the Bank as part of Axis 2.0 strategy. The Bank has an inhouse full stack engineering team, and today a large number of the Bank's digital products are built inhouse. Further, the Bank has a large digital product and marketing team and a design team.

The Bank rebranded Axis 2.0 as “Open by Axis Bank”, as it upgraded and redesigned the journeys and its mobile app to deliver seamless and personalized end to end customer experiences. The Bank today has a large suite of over 30 digital products live as part of “Open” – across assets, liabilities, fee income products. The Bank has built fully digital onboarding journeys for Savings account, Salary account, Current account and Term deposits. Similarly on the assets side, the Bank caters to both unsecured and secured asset journeys across Personal loans, Business loans, Auto-loans, Gold loans, Home loan journeys, etc. The Bank also upgraded its end-to-end digital journeys for Credit Card customer onboarding, cross-sell/up-sell as well as servicing. In fiscal 2025, the Bank added several new products/customer propositions in addition to continued investments in existing products. Some of these included My Money – a personal finance manager, fixed deposit using UPI, One-view – multi-bank account aggregator.

The bank has also launched ‘One View’ on Axis Mobile Banking App, ‘open’ that can help customers see all their bank balances, track every transaction undertaken with any other bank, monitor borrowings, and view their entire investment portfolio—all in one seamless, intuitive dashboard. It's a complete financial world, simplified and accessible at the fingertips.

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, 2025, 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

Recently, S&P has upgraded the Bank's credit rating to "BBB" while the outlook has been revised to "stable" from "positive".

Competition

The Bank faces strong competition in all 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. As at March 2025, there were 137 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 44 foreign banks with branches in India.

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 Trade, Infrastructure, NBFCs, Basic metal and metal products, Banking and Finance, and representing 5.76%, 5.13%, 3.96%, 2.79% and 2.75% and respectively, of the Bank's gross advances outstanding as at March 31, 2025 which is as per the published financial statements. As of March 31, 2025, aggregate credit exposure (including derivative exposure) to the Bank's 20 largest borrowers (fund and non-fund based) amounted to ₹1,50,927 crores, representing 76.59% 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 1,04,453 employees as at March 31, 2025 compared with 1,04,332 employees as at March 31, 2024.

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					
	2020	2021	2022	2023	2024	2025
Corporate Headquarters	6,483	7,449	9,275	10,371	11,873	11,214
Corporate Office Verticals	15,691	19,032	21,531	25,297	32,097	30,955
Circle Offices	2,247	2,057	2,150	2,145	2,408	2,161
Branch	49,565	49,621	52,724	53,947	57,821	59,995
Overseas	154	148	135	138	133	128
Grand Total	74,140	78,307	85,815	91,898	1,04,332	1,04,453

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. Under the Committee's oversight and led by its senior management, 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 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, CSR, 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 and aligned to India's CSR (Corporate Social Responsibility) regulations, the Bank is implementing impactful CSR interventions 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. The Bank's CSR 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, Sports, and Healthcare.

The Bank has been included in the FTSE4Good Emerging Index for the ninth consecutive year in 2025. In addition, the Bank is now rated 'AA' by MSCI ESG Ratings in 2025 and has a Score of 'C' in the CDP in 2024. With a score of 57, the Bank has the second highest score among Indian banks in the S&P DJSI in 2024 and has a Sustainalytics ESG Risk Rating of 19.1 (Low Risk) as of August 2025. The Bank has been placed in the highest 'Leadership' Grade in the IiAS Indian Corporate Governance Scorecard for 2024. 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

Axis Bank aims to become a leading technology-driven digital bank, and IT department is committed to empowering customers and employees through reimagined journeys, technological excellence, and innovation. The focus is on building a secure, resilient, and efficient banking system while enhancing operational efficiency through GenAI and automation. The department also seeks to develop advanced digital and data capabilities, ensure high standards of security and reliability, and drive cost efficiency and ROI. Throughout FY25, several efforts were made to further bolster the Bank's technological capabilities through continuous innovation and adoption. These efforts are a part of the Bank's broader objective to create seamless digital experiences for all customers, employees, and partners by adopting GenAI, integrating resiliency, and aligning with regulatory compliance.

The Bank has integrated Generative AI capabilities to offer better customer experience, improved operational efficiency and employee productivity. The Bank is developing GenAI-powered conversational user experiences for its contact centers to improve customer interactions. GenAI is streamlining operational processes, while self-service tools such as ADI (conversational chatbot) and Co-Pilot are empowering employees to work more efficiently. Additionally, Generative AI is being leveraged to strengthen data privacy by identifying patterns and supporting compliance efforts.

The Bank's 'Support' website is now accessible in 10 languages, making it more inclusive and user-friendly. WhatsApp banking channel has surpassed 30m customers, having executed over 100 campaigns and 40m communications. The Bank continues to strengthen its MB platform, now offering over 250 features to 33.7m registered users. The app has received outstanding ratings—4.8 on iOS Store (349K reviews), and 4.7 on Google Store (3.1m reviews). The Bank continues to maintain a strong foothold in the UPI ecosystem, with a cumulative VPA base of ~1,674m and processing approximately ~37.6m merchant daily transactions via UPI platform. It has achieved the leadership position in the UPI Payer PSP segment, with a market share of ~30%. The Bank has introduced UPI-enabled ATM cash withdrawals and deposits in addition to RuPay Credit Card on UPI, digital currency interoperability, and UPI support for international payments,

In FY25, the Bank reinforced its Cloud-first-native strategy, setting itself apart from industry peers by establishing three enterprise-grade landing zones and successfully migrating over 150 apps. Additionally, 100+ applications now follow CI/CD practices. The Bank became the first in India to receive ISO certification for cloud security on both AWS and Azure. A major milestone in FY25 was the launch of Bank's first Data Lakehouse for UPI on Google Cloud. The Bank intends to focus on hyper-automation through Infrastructure-as-Code and has enhanced application observability using Cloud-based Site Reliability Engineering capabilities.

Infrastructure Resiliency and Data Centers:

The Bank has established a centralized IT infrastructure supported by two primary data centres located in distinct seismic zones—Mumbai and Bengaluru—along with a near-site disaster recovery (DR) data centre in Bengaluru. These facilities are interconnected via a robust WAN using leased lines and MPLS, ensuring

reliable application delivery across domestic and international locations. The Bank's data centres meet highest benchmarking standards and feature redundant power and cooling systems. Advanced security measures—including access controls, network protection, secure configurations, BCP, DR, and database security—ensure seamless, secure, and accessible digital experiences for customers, employees, and partners.

Information Security

The Bank follows a holistic cyber security program with a comprehensive Cyber Security Policy and Standards based on industry best practices in compliance with regulatory guidelines. The Bank has deployed its cyber security structure and framework based on NIST and ISO27001 Standards. The Bank's cyber security framework is built and operated around the fundamental areas including Identify, Protect, Detect, Respond and Recover. The Bank is compliant to ISO27001 Information Security Management System (ISMS), ISO27017 Cloud Security Standards, ISO27034 Business Application Security Certification for its Software development & management domain and The Payment Card Industry Data Security standards (PCIDSS), and the Bank has been certified for ISO27018 PII Data Security Standard Certification this is a unique achievement and demonstrates enhanced cyber security resilience, privacy and security controls on the Bank's IT and application assets.

The Bank has a 24x7 Security Operations Centre and Cyber Security Operations System. 100% of the digital products of the Bank are under Dark Net / Deep Web monitoring. The Bank has a BitSight Rating of 810 out of 900 (with 820 as maximum possible score) indicating a well-controlled internet facing security posture. The Bank's current BitSight score is higher than 90% of the Banking and Finance entities tracked by BitSight. The Bank has a zero-trust architecture internally, adding security technology and process controls. The Bank has deployed Cyber Security controls to protect its information assets from unauthorized access, hacking attempts, data loss, external cyber-attacks, etc., and has implemented various detection and monitoring technologies, to proactively detect and respond to any cyber threats. Information & Cyber Security governance framework is in place at a strategic level through the Board, Risk Management Committee, Information Technology & Digital Strategy Committee and at an executive level through Information System Security Committee which oversees the Bank's Information and Cyber Security initiatives so that those controls commensurate with the risks and threats applicable to the Bank and its information assets.

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.

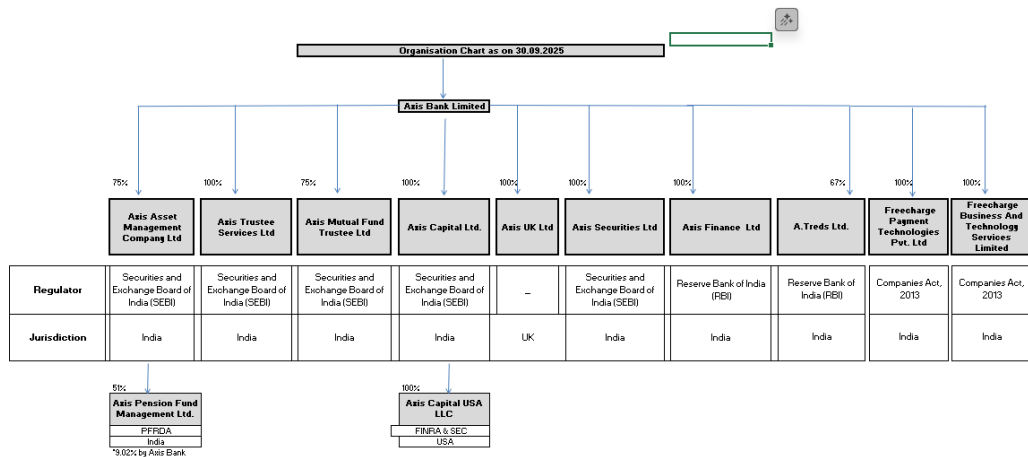
The following table sets forth the gross book value of the properties owned by the Bank:

	Gross Book Value
Property	As at March 31, 2025
	(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, 2025, the Bank had a domestic network of 5,876 branches including extension counters, 7,022 ATMs and 6,919 cash deposit and withdrawal machines spread across India.

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

Corporate Structure of the Issuer:



Note:

1) Axis Bank has purchased stake in Max Life Insurance Company Limited, making it an Associate Company w.e.f. 8th April 2021. The total ownership by Axis Entities is 18.02% (Axis Bank-16.22%, Axis Capital-1.88%, Axis Securities-0.92%). Further, Max Life Insurance Company Limited has changed its name to Axis Max Life Insurance Company Limited w.e.f. 12th December 2024 after receiving corporate & regulatory approval.

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 was incorporated on 16th March 2024.

4) The banking license of the Axis UK Limited was cancelled by the UK regulators with effect from 24th October 2024. Subsequently, the name of the company is changed from Axis Bank UK Ltd to Axis UK Ltd with effect from 1st November 2024. The company is into liquidation since 9th December 2024.

(c) 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 UK Ltd. (AUK), 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 6th December 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.

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 2025 was RS 160.54 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 21st July 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.150.83 crores. The net profit of ASL for the year ended March 31st 2025 was Rs. 418.78 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 30th September 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.21.55 crores for the year ended March 31st 2025. Apart from Ruby Towers, Dadar, ATSL has presence in Delhi, Gujarat Gift City, Bangalore, Chennai and Kolkata.

4. Axis Asset Management Company Ltd. (AAMC)

AAMC was incorporated on 13th January 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 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 SEBI as a Portfolio Manager and provides Portfolio Management services (PMS). AAMC is also registered under the SEBI (Alternative Investment Funds) Regulations and provides investment management services to schemes launched under Alternative Investment Funds (AIF). Axis AMC (IFSC Branch) is registered with the International Financial Services Centres Authority ('IFSCA') as a Registered Fund Management Entity (Retail) (FME) under the IFSCA (Fund Management) Regulations, 2025 and provides fund management services. As on 31.03.2025, AMC has 97 branches.

The paid-up capital of AAMC is Rs.210.11 crores. AAMC reported a net profit of Rs. 500.68 crores for the year ended March 31st 2025.

5. Axis Mutual Fund Trustee Ltd. (AMFT)

AMFT was incorporated on 2nd January 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.0.57 crores for the year ended March 31st 2025.

6. Axis Finance Ltd (AFL)

AFL is a Public Limited company incorporated under the Companies Act, 1956 in India on 27th April 1995. It is a Non-Deposit Accepting Non-Banking Finance Company (NBFC) regulated by the RBI. It is a wholly owned subsidiary of Axis Bank Limited.

AFL caters to Wholesale, Retail and MSME customer segments. On the Wholesale front, AFL offers products such as Corporate Loans, Collateralised Loans and Real Estate Loans. On the Retail front, AFL offers products such as Loan against Property, Micro- LAP, Home Loans, Business Loans, Personal Loans and Affordable Home Loans. On the MSME front, the products offered are customised loan products catering to specific needs of MSMEs in focused sectors, loans up to Rs.25 crores to Small & Medium enterprises, Loan against Property, Lease Rental Discounting, Thematic lending to Education and Healthcare, Hospitality sector. Total number of branches of AFL as on 31st March 2025 were 59.

The paid-up capital of AFL is Rs. Rs. 693.57 crores. AFL reported a net profit of Rs. 676.14 crores for the year ended March 31st 2025.

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. 37.62 crores for the year ended March 31st 2025.

8. Axis Bank UK Ltd. (ABUK)

AUK 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 19th April 2013 upon receipt of approval from the PRA.

AUK ceased to be a regulated entity following cancellation of banking license with effect from 24th October 2024. The subsidiary was placed into Member's Voluntary Liquidation (MVL) on 9th December 2024 and the liquidation is under process. AUK has paid-up capital of US\$ 0.50 million (Rs.4.27 crores) as on 31st March 2025.

9. Freecharge Payment Technologies Private Limited (FPTPL)

Freecharge Payment Technologies Private Ltd. was acquired by the Bank (from Jasper Infotech Private Ltd.) on 6th October 2017, post receiving approval from RBI. Freecharge is a wholly owned subsidiary of the Bank. Freecharge Payment Technologies Private Limited is engaged in providing facilities of recharge online prepaid, postpaid mobile and landline bill payment, DTH connections and data cards etc. through its website and mobile application namely, 'Freecharge'. The Company is also engaged in facilitating merchant payment both for offline and online merchants through Payment Aggregation and Payment Gateway services. Additionally, it also provides Business Correspondent (BC) and Technology Service Provider(TSP) to Axis Bank. BC and TSP activities will be demerged to new wholly owned subsidiary of the bank – Freecharge Business and Technology Services Ltd

As on 31.03.2025, Freecharge has 141 branches / offices including Registered and Corporate office. Freecharge has paid-up capital of Rs. 1,76369.78 lakhs. The reported net profit was Rs.4302 lakhs for the year ended 31st March 2025.

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

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

Freecharge Business and Technology Services Ltd. (FBTSL) was incorporated on 16th March 2024 to undertake Business Correspondent and Technology Services. As on 31st March 2025, 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 2nd August 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 1st July 2022 and Certificate of Commencement of Business on 20th September, 2022. It commenced its operations effective from 21st October, 2022. As on March 31, 2025, it has total Assets Under Management of Rs. 8,854 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.

(d) Details of the branches or units where the Issuer carries 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 2025, the bank had a network of 6,265 banking outlets with 5,865 branches 11 extension counters, 152 specialized branches, and 234 BCBOs and 3 Digital Banking Units (DBU) as compared to 5,377 branches and extension counters as at March 31st, 2024.*

As at 31st March 2025, the Bank also had 302 central processing centers and 152 specialized branches (lending centers) and 7,022 ATMs and 6,919 recyclers. As of 31st March 2025, the Bank's geographical reach in India extended to 35 states and union territories, covering around 3,134 centres and 705 districts

The Bank has opened 500 new branches in fiscal 2025.

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 40 Circle Offices and nine regional offices, which are administrative units that controls a cluster of branches, to provide for adequate supervision across various levels.

<https://branch.axis.bank.in/>

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'25.

Category	Number of Branches	Percentage of Branches
Metro	1,787	30.47%
Urban	1,321	22.52%
Semi-urban	1,683	28.70%
Rural	1,074	18.31%
Total	5,865	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'25.

Category	Number of Branches	Percentage of Branches
Northern	1530	26.10%
Eastern	925	15.78%
Western	1089	18.58%
Southern	1337	22.81%
Central	984	16.79%
Total	5865	100%

Use of proceeds (in the order of priority for which the said proceeds will be utilized): (i) purpose of the placement; (ii) break-up of the cost of the project for which the money is being raised; (iii) means of financing for the project; (iv) proposed deployment status of the proceeds at each stage of the project
As per the relevant Key Information Document.

2.8 EXPENSES OF THE ISSUE

As per the relevant Key Information Document.

2.9 FINANCIAL INFORMATION:

- Audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) for a period of three completed years, along with unaudited financial result for the half year ended 30th September 2025: The financial statements of the Issuer for the financial years ending 2023, 2024 and 2025 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., FY25, FY24, FY23) and H1 FY26)**. Additionally, the unaudited financial result for half year ended 30th September 2025 subject to limited review, are also included. Each of the Statutory Auditor(s) holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.
- 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 September 30, 2025 have been extracted from the Unaudited financial results for the half year ended September 30, 2025 and March 31, 2025, have been extracted from the audited financial statements for the year ended March 31, 2025 while March 31, 2024 numbers have been extracted from the comparative numbers as presented in the audited financial statements for the year ended March 31, 2025 and 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.

(Rs. in crores)

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Balance Sheet				
Property, Plant and Equipment	6,620.40	6,492.08	5,837.56	4,852.58
Financial assets ¹	16,41,830.18	15,80,613.24	14,48,180.40	12,65,190.30
Non-financial Assets excluding property, plant and equipment	NA	NA	NA	NA
Total assets²	17,30,108.66	16,56,962.61	15,18,238.53	13,44,417.96
Financial Liabilities				
-Derivative financial instruments	NA	NA	NA	NA
-Trade Payables	NA	NA	NA	NA
-Other Payables	NA	NA	NA	NA
-Debt Securities ³	20,551.00	20,551.00	23,122.68	24,259.07
-Borrowings (other than Debt Securities)	1,93,732.94	1,72,277.25	1,76,492.57	1,53,444.30
-Deposits ⁴	12,01,655.60	11,70,920.89	10,67,102.40	9,45,824.72
-Subordinated liabilities ⁵	26,557.55	27,858.50	28,584.30	28,510.20
-Lease liabilities	NA	NA	NA	NA
-Other financial liabilities	NA	NA	NA	NA
Non-Financial Liabilities				
-Current tax liabilities (net)	NA	NA	NA	NA
-Provisions	NA	NA	NA	NA
-Deferred tax liabilities (net)	NA	NA	NA	NA
-Other non-financial liabilities	NA	NA	NA	NA
Equity (Equity share capital and other equity) ⁶	1,99,543.47	1,87,235.49	1,57,023.53	1,29,781.71
Non-controlling interest	709.62	635.13	499.44	393.39
Total equity and liabilities⁷	17,30,108.66	16,56,962.61	15,18,238.53	13,44,417.96
Profit and Loss				
Total revenue from operations	64,658.08	1,27,374.09	112,759.05	87,448.37
Other income	15,512.77	28,542.77	25,230.31	18,348.93
Total Income	80,170.85	1,55,916.86	1,37,989.36	1,05,797.30
Total Expenses	68,353.17	1,27,805.12	1,11,565.82	94,944.64
Profit after taxation ("PAT")	11,817.68	28,111.74	26,423.54	10,852.66
Minority Interest	(74.48)	(135.69)	(106.05)	(100.06)
Share of Associate	28.37	79.06	68.71	65.85
Profit after taxation ("PAT")	11,771.57	28,055.11	26,386.20	10,818.45
Other comprehensive income	NA	NA	NA	NA
Total Comprehensive Income	NA	NA	NA	NA
Earnings per equity share:				
(a) basic; and	37.97	90.72	85.62	35.20
(b) diluted	37.75	90.18	85.01	35.04

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Cash Flow				
Net cash generated from operating activities	(15,439.40)	44,383.68	(5,554.67)	22,074.78
Net cash used in / generated from investing activities	(20,585.90)	(51,215.13)	(9,088.16)	(32,694.38)
Net cash used in financing activities	20,253.92	(7,000.36)	22,341.25	6,640.54
Effect of exchange fluctuation translation reserve	290.87	37.33	86.83	343.48
Net increase/(decrease) in cash and cash equivalents	(15,480.51)	(13,794.48)	7,785.25	(3,635.58)
Cash and cash equivalents at the beginning of the year	1,02,698.70	1,16,493.18	1,08,707.93	112,343.51
Cash and cash equivalents at the end of the year	87,218.19	1,02,698.70	1,16,493.18	1,08,707.93
Additional information				
Net worth	1,91,789.74	1,80,262.48	1,49,650.59	1,21,993.21
Cash and Cash Equivalents	87,218.19	1,02,698.70	1,16,493.18	1,08,707.93
Loans	11,61,625.74	10,81,229.47	9,99,333.48	8,68,387.54
Total Debt (Borrowing) (A)	2,40,841.49	2,20,686.75	2,28,199.55	2,06,213.57
Total Assets (B)	17,30,108.66	16,56,962.61	15,18,238.53	13,44,417.96
Total Debts to Total assets (%) (C=A/B)	13.92%	13.32%	15.03%	15.34%
Interest Income	64,658.08	1,27,374.09	1,12,759.05	87,448.37
Interest Expense	36,210.16	71,036.31	61,390.74	43,389.15
Impairment on Financial Instruments	NA	NA	NA	NA
Bad debts to loans	NA	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 September 30, 2025 have been extracted from the Unaudited financial results for the half year ended September 30, 2025 and March 31, 2025, have been extracted from the audited financial statements for the year ended March 31, 2025 while March 31, 2024 numbers have been extracted from the comparative numbers as presented in the audited financial statements for the year ended March 31, 2025 and 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.

(Rs. in crores)

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Balance Sheet				
Property, Plant and Equipment	6,413.46	6,291.70	5,684.58	4,733.85
Financial Assets ¹	15,91,789.31	15,36,685.21	14,11,050.02	12,40,528.48
Non-financial Assets excluding property , plant and equipment	NA	NA	NA	NA
Total Assets²	16,76,614.35	16,09,929.88	14,77,208.60	13,17,325.53
Financial Liabilities				
-Derivative financial instruments	NA	NA	NA	NA

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
-Trade Payables	NA	NA	NA	NA
-Other Payables	NA	NA	NA	NA
-Debt Securities ³	20,551.00	20,551.00	23,122.68	24,259.07
-Borrowings (other than Debt Securities)	1,52,397.47	1,35,737.02	1,45,104.77	1,33,530.77
-Subordinated liabilities ⁴	26,557.55	27,858.50	28,584.30	28,510.20
-Other financial liabilities ⁵	12,03,486.91	11,72,952.02	10,68,641.39	9,46,945.21
Non-Financial Liabilities				
-Current tax liabilities (net)	NA	NA	NA	NA
-Provisions	NA	NA	NA	NA
-Deferred tax liabilities (net)	NA	NA	NA	NA
-Other non-financial liabilities	NA	NA	NA	NA
Equity (Equity share capital and other equity) ⁶	1,91,140.95	1,79,725.13	1,51,061.58	1,25,416.65
Total equity and liabilities⁷	16,76,614.35	16,09,929.88	14,77,208.60	13,17,325.53
Profit and Loss				
Revenue from operations	62,033.74	1,22,677.04	1,09,368.63	85,163.77
Other income	13,882.64	25,257.06	22,441.96	16,143.42
Total Income	75,916.38	1,47,934.10	1,31,810.59	1,01,307.19
Total Expense	65,020.60	1,21,560.62	1,06,949.16	91,727.51
Profit after taxation ("PAT")	10,895.78	26,373.48	24,861.43	9,579.68
Other comprehensive income	NA	NA	NA	NA
Total comprehensive income	NA	NA	NA	NA
Earnings per equity share:				
(a) basic; and	35.14	85.28	80.67	31.17
(b) diluted	34.95	84.77	80.10	31.02
Cashflow				
Net cash flow generated from operating activities	(11,616.52)	49,412.20	6,460.68	26,902.11
Net cash used in / generated from investing activities	(20,554.79)	(52,008.75)	(9,257.96)	(33,022.00)
Net cash used in financing activities	15,384.21	(12,288.45)	10,760.94	1,239.33
Effect of exchange fluctuation translation reserve	290.50	162.71	79.92	304.24
Net increase/(decrease) in cash and cash equivalents	(16,496.60)	(14,722.29)	8,043.58	(4,576.32)
Cash and cash equivalents (at the beginning of the year)	99,732.10	1,14,454.39	1,06,410.81	110,987.13
Cash and cash equivalents (at the end of the year)	83,235.50	99,732.10	1,14,454.39	1,06,410.81
Additional Information				
Net worth	1,83,692.89	1,73,051.25	1,44,069.47	1,17,893.38
Cash and Cash Equivalents	83,235.50	99,732.10	1,14,454.39	1,06,410.81
Loans	11,16,703.01	10,40,811.32	9,65,068.38	8,45,302.84
Loans (Principal Amount)				
Total Debt (Borrowing) (A)	1,99,506.02	1,84,146.52	1,96,811.75	1,86,300.04
Total Assets (B)	16,76,614.35	16,09,929.88	14,77,208.60	13,17,325.53
Total Debts to Total assets (%) (C=A/B)	11.90%	11.44%	13.32%	14.14%
Interest Income	62,033.74	1,22,677.04	1,09,368.63	85,163.77
Interest Expense	34,729.44	68,329.22	59,474.15	42,218.02
Impairment on Financial Instruments	NA	NA	NA	NA
Bad Debts to Loans	NA	NA	NA	NA
% Stage 3 Loans on Loans(Principal Amount)	NA	NA	NA	NA
% Net Stage 3 Loans on Loans (Principal Amount)	NA	NA	NA	NA
Gross NPA (%)*	1.46	1.28	1.43	2.02
Net NPA (%)*	0.44	0.33	0.31	0.39
Capital Adequacy ratios (%)	16.55	17.07	16.63	17.64

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Tier I Capital Adequacy Ratio (%)	14.83	15.07	14.20	14.57
Tier II Capital Adequacy Ratio (%)	1.72	2.00	2.43	3.07

* 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** (*Details of Contingent Liabilities of the Issuer*).

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:**

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 September 30, 2025:**

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 (3,102,879,031 shares of Rs. 2/- each)	6,205,758,062

(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	

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)	
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	
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*	251,607,005	-	Cash	Allotment under ESOP	3,102,879,031	6205758062	-	

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)	
				till 30-09-2025				

Note-

- 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.
- 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.

(d) 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
2024	11,152,474	Cash	Allotment of shares under ESOP
January 1, 2025 to September 30, 2025	7,707,500	Cash	Allotment of shares under ESOP
Total	251,607,005		

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

Nil

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

(g) Details of the Shareholding of the Issuer as at latest quarter end, i.e. September 30, 2025, as per the format specified under the listing regulations:

Please refer to **Annexure H** (Details of the Shareholding of the Issuer as on September 30, 2025) in relation to the same.

(h) List of top 10 holders of equity shares of the Issuer as on the latest quarter end, i.e. September 30, 2025:

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	24,48,60,645	7.89
2	ICICI Through its various mutual fund schemes	21,13,02,373	21,13,02,373	6.81
3	SBI Through its various schemes	15,79,72,830	15,79,72,830	5.09
4	HDFC Through its various Schemes	15,73,73,199	15,73,73,199	5.07

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
5	THE BANK OF NEW YORK MELLON, DR	10,23,11,835	10,23,11,835	3.30
6	NIPPON Through its various schemes	9,68,10,814	9,68,10,814	3.12
7	NPS TRUST Through its various schemes	7,62,08,411	7,62,08,411	2.46
8	DODGE AND COX INTERNATIONAL STOCK FUND	6,68,40,650	6,68,40,650	2.15
9	GOVERNMENT PENSION FUND GLOBAL	6,45,78,889	6,45,78,889	2.08
10	GOVERNMENT OF SINGAPORE	5,75,98,047	5,75,98,047	1.86

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	67 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. National E-Governance Services Limited, Director ii. SRO-FT Development Foundation - Director iii. i. Institute for Development and Research in Banking Technology, Non-Executive Chairman, Governing Council	No
2.	Amitabh Chaudhry Managing Director & CEO DIN: 00531120	61 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	67 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. Axis Max Life Insurance Limited, Director vi. Mphasis Limited - Independent Director vii. Devrai Brand Private 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	62 years	No. 76, 1st Cross Defence Colony, Indira Nagar, Bangalore North, Bengaluru – 560038	01.08.2020	i. CRM Holdings Private Limited, Director ii. Healthvista India Limited, Director iii. Portea Medical Private Limited, Director iv. Ezeesmart Education Private Limited, Director v. Takecare Technology Private Limited, Director vi. Qtrove Services Private Limited, Director vii. Rocket Logistics Private Limited, Director viii. Pfizer Limited, Director ix. Hitachi Energy India Limited, Director x. AEON Learning Private Limited, Member xi. ORKLA India Limited, Director xii. Pidilite Industries Limited, Director	No
5.	G. Padmanabhan Independent non – executive Director DIN: 7130908	70 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 iii. Ion Exchange (India) Limited, Director iv.	No
6.	P N Prasad Independent Director DIN: 07430506	65 years	Villa no. 39, AJL Serenewoods, PVIP Canal road, near Assisi Junction, Ashokapuram Aluva, VTC Alura, PO Aluva asokapuram, District Ernakulam, Kerala 683101	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 Asset Reconstruction Company (India) Limited - Independent Director	No
7.	CH S S Mallikarjunarao Independent Director	63 years	Flat no L 1204, Ajmera Infinity, Neeladri road, Electronic city	01-02-2023	i. Indian Financial Technology and Allied Services, 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)
	DIN: 07667641		phase I, Bangalore 560100		ii. National Urban Co-operative Finance and Development Corporation Ltd. (NUCFDC) - Independent Director iii. Nuclear Power Corporation of India Limited - Independent Director	
8.	Pranam Wahi DIN - 00031914	67 years	K-901, Central Park 1, Sector 42, DLF-Colf Course Road, Gurgaon, Haryana - 122009	15-02-2024	DCM Shriram Limited	No
9.	Mini Ipe Nominee Director - LIC DIN – 07791184	62 years	Flat no: A 205, Pearls garden view apartments, AmalaBhavan Road, Kadavanthara, Ernakulam 682020	29-07-2023	i. PTC India Limited - Independent Director ii. Avantel Limited - Independent Director iii. LIC (International) B.S.C (C.) – Director iv. PTC India Financial Services Ltd, Independent Director	No
10.	Subrat Mohanty Executive Director DIN – 08679444	49 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 i. Axis Securities Limited, Director	No
11.	Munish Sharda Executive Director DIN - 06796060	54 years	B 2701, Lodha Bellissimo, Lower Parel, Mumbai - 400011	27-02-2024	1. A.Treds Limited, Director 2. Axis Max Life Insurance Limited, Nominee Director	No
12.	Neeraj Gambhir Executive Director DIN – 00257375	53 years	1307, Tower – B, Ashok Towers, Dr. Babasaheb Ambedkar Marg, Parel, Mumbai - 400012	20-10-2025	1. Axis Asset Management Company Limited 2. Axis Pension Fund Management Limited 3. Ind Fx Code Participants Association, Nominee Director 4. Fixed Income Money Market and Derivatives Association of India, Nominee Director 5. Axis UK Limited	No

Notes:

- 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.
- The Board of Directors at its meeting held on July 18, 2025, has approved the appointment of Neeraj Gambhir (DIN: 00257375) as a Wholtime Director, designated as “Executive Director” of the Bank (including his terms and conditions and remuneration),

effective from (i) August 4, 2025; or (ii) the date of approval of his appointment by RBI, whichever is later. RBI Approved the said appointment on October 20, 2025 for a period of 3 years.

* 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	Remarks
1.	Prof. S. Mahendra Dev Independent Director	06519869	June 14, 2021.	NA	Close of business hours of June 5, 2025	NIL
2.	Amitabh Chaudhry Managing Director & CEO	00531120	Appointed w.e.f. January 1, 2019 Re-appointed w.e.f. January 1, 2022. Re-appointed w.e.f. January 1, 2025.	NA	NA	NIL
3.	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	Retired from the services of the Bank on completion of his tenure as the Whole-time Director (designated as Deputy Managing Director) of the Bank and accordingly ceased as such with effect from the close of business hours on August 3, 2025.		NIL
4.	P N Prasad Independent Director	07430506	October 20, 2022.	NA	NA	NIL
5.	Girish Paranjpe Independent Director	02172725	Appointed w.e.f. November 2, 2018 Re-appointed w.e.f. November 2, 2022.	NA	NA	NIL
6.	CH S. S. Mallikarjunarao Independent Director	07667641	February 1, 2023.	NA	NA	NIL

Sr. No.	Name of Director & Designation	DIN	Date of Appointment	Date of Cessation	Date of Resignation, if applicable	Remarks
7.	S. Vishvanathan Independent Director	02255828	February 11, 2015	NA	Close of business hours on February 10, 2023.	NIL
8.	Vasanth Govindan Nominee Director – Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)	02230959	January 27, 2021	NA	March 27, 2023	NIL
9.	T.C. Suseel Kumar Non-Executive (Nominee) Director	06453310	July 1, 2020	July 29, 2023	NA	NIL
10.	Mini Ipe Non - Executive Director (Nominee of LIC)	07791184	July 29, 2023	NA	NA	NIL
11.	Manoj Kohli Independent Director	00162071	June 17, 2022	NA	August 11, 2023	NIL
12.	Subrat Mohanty Executive Director	08679444	August 17, 2023	NA	NA	NIL
13.	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.	NIL
14.	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	NIL
15.	Ashish Kotecha Non-Executive (Nominee Director) affiliated to BAIN Capital [Equity Investor]	02384614	Appointed w.e.f. November 1, 2020	Close of business hours on December 14, 2023		NIL
16.	Ketaki Bhagwati Independent Director	07367868	Appointed w.e.f. January 19, 2016	Close of business hours on January 18, 2024	NA	NIL

Sr. No.	Name of Director & Designation	DIN	Date of Appointment	Date of Cessation	Date of Resignation, if applicable	Remarks
			Reappointed w.e.f. January 19, 2021			
17.	Pranam Wahi Independent Director	00031914	February 15, 2024.	NA	NA	NIL
18.	Munish Sharda Executive Director	06796060	February 27, 2024	NA	NA	NIL
19.	Meena Ganesh Independent Director	00528252	Appointed w.e.f. August 1, 2020 Re-appointed w.e.f. August 1, 2024	NA	NA	NIL
20.	G. Padmanabhan Independent Director	7130908	Appointed w.e.f. October 28, 2020 Re-appointed w.e.f. October 28, 2024	NA	NA	NIL
21.	Neeraj Gambhir* Executive Director	00257375	Appointed w.e.f. October 20, 2025	NA	NA	NIL

The Board of Directors at its meeting held on July 18, 2025, has approved the appointment of Neeraj Gambhir (DIN: 00257375) as a Wholtime Director, designated as “Executive Director” of the Bank (including his terms and conditions and remuneration), effective from (i) August 4, 2025; or (ii) the date of approval of his appointment by RBI, whichever is later. RBI approved the appointment for a period of 3 years w.e.f October 20, 2025.

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** (*Remuneration of the Directors*).

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

Shareholding of Directors in the Bank:

Name	Shareholding in the Bank (No of Shares) as on			
	31.03.2023	31.03.2024	31.03.2025	30.09.2025
Girish Paranjpe – Independent Director	0	0	0	0
Meena Ganesh - Independent Director	0	0	0	0
G. Padmanabhan - Independent Director	0	0	0	0
P N Prasad - Independent Director	130	130	130	130
CH SS Mallikarjunarao - Independent Director	20	20	20	20
N.S. Vishwanathan - Independent Director	0	0	0	0
Pranam Wahi - Independent Director	0	0	0	0
Mini Ipe – Nominee Director	0	0	0	0
Amitabh Chaudhry - MD & CEO	0	0	0	0
Subrat Mohanty – ED	770	770	770	770
Munish Sharda – ED	1439	1439	0	0
Neeraj Gambhir – ED*	NA	NA	NA	NA

* The Board of Directors at its meeting held on July 18, 2025, has approved the appointment of Neeraj Gambhir (DIN: 00257375) as a Wholtime Director, designated as “Executive Director” of the Bank (including his terms and conditions and remuneration),

effective from (i) August 4, 2025; or (ii) the date of approval of his appointment by RBI, whichever is later. RBI approved the appointment for a period of 3 years w.e.f October 20, 2025.

Shareholding of Directors of the Bank in subsidiaries as on September 30, 2025:

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 31.03.2025		Shareholding in subsidiaries as on 30.09.2025	
	Subrat Mohanty	Munish Sharda	Subrat Mohanty	Munish Sharda
Axis Finance Ltd.	21	11	21	11
Axis Securities Ltd.	10	10	10	10
Axis Capital Ltd.	10	10	10	10
Axis Assets Management Company Ltd.	20	10	20	10
Axis Mutual Fund Trustee Ltd.	20	10	20	10
Axis Trustee Services Ltd.	10	10	10	10
A. Treds Ltd.	10	10	10	10
Freecharge Payment Technologies Pvt. Ltd.	27	27	27	27
Freecharge Business and Technology Services Ltd.	10	10	10	10
Axis Pension Fund Management Limited	10	-	10	-

For the details of the shareholding pattern of the Issuer, please refer to **Section 2.10 (g)** above.

- (c) 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

- (d) 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
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. SEPTEMBER 30th 2025), 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 September 30th 2025:

Name of the Lender	Type of Facility	Principal Amount outstanding (Rs)	Original Amount Sanctioned (Rs)	Repayment Date / Schedule	Credit Rating
SIDBI REFINANCE	Refinance	11,000,000,000	11,000,000,000	30-10-27	NA
SIDBI REFINANCE	Refinance	20,000,000,000	20,000,000,000	04-12-27	NA
SIDBI REFINANCE	Refinance	9,000,000,000	9,000,000,000	30-09-27	NA
SIDBI REFINANCE	Refinance	2,642,300,000	2,642,300,000	01-03-27	NA
NABARD REFINANCE	Refinance	21,600,000,000	43,200,000,000	30-04-26	NA
SIDBI REFINANCE	Refinance	750,000,000	750,000,000	01-03-27	NA
SIDBI REFINANCE	Refinance	20,000,000,000	20,000,000,000	28-06-27	NA
SIDBI REFINANCE	Refinance	7,520,000,000	7,520,000,000	01-03-27	NA
SIDBI REFINANCE	Refinance	460,000,000	460,000,000	15-01-27	NA
SIDBI REFINANCE	Refinance	15,000,000,000	15,000,000,000	24-11-26	NA
SIDBI REFINANCE	Refinance	500,000,000	500,000,000	24-11-26	NA
SIDBI REFINANCE	Refinance	21,700,000,000	21,700,000,000	24-11-26	NA

Name of the Lender	Type of Facility	Principal Amount outstanding (Rs)	Original Amount Sanctioned (Rs)	Repayment Date / Schedule	Credit Rating
SIDBI REFINANCE	Refinance	30,000,000,000	50,000,000,000	23-11-26	NA
SIDBI REFINANCE	Refinance	50,000,000,000	50,000,000,000	20-10-26	NA
SIDBI REFINANCE	Refinance	30,000,000,000	30,000,000,000	11-09-26	NA
SIDBI REFINANCE	Refinance	272,500,000	950,000,000	10-07-26	NA
SIDBI REFINANCE	Refinance	14,000,000,000	14,000,000,000	22-08-26	NA
SIDBI REFINANCE	Refinance	170,600,000	1,000,000,000	10-03-26	NA
SIDBI REFINANCE	Refinance	254,000,000	2,150,000,000	10-01-26	NA
SIDBI REFINANCE	Refinance	30,000,000,000	30,000,000,000	13-03-26	NA
SIDBI REFINANCE	Refinance	1,068,500,000	9,351,700,000	10-01-26	NA
SIDBI REFINANCE	Refinance	939,100,000	10,648,300,000	10-12-25	NA
NABARD REFINANCE	Refinance	7,000,000,000	70,000,000,000	31-10-25	NA
SIDBI REFINANCE	Refinance	50,000,000,000	50,000,000,000	27-01-26	NA
NABARD REFINANCE	Refinance	1,600,000,000	16,000,000,000	31-10-25	NA
SIDBI REFINANCE	Refinance	89,800,000	1,060,000,000	10-12-25	NA
SIDBI REFINANCE	Refinance	1,567,400,000	18,800,000,000	10-12-25	NA
SIDBI REFINANCE	Refinance	10,000,000,000	10,000,000,000	22-12-25	NA
SIDBI REFINANCE	Refinance	200,000,000	7,000,000,000	10-10-25	NA
SIDBI REFINANCE	Refinance	372,400,000	13,000,000,000	10-10-25	NA
SIDBI REFINANCE	Refinance	16,666,600,000	50,000,000,000	31-10-25	NA
SIDBI REFINANCE	Refinance	50,000,000,000	50,000,000,000	14-08-26	NA
SIDBI REFINANCE	Refinance	1,019,500,000	8,258,500,000	10-02-26	NA
EXIM REFINANCE	Refinance	35,000,000,000	35,000,000,000	26-12-25	NA
NABARD REFINANCE	Refinance	25,000,000,000	30,000,000,000	31-10-26	NA
SIDBI REFINANCE	Refinance	15,000,000,000	15,000,000,000	25-02-28	NA
SIDBI REFINANCE	Refinance	10,000,000,000	10,000,000,000	25-02-26	NA
SIDBI REFINANCE	Refinance	5,000,000,000	5,000,000,000	27-01-28	NA
EXIM REFINANCE	Refinance	25,000,000,000	25,000,000,000	24-04-26	NA
SIDBI REFINANCE	Refinance	1,500,000,000	1,500,000,000	27-01-28	NA
NABARD REFINANCE	Refinance	800,000,000	9,800,000,000	31-12-25	NA
NABARD REFINANCE	Refinance	5,833,500,000	35,000,000,000	31-12-25	NA
NABARD REFINANCE	Refinance	7,600,000,000	44,600,000,000	31-03-26	NA
NABARD REFINANCE	Refinance	5,500,000,000	55,000,000,000	31-12-25	NA
NHB REFINANCE	Refinance	35,076,900,000	36,000,000,000	01-01-35	NA
MUDRA REFINANCE	Refinance	350,000,000	2,200,000,000	01-01-26	NA
MUDRA REFINANCE	Refinance	200,000,000	1,200,000,000	30-01-26	NA
MUDRA REFINANCE	Refinance	12,000,000,000	12,000,000,000	24-11-26	NA
MUDRA REFINANCE	Refinance	5,700,000,000	11,500,000,000	27-02-26	NA
NHB REFINANCE	Refinance	15,384,611,000	20,000,000,000	31-03-33	NA
SIDBI REFINANCE	Refinance	16,250,000,000	16,250,000,000	29-10-27	NA
SIDBI REFINANCE	Refinance	13,600,000,000	13,600,000,000	23-06-26	NA
SIDBI REFINANCE	Refinance	5,000,000,000	5,000,000,000	27-01-28	NA
SIDBI REFINANCE	Refinance	12,000,000,000	12,000,000,000	10-06-30	NA
EXIM REFINANCE	Refinance	10,000,000,000	10,000,000,000	25-06-26	NA
SIDBI REFINANCE	Refinance	29,166,700,000	35,000,000,000	10-01-28	NA
NABARD REFINANCE	Refinance	20,000,000,000	30,000,000,000	30-09-26	NA

Name of the Lender	Type of Facility	Principal Amount outstanding (Rs)	Original Amount Sanctioned (Rs)	Repayment Date / Schedule	Credit Rating
NABARD REFINANCE	Refinance	25,000,000,000	30,000,000,000	30-11-26	NA
NABARD REFINANCE	Refinance	8,333,400,000	10,000,000,000	31-12-26	NA
NABARD REFINANCE	Refinance	20,833,400,000	25,000,000,000	31-12-26	NA
NABARD REFINANCE	Refinance	20,000,000,000	20,000,000,000	31-03-27	NA
NABARD REFINANCE	Refinance	20,000,000,000	20,000,000,000	31-03-27	NA
NABARD REFINANCE	Refinance	5,000,000,000	5,000,000,000	31-03-27	NA
NABARD REFINANCE	Refinance	10,000,000,000	10,000,000,000	30-04-27	NA
NABARD REFINANCE	Refinance	30,000,000,000	30,000,000,000	30-04-30	NA
SIDBI REFINANCE	Refinance	60,000,000,000	60,000,000,000	18-07-28	NA
SIDBI REFINANCE	Refinance	30,000,000,000	30,000,000,000	30-10-26	NA
SIDBI REFINANCE	Refinance	20,000,000,000	20,000,000,000	16-11-26	NA
NABARD REFINANCE	Refinance	40,000,000,000	40,000,000,000	31-05-30	NA
NABARD REFINANCE	Refinance	50,000,000,000	50,000,000,000	29-06-30	NA
NABARD REFINANCE	Refinance	60,000,000,000	60,000,000,000	29-06-30	NA
SIDBI REFINANCE	Refinance	19,000,000,000	19,000,000,000	17-09-28	NA
SIDBI REFINANCE	Refinance	50,000,000,000	50,000,000,000	08-09-28	NA
Total		1,204,521,211,000	1,593,640,800,000		

iii. **Details of outstanding non-convertible securities as on September 30, 2025:**

Series	ISIN	Tenor/ Period of maturity (in years)	Coupon	Outstanding amount (Rs)	Allotment Date	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security
Sr 2 Infra	INE238A0 8385	10	8.25	30,00,00,00,000	30/10/2015	30/10/2025	CRISIL AAA CARE AAA ICRA AAA	Unsecured	NA
24	INE238A0 8393	10	8.5	24,30,00,00,000	27/05/2016	27/05/2026	CRISIL AAA ICRA AAA IND AAA	Unsecured	NA
25	INE238A0 8419	10	7.84	18,00,00,00,000	23/11/2016	23/11/2026	ICRA AAA IND AAA	Unsecured	NA
27	INE238A0 8435	10	7.66	50,00,00,00,000	15/06/2017	15/06/2027	CRISIL AAA ICRA AAA IND AAA	Unsecured	NA

Series	ISIN	Tenor/ Period of maturity (in years)	Coupon	Outstanding amount (Rs)	Allotment Date	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security
Sr 4 Infra	INE238A0 8450	10	8.6	30,00,00,00,000	28/12/2018	28/12/2028	CRISIL AAA ICRA AAA	Unsecured	NA
Sr 5 Infra	INE238A0 8468	7	7.65	41,75,00,00,000	30/01/2020	30/01/2027	CRISIL AAA ICRA AAA	Unsecured	NA
Sr 6 Infra	INE238A0 8476	10	6.99	26,00,00,00,000	22/12/2021	22/12/2031	CRISIL AAA ICRA AAA	Unsecured	NA
30	INE238A0 8484	10	7.88	1,20,00,00,00,000	13/12/2022	13/12/2032	IND AAA	Unsecured	NA
Sr 7 Infra	INE238A0 8492	10	7.64	38,51,00,00,000	07/03/2024	07/03/2034	CRISIL AAA ICRA AAA	Unsecured	NA
Sr 8 Infra	INE238A0 8500	10	7.45	39,250,000,000	05/09/2024	05/09/2034		Unsecured	NA

iv. **Details of commercial paper issuances as at the end of the last quarter i.e., September 30th 2025:**

Nil

v. **List of Top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on September 30, 2025:**

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	180000000000	41.59
2	NPS TRUST Through various funds	Pension Fund	97300000000	22.48
3	LIFE INSURANCE CORPORATION OF INDIA Through various funds	Insurance	27000000000	6.24
4	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	Insurance	24780000000	5.73
5	HDFC LIFE INSURANCE COMPANY LIMITED	Insurance	8250000000	1.91
6	THE LIFE INSURANCE CORPORATION OF INDIA PROVIDENT	Insurance	8100000000	1.87
7	SBI LIFE INSURANCE CO.LTD	Insurance	6000000000	1.39
8	STATE BANK OF INDIA EMPLOYEES PENSION FUND	Pension Fund	5600000000	1.29
9	ICICI LOMBARD GENERAL INSURANCE COMPANY LTD	Insurance	4300000000	0.99

Sr No.	Name	Category	Face value of holding (in ₹)	Holding as a % of total outstanding non-convertible securities of the Issuer
10	ADITYA BIRLA SUN LIFE INSURANCE COMPANY LIMITED	Insurance	3000000000	0.69

Note:

- Face value has been consolidated on the basis of PAN across all series of Non-convertible debentures issued by the Bank.
- 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 (Legal Proceedings)**.

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 (Legal Proceedings)**.

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** (*Legal Proceedings*).

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 four Directors namely Ms. Mini Ipe, Mr. N. S. Vishwanathan, Mr. Amitabh Chaudhry, Mr. P.N. Prasad. The Committee is chaired by Ms. Mini Ipe. The Special Committee of the Board for Monitoring and follow-up of cases of frauds (SCBMF) is constituted to oversee prevention, early detection of all frauds and actions taken by the Bank against the perpetrators of such frauds and to ensure timely and accurate reporting to the RBI and other concerned regulatory and enforcement authorities, besides suggesting/ reviewing corrective steps to plug systemic loopholes. The major functions of the Special Committee involve overseeing investigation of large value frauds, 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', 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** (*Related Party Transactions*).

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, 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 AND CONSENT OF THE DEBENTURE TRUSTEE TO ITS APPOINTMENT ALONG WITH A COPY OF THE AGREEMENT EXECUTED BY THE DEBENTURE TRUSTEE WITH THE ISSUER IN ACCORDANCE WITH REGULATION 13 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (DEBENTURE TRUSTEES) REGULATIONS, 1993 MADE ACCESSIBLE THROUGH A WEB-LINK OR A STATIC QUICK RESPONSE CODE:

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 the disclosures specified in sub-clauses (a) to (d) above shall be provided for the top five vendors on the basis of value viz. sale consideration payable to the vendors.

Provided further that for the remaining vendors, such details may be provided on an aggregated basis in the offer document, specifying number of vendors from whom it is being acquired and the aggregate value being paid; and the detailed disclosures as specified in sub-clauses (a) to (d) above may be provided by way of static QR code and web link. If the issuer provides the said details in the form of a static QR code and web link, the same shall be provided to the debenture trustee as well and kept available for inspection as specified in clause (g) of paragraph 3.3.41 of Schedule I of the SEBI NCS Regulation. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing the detailed disclosures, as specified in sub-clauses (a) to (d) above, to the Debenture Trustee and confirmation of the same by the Debenture Trustee.

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, and 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 leadership 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's 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 an appropriate legal agreements 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

Subrat Mohanty Executive Director of the Bank, sold an aggregate of 770 shares of the Bank within six months immediately preceding the date of filing the General Information Document.

Relative of director sold an aggregate of 1194 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. 305 of Annual report of FY 2024-25

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

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 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.	P. N. Prasad	Independent Director
7.	CH. S. S. Mallikarjunarao	Independent Director
8.	Mini Ipe	Non-Executive (Nominee) Director
9.	Pranam Wahi	Independent Director
10.	Subrat Mohanty	Executive Director
11.	Munish Sharda	Executive Director
12.	Neeraj Gambhir*	Executive Director

* The Board of Directors at its meeting held on July 18, 2025, has approved the appointment of Neeraj Gambhir (DIN: 00257375) as a Wholetime Director, designated as “Executive Director” of the Bank (including his terms and conditions and remuneration), effective from (i) August 4, 2025; or (ii) the date of approval of his appointment by RBI, whichever is later. RBI approved the appointment for a period of 3 years w.e.f October 20, 2025.

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: Executive Vice President – 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 (<i>Legal Proceedings</i>)
Remuneration of directors (during the current year and last 3 financial years)	Please refer to Annexure C (<i>Remuneration of the Directors</i>)
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 (<i>Related Party Transactions</i>)
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	NA

corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remark	
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 September 30, 2025 Particulars	Authorized	Issued	Subscribed	Paid-up
Description of shares	Equity shares of Rs. 2/- each			
No. of shares	4,25,00,00,000	3,102,879,031	3,102,879,031	3,102,879,031
Nominal value per share (INR)	8,50,00,00,000	6,205,758,062	6,205,758,062	6,205,758,062
Aggregate nominal value (INR)	8,50,00,00,000	6,205,758,062	6,205,758,062	6,205,758,062
Total	8,50,00,00,000	6,205,758,062	6,205,758,062	6,205,758,062
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:		As per the relevant Key Information Document.		
A. Before the offer:				
B. After the offer:				
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	FY23	FY24	FY25	H1 FY26
	1.	Profit before provision for tax	16,905.85	33,060.07	34,346.58	14,432.99
	2.	Profit after provision	9,579.68	24,861.43	26,373.48	10,895.78
	*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. H1 FY 2026- Rs. 310.14 crores FY 2025– Rs. 309.09 crores FY 2024– Rs. 307.98 crores FY 2023– Rs. 307.14 crores The interest coverage ratio is as below: H1 FY 2026- NA FY 2025– NA FY 2024– NA FY 2023– 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 (<i>Audited Financial Statements for the Last Three Financial Years (i.e., FY25, FY24, FY23) and H1 FY26</i>)					
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 (<i>Audited Financial Statements for the Last Three Financial Years (i.e., FY25, FY24, FY23) and H1 FY26</i>)					
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 (<i>Changes to the Issuer's Accounting Policies</i>)					

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.

General Risk

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 this offering. 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 this 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 contents of the General Information Document (GID) have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned in herein shall also lie with the Board of Directors and they are duly authorized to attest, by the board of directors or the governing body, as the case may be, by a resolution, a copy of which is attached as Annexure D to the Key Information Document (KID).

The Board of Directors of the Issuer *vide* resolution dated April 24, 2025 authorized any two key managerial personnels acting jointly to declare/ attest the above declarations on behalf of the directors to be included in the GID and KID and to sign the GID and KID and such other documents as may be required for the purpose of fund raising. Accordingly, we are 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: Munish Sharda
Designation: Executive Director
DIN: 06796060
Date: 18-Nov-2025



Name: Sandeep Poddar
ACS 13819
Designation: Company Secretary and Compliance Officer
Date: 18-Nov-2025

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 2022-23, FY 2023-24 and FY 2024-25), as **Annexure A** (*Audited Financial Statements for the Last Three Financial Years (i.e., FY25, FY24, FY23) and H1 FY26*) to the General Information Document.
- Remuneration of Directors, as **Annexure C** (*Remuneration of the Directors*) to the General Information Document.
- Changes in accounting policies, as **Annexure D** (*Changes to the Issuer's Accounting Policies*) to the General Information Document.
- Related Party Transactions, as **Annexure B** (*Related Party Transactions*) to the General Information Document.

ANNEXURE A

AUDITED FINANCIAL STATEMENTS FOR LAST THREE FINANCIAL YEARS (i.e. FY25, FY24, FY23) AND H1 FY26

1. H1 FY 2025-26- <https://www.axisbank.com/docs/default-source/quarterly-results/ufr-q2fy26.pdf>
<https://www.bseindia.com/xml-data/corpfilings/AttachHis/9cdcf28d-a82e-4991-aac2-a356ec9a7f94.pdf>
2. FY 2024-25- <https://www.axisbank.com/annual-reports/2024-2025/pdf/Financial%20statements.pdf>
3. FY 2023-24- <https://www.axisbank.com/annual-reports/2023-2024/pdf/financial-statements.pdf>
4. FY 2022-23- <https://www.axis.bank.in/annual-reports/2022-2023/pdfs/Axis-Bank-AR-2022-23-Financial-statements.pdf>

ANNEXURE B

RELATED PARTY TRANSACTIONS

I. Related party disclosure H1 2025-26

As per Regulation 23(9) of the SEBI Listing Regulations, please find link of disclosure of related party transactions, for the half year ended September 30, 2025.

https://www.axis.bank.in/docs/default-source/default-document-library/related-party-disclosure-30-09-2025.pdf?sfvrsn=8d75d710_1

II. Related party disclosure FY 2024-25

The related parties of the Bank are broadly classified as:

a) Promoters

The Bank has identified the following entities as its Promoters:

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

b) Key Management Personnel

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

c) Relatives of Key Management Personnel

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

d) Subsidiary Companies

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

e) Step down subsidiary companies

- Axis Capital USA LLC

- Axis Pension Fund Management Limited

f) Associate

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

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

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

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

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

* Denotes amount less than ₹50,000/-

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

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

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

* Denotes amount less than ₹50,000/-

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

(₹ in crores)

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

* Denotes amount less than ₹50,000/-

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

(₹ in crores)

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

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

* Denotes amount less than ₹50,000/-

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

(₹ in crores)

ITEMS/RELATED PARTY	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Step down Subsidiaries	Total
Deposits with the Bank	7.63	8.63	1,540.48	0.07	1,556.81
Placement of deposits	-	-	-	-	-
Advances	0.98	0.06	317.86	-	318.90
Investment of the Bank	-	-	3,248.25	7.22	3,255.47
Investment in non-equity instruments of related party	-	-	120.00	-	120.00
Investment of related party in the Bank	0.14	-*	-	-	0.14
Non-funded commitments	-	-	0.30	-	0.30

ITEMS/RELATED PARTY	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Step down Subsidiaries	Total
Other receivables (net)	-	-	16.55	0.05	16.60
Other payables (net)	-	-	76.97	0.03	77.00

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

* Denotes amount less than `50,000/-

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

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

* Denotes amount less than `50,000/-

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

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

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

(₹ in crores)		
Particulars	31 March, 2025	31 March, 2024
Dividend received		
Axis UK Limited	10.33	27.13
Axis Trustee Services Limited	14.25	14.25
Dividend paid		
Mr. Rajiv Anand	0.06	0.05
Interest paid		
Axis Capital limited	8.64	8.42
Axis Securities Limited	40.68	8.66
Interest received		
Axis Finance Limited	33.70	66.93
Axis Securities Limited	4.72	8.47
Investment in Subsidiaries		
Axis Securities Limited	250.00	-
Axis Finance Limited	598.56	300.87
Investment in non-equity instruments of related party		
Axis Finance Limited	375.00	466.48
Repayment of Share Capital by related party		
Axis UK Limited	329.28	-
Investment of related party in the Bank		
Mr. Amitabh Chaudhry	35.09	9.77
Mr. Rajiv Anand	13.97	10.62
Sale of investments		
Axis Securities Limited	554.39	225.88
Management contracts		
A.Treds Limited	3.28	4.00

Particulars	31 March, 2025	31 March, 2024
Axis Capital Limited	2.33	2.13
Axis Trustee Services Limited	2.25	2.00
Axis Asset Management Company Limited	0.17	0.72
Remuneration paid		
Mr. Amitabh Chaudhry	9.80	9.10
Mr. Rajiv Anand	6.84	6.07
Mr. Subrat Mohanty	5.63	2.29
Mr. Munish Sharda	5.44	0.31
Swaps/Forward contracts		
Axis UK Limited	3.24	-
Advance granted (net)		
Axis Finance Limited	123.71	-
Axis Securities Limited	-	0.03
Advance repaid		
Axis Finance Limited	-	391.91
Mr. Rajiv Anand	0.77	0.42
Non-funded commitments (reduction)		
Axis Asset Management Company Limited	0.05	-
Purchase of loans		
Axis UK Limited	25.24	50.04
Receiving of services		
Freecharge Payment Technologies Private Limited	183.76	343.51
Axis Securities Limited	0.03	0.02
Rendering of services		
Axis Securities Limited	64.84	24.49
Axis Asset Management Company Limited	28.78	26.38
Freecharge Payment Technologies Private Limited	87.94	23.69
Sale/Purchase of foreign exchange currency to/from related party		
Mr. Amitabh Chaudhry	0.04	0.10
Mr. Rajiv Anand	0.03	0.09
Mr. Subrat Mohanty	0.03	0.02
Mr. Munish Sharda	0.04	0.01
Royalty received		
Axis Asset Management Company Limited	2.17	1.89
Axis Capital Limited	1.06	0.79
Axis Finance Limited	6.15	4.60
Axis Securities Limited	2.23	1.59
Other reimbursements from related party		
Axis Securities Limited	12.06	7.27
Axis Capital Limited	6.66	3.22
Freecharge Payment Technologies Private Limited	2.26	3.17
Axis Asset Management Company Limited	30.06	31.87
Axis Finance Limited	8.45	14.35
Other reimbursements to related party		
Axis Capital Limited	5.28	4.09
Axis UK Limited	-	0.16
Freecharge Payment Technologies Private Limited	0.02	0.15

* Denotes amount less than ₹50,000/-

III. 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)

*retired from the services of the Bank and has accordingly ceased to be the Whole-time Director with effect from August 3, 2025.

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	-	-	-	-
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
Placement of deposits	-	0.22
Life Insurance Corporation of India		
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/-

IV. Related party disclosure FY 2022-23

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)
- 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.

b) 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)

c) 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	0.22	-

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Life Insurance Corporation of India		
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/-

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 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.
FY 2024-25	Mr. N.S. Viswanathan: 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.
April 1 2025 to September 30, 2025	Mr. N.S. Viswanathan: 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, 2024 to March 31, 2025	April 1, 2024 to March 31, 2025	April 1, 2024 to March 31, 2025	April 1, 2024 to March 31, 2025
	In Rs.			
Salary (Basic)	4,77,01,380	2,97,58,152	2,34,33,360	2,34,33,360
Leave fare concession facility	9,99,996	5,49,996	6,81,996	5,49,996
House rent allowance	1,32,50,388	98,20,188	77,33,004	77,33,004
Variable pay (2023-24)	1,04,73,530	1,19,50,935	97,79,815	93,45,421
Variable pay (2022-23)	33,00,000	37,12,500	27,43,291	31,49,981
Variable pay (2021-22)	31,68,000	35,31,000	19,24,525	12,36,204
Variable pay (2020-21)	30,26,000	20,04,652	84,7670	0
Superannuation allowance / fund	47,70,138	29,75,816	23,43,337	22,07,646
Utility allowance	3,75,000	1,32,000	1,32,000	1,32,000
Perquisites* (excluding ESOP)	40,71,553	34,17,412	24,67,190	40,02,575
Unutilised car benefit	0	2,75,919	11,66,389	1,68,332
Provident fund (Bank's Contribution)	12% of Basic	12% of Basic	12% of Basic	12% of Basic
Gratuity	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service
Leave Encashment	-	-	-	-

retired from the services of the Bank and has accordingly ceased to be the Whole-time Director with effect from August 3, 2025.

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

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
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	-	-	-	

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	-	-

Non-Executive Directors

All the 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 Board at its meeting held on March 22, 2025 has increased the sitting fees in respect of attending the Customer Service Committee meeting from ₹75,000 to ₹1,00,000 per meeting with effect from April 1, 2025. The details of sitting fees paid to the Non-Executive Directors are as follows:

Period	Sitting fees paid (in Rs.)
FY 2023	3,32,25,000
FY 2024	3,44,00,000
FY 2025	3,56,00,000
April 1, 2025 till September 30, 2025	151,50,000

Note:

- 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).
- 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).
- During the FY 2024-25, an amount of Rs. 2,14,00,000 was paid as fixed remuneration to Non-Executive Directors of the Bank (excluding Non-Executive (Part-Time) Chairman).
- During the FY 2025-26, (June quarter) an amount of Rs. 44,94,167 was paid as fixed remuneration to Non-Executive Directors of the Bank (excluding Non-Executive (Part-Time) Chairman).
- During the FY 2025-26 (September quarter) , an amount of Rs. 40,50,000 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	April 1, 2022 to March 31, 2023	April 1, 2023 to March 31, 2024	April 1, 2024 to March 31, 2025	April 1, 2025 to September 30, 2025
1	Sitting fee	13,00,000	16,00,000	16,00,000	6,00,000

S. No	Nature of remuneration	April 1, 2022 to March 31, 2023	April 1, 2023 to March 31, 2024	April 1, 2024 to March 31, 2025	April 1, 2025 to September 30, 2025
2	Profit based commission	10,00,000	10,00,000	20,00,000	20,00,000

- 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.
- c) Profit linked commission amounting Rs. 20,00,000 pertaining to FY 2023-24, was paid during the FY 2024-25.
- d) Profit linked commission amounting Rs. 20,00,000 pertaining to FY 2024-25, was paid during the FY 2025-26.

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

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

4.1 Classification and Valuation of Investments

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

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

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*).

- Three companies (i.e. Insilco Agents Ltd., August Agent Ltd., and Laneseda Agents Ltd) hold savings account and demat account with Axis Bank. In May 2021, conflicting account operating instructions were received from two management factions of these companies (representing Lodha group and Birla group). On account of conflicting instructions, the bank accounts were frozen, and both factions were informed. In March 2025, the Lodha faction filed writ petition before Calcutta High Court seeking reliefs to operate the bank accounts and demat accounts. The Birla faction was not made a party to the proceedings. On 9th April 2025, the Calcutta High Court has passed an Order permitting operation of the Bank account subject to indemnity being provided to the Bank as per norms acceptable to Bank. Bank proceeded to comply with the order and also informed the Birla faction. The Lodha group filed a contempt petition against Axis Bank MD & CEO alleging non-compliance of Calcutta High Court Order dated 9th April 2025. Meanwhile, the Birla group filed an application before the Hon'ble High Court praying for recall of the Order dated 9th April, 2025, alleging that the Lodha group obtained the said Order by suppression of material facts and disputes. Axis Bank has submitted to the Court that it is willing to comply with the directions as may be passed by the Hon'ble Court and vide order dated 19th June 2025 the Hon'ble Court has kept the contempt petition in abeyance and decided to hear the recall application filed by Birla group. Lodha group has also filed an appeal against the Order dated 19th June 2025, keeping the contempt petitions in abeyance and directing hearing of the recall application. The clarification application filed by the Bank, contempt petition, recall application and the appeal are pending for hearing.
- Delhi Metro Rail Corporation Limited (DMRC) has filed a contempt petition before the Hon'ble Supreme Court of India against *inter alia* Delhi Airport Metro Express Private Limited (DAMEPL) (i.e. developer of Airport Express Link project in New Delhi awarded by DMRC), its Directors and the Lenders' Representative for the consortium lenders (for the consortium lenders that had provided financing to DAMEPL for the project) and Escrow Agent and MD & CEO of Axis Bank, seeking, inter alia directions for refund of the termination payments made by DMRC into the escrow account aggregating to Rs. 25,99,17,36,799/- along with an interest. Since Axis Bank had appropriated Rs 258 crores in its capacity as Lender, the claim amount reflected is Rs 258 crores. The balance amount was appropriated by the other lenders who had appointed Axis Bank as an Escrow Agent. No adverse order has been passed against Axis Bank Limited or MD & CEO of Lenders' Representative till date.
- Haryana Real Estate Regulatory Authority passed 2 directions in May 2024 requiring the Promoter (Axis Bank Ltd.) to refund certain amounts withdrawn by the promoter of Czar Buildwell Limited from its RERA accounts with respect to 2 real estate projects. Bank has filed appeals before the HRERA Appellate Tribunal challenging these directions. Hon'ble Appellate Tribunal has remitted the matter to the HRERA authority for decision afresh after affording opportunity of hearing to the parties. No adverse order has been passed against Axis Bank Limited till date.
- Axis Bank Limited has been providing PayPro system services to Dhule Vikas Sahakari Bank Ltd. to execute NEFT and RTGS transaction facility to their customers. On March 22nd, 2021, Dhule Vikas Sahakari Bank Ltd. filed a complaint before the Office of Adjudicating Officer, Directorate of Information and Technology at Mumbai against Axis Bank Ltd., alleging unauthorized transactions. In the complaint, Dhule Vikas Sahakari Bank Ltd. sought the payment of Rs.1,79,06,381/- with interest at the rate of 18% p.a. The Adjudicating Officer passed an order dated January 21st, 2025 directing Axis Bank Ltd. to pay the disputed transaction amount together with interest at the rate of 18%, a compensation of Rs 50,00,000/- towards mental agony, and legal cost of Rs.3,00,000/-. Axis Bank Ltd has filed Appeal before TDSAT, New Delhi against the Order of the Adjudicating Authority. The Appeal is pending for Admission hearing.

- Axis Bank Limited had initiated recovery proceedings against 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 (claim amount was Rs.23.41 crores). M/s Fantasy Furnishings Pvt. Ltd filed a counter claim for Rs. 401.61 crores on grounds of loss in business and reputation loss. No adverse order has been passed against Axis Bank Limited 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 and is at evidence stage. No adverse Order has been passed against the Bank till date.
- 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 reply to the PIL before the High Court. No adverse Order has been passed against the Bank till date.
- Axis Bank Ltd., along with other banks, had filed Writ Petition on 02-09-2019 before the Hon'ble Supreme Court of India, wherein Union of India, Central Information Commission, Central Public Information Officer of Reserve Bank of India are party Respondents. The Writ Petition has been filed, inter alia, seeking (a) declaration that the information obtained by Reserve Bank of India in the course of its inspections and regulatory functions relating to banks and financial institutions are exempted from disclosure under Right to Information Act, 2005, (b) direction to RBI and other Respondents to forbear from disclosing the information obtained by RBI. Application for interim reliefs to prevent RBI from disclosing bank Information pending disposal of Writ Petition was also filed and pending for hearing. The matter is currently pending for hearing 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 01.08.2025 Bank has recovered Rs.10,15,44,617/-..
- 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.
- Axis Bank Limited received a SCN from the SEBI on October 25, 2024 in connection with the sale / purchase of shares of the Issuer. Axis Bank Limited has filed a response to the SCN with SEBI as the said transactions were undertaken with requisite regulatory approvals.
- An original application was filed under the Recovery of Debts and Bankruptcy Act, 1993 on 24 September 2015 by the Bank Consortium Lenders (Lead Bank SBI) others against Gujarat NRE Coke Limited (Gujarat NRE) and others, before the Debts Recovery Tribunal, Kolkata, alleging default in repayment under the credit facilities availed by Gujarat NRE from the Bank. IN the same Axis Bank has sought, among other things, recovery of ₹ 23,840.08 million. The matter is currently pending before the Debts Recovery Tribunal, Kolkata.

- Reliance Communications is under NCLT with Mr. Anish Nanavaty (supported by Deloitte) as the resolution professional (RP). In conformity with CIRP Regulations, Axis Bank admitted claim is Rs 1658 Cr.
- An application was filed under the Insolvency and Bankruptcy Code against Lanco Infratech Limited (Lanco Infratech), before the National Company Law Tribunal, Hyderabad alleging default in repayment under the credit facilities availed by Lanco Infratech. The Bank has impleaded itself as a party to the proceedings on 22 August 2017. The Bank has sought, among other things, recovery of ₹ 28,142.2 million arising from credit facilities availed from the Bank. The Company is currently under Liquidation.
- An application was filed under the Insolvency and Bankruptcy Code against Lanco Thermal Power Limited (Lanco Thermal), before the National Company Law Tribunal, Hyderabad alleging default in repayment under the credit facilities availed by Lanco Thermal. The Bank has impleaded itself as a party to the proceedings on 23 May 2019. The Bank has sought, among other things, recovery of ₹ 21,229.71 million arising from credit facilities availed from the Bank. The Company is currently under Liquidation.

Axis Trustee Services Limited (“ATSL”) received a Show Cause Notice (“SCN”) dated May 30, 2025, issued by SEBI Adjudicating Officer. In the SCN, it is alleged that ATSL failed to oversee the Manager of Embassy REIT with respect to the compliance of applicable SEBI (REIT) Regulations referring to NAFRA order dated August 19, 2024. It is further alleged that ATSL failed to ensure that Manager of Embassy REIT complies with the reporting and disclosure requirements and failed to rectify the same promptly. Therefore, it is alleged ATSL violated clauses under Code of Conduct and Rights & Responsibilities of Trustee in SEBI (REIT) Regulations. Reply for the same has been provided to the SEBI on July 01, 2025.

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.

Sr. no.	Case No	A.Y.	Parties	Name of the Court	Subject Matter	Current status
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
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.

Sr. no.	Case No	A.Y.	Parties	Name of the Court	Subject Matter	Current status
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
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 LIC 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.

Sr. no.	Case No	A.Y.	Parties	Name of the Court	Subject Matter	Current status
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 appeal before Honourable Bombay High Court against the decision of Tribunal.	Pre admission stage.
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.

Sr. no.	Case No	A.Y.	Parties	Name of the Court	Subject Matter	Current status
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 income u/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, 2025	As on March 31, 2024	As on March 31, 2023	As on September 30, 2025
	(Audited)	(Audited)	(Audited)	(Unaudited)
Claims against the Bank not acknowledged as debts	1,477.22	2,453.43	1,994.67	2,603.18
Liability for partly paid investments	126.64	-	239.16	115.29
Liability on account of outstanding forward exchange and derivative contracts:				
- Forward Contracts	12,56,588.46	8,40,386.68	604,835.27	11,84,767.95
- Interest Rate Swaps, Currency Swaps, Forward Rate Agreement & Interest Rate Futures	12,36,293.27	7,79,084.85	582,018.57	11,09,957.38
- Foreign Currency Options	1,33,300.11	42,104.91	40,929.93	1,23,595.66
Guarantees given on behalf of constituents				
- In India	1,21,698.90	1,06,812.19	91,763.78	1,35,075.16
- Outside India	19,490.11	21,315.08	10,599.45	21,821.17
Acceptances, endorsements and other obligations	55,341.43	59,087.51	52,361.53	62,876.68
Other items for which the Bank is contingently liable	51,331.95	57,647.79	56,506.58	75,948.61
Total	28,75,648.09	19,08,892.46	14,41,248.94	27,16,761.08

Contingent liability (Consolidated)

(Rs. Crores)

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023	As on September 30, 2025
	(Audited)	(Audited)	(Audited)	(Unaudited)
Claims against the Bank not acknowledged as debts	1,766.98	2,594.92	2,072.26	2,890.98
Liability for partly paid investments	280.63	125.74	301.03	245.32
Liability on account of outstanding forward exchange and derivative contracts:				
-Forward Contracts	12,56,588.46	8,40,386.68	604,835.27	11,84,767.95
-Interest Rate Swaps, Currency Swaps, Forward Rate Agreement & Interest Rate Futures	12,36,293.27	7,79,518.58	582,389.13	11,09,957.38
-Foreign Currency Options	1,33,300.11	42,104.91	40,929.93	1,23,595.66
Guarantees given on behalf of constituents				
-In India	1,21,698.90	1,06,812.19	91,763.78	1,35,075.16
-Outside India	19,490.11	21,330.35	10,613.41	21,821.17
Acceptances, endorsements and other obligations	55,341.43	59,087.51	52,361.53	62,876.68
Other items for which the Bank is contingently liable	53,440.63	60,164.49	58,399.68	77,894.28

Particulars	As on March 31, 2025	As on March 31, 2024	As on March31, 2023	As on September 30, 2025
	(Audited)	(Audited)	(Audited)	(Unaudited)
Total	28,78,200.52	19,12,125.37	14,43,666.01	27,19,124.58

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 September 30, 2025

General information about company	
Scrip code	532215
NSE Symbol	AXISBANK
MSEI Symbol	NOTLISTED
ISIN	INE238A10134
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)	30-09-2025
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

Declaration					
Sr. No.	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non Promoter- Non Public
1	Whether the Listed Entity has issued any partly paid up shares?	No	No	No	No
2	Whether the Listed Entity has issued any Convertible Securities ?	No	No	No	No
3	Whether the Listed Entity has issued any Warrants ?	No	No	No	No
4	Whether Listed Entity has granted any ESOPs, which are outstanding?	Yes	No	Yes	No
5	Whether the Listed Entity has any shares against which depository receipts are issued?	Yes	No	No	Yes
6	Whether the Listed Entity has any shares in locked-in?	No	No	No	No
7	Whether any shares held by promoters are encumbered under "Pledged"?	No	No		
8	Whether any shares held by promoters are encumbered under "Non-Disposal Undertaking"?	No	No		
9	Whether any shares held by promoters are encumbered, other than by way of Pledge or NDU, if any?	No	No		
10	Whether company has equity shares with differential voting rights?	No	No	No	No
11	Whether the listed entity has any significant beneficial owner?	No			

Table VI - Statement showing foreign ownership limits		
Particular	Approved limits (%)	Limits utilized (%)
As on shareholding date	74	43.97
As on the end of previous 1st quarter	74	45.87
As on the end of previous 2nd quarter	74	45.89
As on the end of previous 3rd quarter	74	49.66
As on the end of previous 4th quarter	74	54.31

Table I - Summary Statement holding of specified securities															
Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. Of Shares Underlying Outstanding convertible securities (XA)	No. of Shares Underlying Outstanding Warrants (XB)	No. Of Outstanding ESOP Granted (XC)	No. of Shares Underlying Outstanding convertible securities, of Warrant and ESOP (X) = (XA+XB+XC)	
								No of Voting (XIV) Rights							Total as a % of (A+B+C)
								Class eg:X	Class eg:Y	Total					
(A)	Promoter & Promoter Group	1	244860645			244860645	8.16	244860645		244860645	7.89				
(B)	Public	918778	2755706551			2755706551	91.84	2755706551		2755706551	88.81		53055734	53055734	
(C)	Non Promoter-Non Public	1	0		102311835	102311835		102311835		102311835	3.3				
(C1)	Shares underlying DRs	1	0		102311835	102311835		102311835		102311835	3.3				
(C2)	Shares held by Employee Trusts														
	Total	918780	3000567196		102311835	3102879031	100	3102879031		3102879031	100		53055734	53055734	

Table I - Summary Statement holding of specified securities																
Category (I)	Category of shareholder (II)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XIII)		Number of Shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total Number of Shares encumbered (XVII) = (XIV+XV+XVI)		Number of equity shares held in dematerialized form (XVIII)	Sub-categorization of shares		
			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(A)	Promoter & Promoter Group	8.02											244860645			
(B)	Public	91.98											2753345580	0	0	0
(C)	Non Promoter-Non Public												102311835			
(C1)	Shares underlying DRs												102311835			
(C2)	Shares held by Employee Trusts															
	Total	100											3100518060	0	0	0

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Sr. No.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. Of Shares Underlying Outstanding convertible securities (XA)	No. of Shares Underlying Outstanding Warrants (XB)	No. Of Outstanding ESOP Granted (XC)	No. Of Outstanding Warrants (XD)	
								No of Voting (XIV) Rights							Total as a % of Total Voting rights
								Class eg: X	Class eg: Y	Total					
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group														
(1)	Indian														
(c)	Financial Institutions/ Banks	1	244860645			244860645	8.16	244860645		244860645	7.89				
Sub-Total (A) (1)		1	244860645			244860645	8.16	244860645		244860645	7.89				
(2)	Foreign														
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		1	244860645			244860645	8.16	244860645		244860645	7.89				

B	Table III - Statement showing shareholding pattern of the Public shareholder													
(1)	Institutions (Domestic)													
(a)	Mutual Funds	43	1019159100			1019159100	33.97	1019159100		1019159100	32.85		0	0
(c)	Alternate Investment Funds	90	39441900			39441900	1.31	39441900		39441900	1.27		0	0
(d)	Banks	6	1761474			1761474	0.06	1761474		1761474	0.06		0	0
(e)	Insurance Companies	45	149861183			149861183	4.99	149861183		149861183	4.83		0	0
(f)	Provident Funds/ Pension Funds	1	76208411			76208411	2.54	76208411		76208411	2.46		0	0
(i)	NBFCs registered with RBI	12	81985			81985	0	81985		81985	0		0	0
Sub-Total (B) (1)		197	1286514053			1286514053	42.88	1286514053		1286514053	41.46		0	0
(2)	Institutions (Foreign)													

(d)	Foreign Portfolio Investors Category I	1183	1214305442			1214305442	40.47	1214305442		1214305442	39.13			0	0
(e)	Foreign Portfolio Investors Category II	79	42442457			42442457	1.41	42442457		42442457	1.37			0	0
(g)	Any Other (specify)	1	263389			263389	0.01	263389		263389	0.01			0	0
Sub-Total (B) (2)		1263	1257011288			1257011288	41.89	1257011288		1257011288	40.51			0	0
(3)	Central Government / State Government(s)														
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	3	20211			20211	0	20211		20211	0			0	0
Sub-Total (B) (3)		3	20211			20211	0	20211		20211	0			0	0
(4)	Non-institutions														
(b)	Directors and their relatives (excluding independent directors and nominee directors)	3	1278			1278	0	1278		1278	0			3653674	36
(c)	Key Managerial Personnel	2	130655			130655	0	130655		130655	0			493003	49
(f)	Investor Education and Protection Fund (IEPF)	1	1321284			1321284	0.04	1321284		1321284	0.04			0	0
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	875581	129184235			129184235	4.31	129184235		129184235	4.16			48909057	48
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	86	36083655			36083655	1.2	36083655		36083655	1.16			0	0

(i)	Non Resident Indians (NRIs)	24222	9080710			9080710	0.3	9080710		9080710	0.29			0	0
(j)	Foreign Nationals	2	3152			3152	0	3152		3152	0			0	0
(l)	Bodies Corporate	4437	31643772			31643772	1.05	31643772		31643772	1.02			0	0
(m)	Any Other (specify)	12981	4712258			4712258	0.16	4712258		4712258	0.15			0	0
Sub-Total (B) (4)		917315	212160999			212160999	7.07	212160999		212160999	6.84			53055734	53
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)		918778	2755706551			2755706551	91.84	2755706551		2755706551	88.81			53055734	53

C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder														
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	1	0		102311835	102311835		102311835		102311835	3.3				
Total NonPromoter- Non Public Shareholding (C)= (C)(1)+(C)(2)		1	0		102311835	102311835		102311835		102311835	3.3				
Total (A+B+C2)		918779	3000567196			3000567196	100	3000567196		3000567196	96.7			53055734	53
Total (A+B+C)		918780	3000567196		102311835	3102879031	100	3102879031		3102879031	100			53055734	53

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group																
Sr. No.	Category & Name of the Shareholders (I)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XIII)		Number of Shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total Number of Shares encumbered (XVII) = (XIV+XV+XVI)		Number of equity shares held in dematerialized form (XVIII)	Sub-categorization of shares		
			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group															
(1)	Indian															
(c)	Financial Institutions/ Banks	8.02											244860645			
Sub-Total (A) (1)		8.02											244860645			
(2)	Foreign															
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		8.02											244860645			
B	Table III - Statement showing shareholding pattern of the Public shareholder															
(1)	Institutions (Domestic)															
(a)	Mutual Funds	33.38											1019159100	0	0	0
(c)	Alternate Investment Funds	1.29											39441900	0	0	0
(d)	Banks	0.06											1761474	0	0	0
(e)	Insurance Companies	4.91											149861183	0	0	0
(f)	Provident Funds/ Pension Funds	2.5											76208411	0	0	0

(i)	NBFCs registered with RBI	0											81985	0	0	0
Sub-Total (B) (1)		42.13											1286514053	0	0	0
(2)	Institutions (Foreign)															
(d)	Foreign Portfolio Investors Category I	39.77											1214305442	0	0	0
(c)	Foreign Portfolio Investors Category II	1.39											42442457	0	0	0
(g)	Any Other (specify)	0.01											263389	0	0	0
Sub-Total (B) (2)		41.16											1257011288	0	0	0
(3)	Central Government / State Government(s)															
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0											20211	0	0	0
Sub-Total (B) (3)		0											20211	0	0	0

(4)	Non-institutions														
(b)	Directors and their relatives (excluding independent directors and nominee directors)	0.12										1278	0	0	0
(c)	Key Managerial Personnel	0.02										130655	0	0	0
(f)	Investor Education and Protection Fund (IEPF)	0.04										1321284	0	0	0
(g)	Resident Individuals	5.83										126837764	0	0	0
	holding nominal share capital up to Rs. 2 lakhs														
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	1.18										36083655	0	0	0
(i)	Non Resident Indians (NRIs)	0.3										9078710	0	0	0
(j)	Foreign Nationals	0										3152	0	0	0
(l)	Bodies Corporate	1.04										31633272	0	0	0
(m)	Any Other (specify)	0.15										4710258	0	0	0
Sub-Total (B) (4)		8.69										209800028	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)		91.98										2753345580	0	0	0

C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder											
(1)	Custodian/DR Holder - Name of DR Holders (If Available)											102311835
Total NonPromoter- Non Public Shareholding (C)= (C)(1)+(C)(2)												102311835
Total (A+B+C2)		100										2998206225
Total (A+B+C)		100										3100518060
Disclosure of notes on shareholding pattern												Textual Information(1)

Text Block	
Textual Information(1)	Max Life Insurance Company Limited an Associate of the Bank is holding shares as QIB and accordingly its holding is shown under "Insurance" Category. Note for Serial No. 63 of the XBRL - The outstanding options are held by the employees of the Bank and its subsidiaries and we have mentioned the same under the category of Resident individuals upto 2 lakhs.

Financial Institutions/ Banks							
Sr. No.	1	2	3	4	5	6	7
Name of the Shareholders (I)	LIFE INSURANCE CORPORATION OF INDIA	LIC Pension Fund Ltd.	LIC Card Services Ltd.	LIC (Singapore) Pte. Ltd.	LIC (Nepal) Ltd.	LIC(International) BSC (c), Bahrain	LIC (Lanka) Ltd.
PAN (II)	AAACL0582H	AABCL4101F	AABCL5546L	ZZZZZ9999Z	ZZZZZ9999Z	AAACL6485D	ZZZZZ9999Z
No. of fully paid up equity shares held (IV)	244860645	0	0	0	0	0	0
Total nos. shares held (VII) = (IV)+(V)+ (VI)	244860645	0	0	0	0	0	0
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	8.16	0	0	0	0	0	0

Number of Voting Rights held in each class of securities (IX)							
Class eg: X	244860645	0	0	0	0	0	0
Total	244860645	0	0	0	0	0	0
Total as a % of Total Voting rights	7.89	0	0	0	0	0	0
Total No. of shares on fully diluted basis (including warrants and Convertible Securities etc.) (XI)=(VII+X)	244860645	0	0	0	0	0	0
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)=(VII)+(X) As a % of (A+B+C2)	8.02	0	0	0	0	0	0
Number of equity shares held in dematerialized form (XVIII)	244860645	0	0	0	0	0	0
Reason for not providing PAN							

Reason for not providing PAN				Textual Information(1)	Textual Information(2)		Textual Information(3)
Shareholder type	Promoter	Promoter Group	Promoter Group	Promoter Group	Promoter Group	Promoter Group	Promoter Group

Financial Institutions/ Banks							
Sr. No.	8	9	10	11	12	13	14
Name of the Shareholders (I)	LIC Bangladesh Ltd.	LIC Housing Finance Ltd.	LIC HFL Asset Management Company Ltd.	LIC Mutual Fund Asset Management Ltd.	LIC Mutual Fund Trustee Company Pvt. Ltd.	IDBI Bank Ltd.	IDBI Trusteeship Services Ltd.
PAN (II)	ZZZZZ9999Z	AAACL1799C	AABCL5126A	AAACJ1166H	AABCL0297J	AABCI8842G	AAACI8912J
No. of fully paid up equity shares held (IV)	0	0	0	0	0	0	0
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	0	0	0	0	0	0	0
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	0	0	0	0	0	0	0

Number of Voting Rights held in each class of securities (IX)							
Class eg: X	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0
Total as a % of Total Voting rights	0	0	0	0	0	0	0
Total No. of shares on fully diluted basis (including warrants and Convertible Securities etc.) (XI)=(VII+X)	0	0	0	0	0	0	0
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)=(VII)+(X) As a % of (A+B+C2)	0	0	0	0	0	0	0
Number of equity shares held in dematerialized form (XVIII)	0	0	0	0	0	0	0
Reason for not providing PAN							

Reason for not providing PAN	Textual Information(4)						
Shareholder type	Promoter Group	Promoter Group	Promoter Group	Promoter Group	Promoter Group	Promoter Group	Promoter Group

Financial Institutions/ Banks	
Sr. No.	
Name of the Shareholders (I)	Click here to go back
PAN (II)	Total
No. of fully paid up equity shares held (IV)	244860645
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	244860645
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	8.16
Number of Voting Rights held in each class of securities (IX)	
Class eg: X	244860645
Total	244860645
Total as a % of Total Voting rights	7.89
Total No. of shares on fully diluted basis (including warrants and Convertible Securities etc.) (XI)=(VII+X)	244860645
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	8.02
Number of equity shares held in dematerialized form (XVIII)	244860645
Reason for not providing PAN	
Reason for not providing PAN	

Shareholder type	

Text Block	
Textual Information(1)	Being Foreign Entity PAN is not applicable
Textual Information(2)	Being Foreign Entity PAN is not applicable
Textual Information(3)	Being Foreign Entity PAN is not applicable
Textual Information(4)	Being Foreign Entity PAN is not applicable

Mutual Funds							
Sr. No.	1	2	3	4	5	6	7
Name of the Shareholders (I)	ICICI PRUDENTIAL - Through its various Schemes	SBI - Through its various Schemes	HDFC - Through its various Schemes	NIPPON- Through its various Schemes	UTI - Through its various Schemes	KOTAK - Through its various Schemes	MIRAE ASSET - Through its various Schemes
PAN (II)	AAAAI0038F	AABTS6407Q	AAATH1809A	AAATR0090B	AAATU1088L	AAATK4475F	AACTM0203B
No. of fully paid up equity shares held (IV)	211302373	157972830	157373199	96810814	56237476	54323711	47492867
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	211302373	157972830	157373199	96810814	56237476	54323711	47492867
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	7.04	5.26	5.24	3.23	1.87	1.81	1.58

Number of Voting Rights held in each class of securities (IX)							
Class eg: X	211302373	157972830	157373199	96810814	56237476	54323711	47492867
Total	211302373	157972830	157373199	96810814	56237476	54323711	47492867
Total as a % of Total Voting rights	6.81	5.09	5.07	3.12	1.81	1.75	1.53
No. Of Outstanding ESOP Granted (XC)	0	0	0	0	0	0	0
No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	0	0	0	0	0	0	0
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	211302373	157972830	157373199	96810814	56237476	54323711	47492867
Shareholding , as a % assuming full conversion of convertible	6.92	5.17	5.15	3.17	1.84	1.78	1.56
securities (as a percentage of diluted share capital) (XII)=(VII)+(X) As a % of (A+B+C2)							
Number of equity shares held in dematerialized form (XIV)	211302373	157972830	157373199	96810814	56237476	54323711	47492867
Reason for not providing PAN							
Reason for not providing PAN							
Sub-categorization of shares							
Sub-category (i)	0	0	0	0	0	0	0
Sub-category (ii)	0	0	0	0	0	0	0
Sub-category (iii)	0	0	0	0	0	0	0

Mutual Funds				
Sr. No.	8	9	10	
Name of the Shareholders (I)	ADITYA BIRLA - Through its various Schemes	PARAG PARIKH - Through its various Schemes	DSP - Through its various Schemes	Click here to go back
PAN (II)	AAATB0102C	AACTP2540E	AAAJD0430B	Total
No. of fully paid up equity shares held (IV)	40858842	35951312	35723571	894046995
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	40858842	35951312	35723571	894046995
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.36	1.2	1.19	29.8
Number of Voting Rights held in each class of securities (IX)				
Class eg: X	40858842	35951312	35723571	894046995
Total	40858842	35951312	35723571	894046995
Total as a % of Total Voting rights	1.32	1.16	1.15	28.81
No. Of Outstanding ESOP Granted (XC)	0	0	0	0
No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	0	0	0	0
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	40858842	35951312	35723571	894046995
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)=	1.34	1.18	1.17	29.28

(VII)+(X) As a % of (A+B+C2)				
Number of equity shares held in dematerialized form (XIV)	40858842	35951312	35723571	894046995
Reason for not providing PAN				
Reason for not providing PAN				
Sub-categorization of shares				
Shareholding (No. of shares) under				
Sub-category (i)	0	0	0	0
Sub-category (ii)	0	0	0	0
Sub-category (iii)	0	0	0	0

Foreign Portfolio Investors Category I					
Sr. No.	1	2	3	4	
Name of the Shareholders (I)	DODGE AND COX INTERNATIONAL STOCK FUND	GOVERNMENT PENSION FUND GLOBAL	GOVERNMENT OF SINGAPORE	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Click here to go back
PAN (II)	AABTD0216A	AACCN1454E	AAAJG0594R	AABTV0442N	Total
No. of fully paid up equity shares held (IV)	66840650	64578889	57598047	33243385	222260971
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	66840650	64578889	57598047	33243385	222260971
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	2.23	2.15	1.92	1.11	7.41

Number of Voting Rights held in each class of securities (IX)					
Class eg: X	66840650	64578889	57598047	33243385	222260971
Total	66840650	64578889	57598047	33243385	222260971
Total as a % of Total Voting rights	2.15	2.08	1.86	1.07	7.16
No. Of Outstanding ESOP Granted (XC)	0	0	0	0	0
No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	0	0	0	0	0
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	66840650	64578889	57598047	33243385	222260971
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share	2.19	2.11	1.89	1.09	7.28

capital) (XII)= (VII)+(X) As a % of (A+B+C2)					
Number of equity shares held in dematerialized form (XIV)	66840650	64578889	57598047	33243385	222260971
Reason for not providing PAN					
Reason for not providing PAN					
Sub-categorization of shares					
Shareholding (No. of shares) under					
Sub-category (i)	0	0	0	0	0
Sub-category (ii)	0	0	0	0	0
Sub-category (iii)	0	0	0	0	0

Insurance Companies		
Sr. No.	1	
Name of the Shareholders (I)	SBI LIFE INSURANCE COMPANY LIMITED	Click here to go back
PAN (II)	AAFCS2530P	Total
No. of fully paid up equity shares held (IV)	35704939	35704939
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	35704939	35704939
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.19	1.19
Number of Voting Rights held in each class of securities (IX)		
Class eg: X	35704939	35704939
Total	35704939	35704939
Total as a % of Total Voting rights	1.15	1.15
No. Of Outstanding ESOP Granted (XC)	0	0
No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	0	0
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	35704939	35704939
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)=	1.17	1.17

(VII)+(X) As a % of (A+B+C2)		
Number of equity shares held in dematerialized form (XIV)	35704939	35704939
Reason for not providing PAN		
Reason for not providing PAN		
Sub-categorization of shares		
Shareholding (No. of shares) under		
Sub-category (i)	0	0
Sub-category (ii)	0	0
Sub-category (iii)	0	0

Any Other (specify)		
Sr. No.	1	
Category	Other	
Category / More than 1 percentage	Category	Click here to go back
Name of the Shareholders (I)	FOREIGN INSTITUTIONAL INVESTORS	
PAN (II)		Total
No. of the Shareholders (I)	1	1
No. of fully paid up equity shares held (IV)	263389	263389
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	263389	263389
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	0.01	0.01

Number of Voting Rights held in each class of securities (IX)		
Class eg: X	263389	263389
Total	263389	263389
Total as a % of Total Voting rights	0.01	0.01
No. Of Outstanding ESOP Granted (XC)	0	0
No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	0	0
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	263389	263389

Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	0.01	0.01
Number of equity shares held in dematerialized form (XIV)	263389	263389
Reason for not providing PAN		
Reason for not providing PAN		
Sub-categorization of shares		
Shareholding (No. of shares) under		
Sub-category (i)	0	0
Sub-category (ii)	0	0
Sub-category (iii)	0	0

Provident Funds/ Pension Funds		
Sr. No.	1	
Name of the Shareholders (I)	NPS TRUST - Through its various Schemes	Click here to go back
PAN (II)	AABTN0648L	Total
No. of fully paid up equity shares held (IV)	76208411	76208411
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	76208411	76208411
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	2.54	2.54
Number of Voting Rights held in each class of securities (IX)		
Class eg: X	76208411	76208411
Total	76208411	76208411
Total as a % of Total Voting rights	2.46	2.46
No. Of Outstanding ESOP Granted (XC)	0	0
No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	0	0
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	76208411	76208411
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)=	2.5	2.5

(VII)+(X) As a % of (A+B+C2)		
Number of equity shares held in dematerialized form (XIV)	76208411	76208411
Reason for not providing PAN		
Reason for not providing PAN		
Sub-categorization of shares		
Shareholding (No. of shares) under		
Sub-category (i)	0	0
Sub-category (ii)	0	0
Sub-category (iii)	0	0

Any Other (specify)				
Sr. No.	1	2	3	
Category	HUF	Clearing Members	Trusts	
Category / More than 1 percentage	Category	Category	Category	
Name of the Shareholders (I)				Click here to go back
PAN (II)				Total
No. of the Shareholders (I)	12913	21	47	12981
No. of fully paid up equity shares held (IV)	2224597	2261802	225859	4712258
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	2224597	2261802	225859	4712258
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	0.07	0.08	0.01	0.16

Number of Voting Rights held in each class of securities (IX)				
Class eg: X	2224597	2261802	225859	4712258
Total	2224597	2261802	225859	4712258
Total as a % of Total Voting rights	0.07	0.07	0.01	0.15
No. Of Outstanding ESOP Granted (XC)	0	0	0	0
No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	0	0	0	0
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	2224597	2261802	225859	4712258

Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	0.07	0.07	0.01	0.15
Number of equity shares held in dematerialized form (XIV)	2222597	2261802	225859	4710258
Reason for not providing PAN				
Reason for not providing PAN				
Sub-categorization of shares				
Shareholding (No. of shares) under				
Sub-category (i)	0	0	0	0
Sub-category (ii)	0	0	0	0
Sub-category (iii)	0	0	0	0

Custodian/DR Holder - Name of DR Holders (If Available)		
Sr. No.	1	
Category	GDR	
Bank Name	THE BANK OF NEW YORK MELLON	
Name of the Shareholders (I)	THE BANK OF NEW YORK MELLON	Click here to go back
PAN (II)	AACCT2969G	Total
No. of the Shareholders (I)	1	1
No. of fully paid up equity shares held (IV)	0	0
No. Of shares underlying Depository Receipts (VI)	102311835	102311835
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	102311835	102311835
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)		
Number of Voting Rights held in each class of securities (IX)		
Class eg: X	102311835	102311835
Total	102311835	102311835
Total as a % of Total Voting rights	3.30	3.30
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	102311835	102311835
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)=		

(VII)+(X) As a % of (A+B+C2)		
Number of equity shares held in dematerialized form (XIV)	102311835	102311835
Reason for not providing PAN		
Reason for not providing PAN		

Details of Shares which remain unclaimed for Public				
Sr. 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	136	107505		

ANNEXURE I

DETAILS OF MATERIAL FRAUDS

(As Enclosed Separately)

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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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, 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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.
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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				committed misrepresentation and breach of trust. Further, various irregularities were observed in the documents submitted 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 Kwaliti Limited	47.22	Kwaliti 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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.
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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 ₹ 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 and other

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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, 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.
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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Bank. The account was classified as a non-performing asset in June

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 Post dated 25.08.2020, which has been received at CBI office on 27.08.2020. An amount of ₹ 17.9 million was

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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,

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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.
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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken 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 Corporationsn.	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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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, 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 facilities 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.
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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

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				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				company was involved in various irregularities including misrepresentation and manipulation of financial statements. The account was classified as fraud 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				findings of draft forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 30 September 2020 The Bank has lodged Criminal Complaint 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Consortium of 9 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)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 01.04.2013 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:

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Fabricated / Inflated stock / book-debt statements. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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 details shared by the borrower with

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				lenders. The following critical facts 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. Finabl PLC). All lenders have been requested to submit their consent for the same. As per syndication document, approval from two-thirds (67%) 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 (WC DL) 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Finabl, 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				company is part of the Avantha group promoted by Mr. Gautam Thapar. Banking Arrangement 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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) - 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				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	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					classified as RFA by Axis Bank on 06.05.2020, based on fraud 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 '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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 ₹

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Trading activities of KSBL in capital markets, commodity markets, etc. were suspended vide NSE and 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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 Cause: 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				forensic audit report was received on 09.11.2020. Key observations noted in the draft forensic audit are as under: Compensation of 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				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 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	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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:

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 (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, Uttarakhand. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				i. Stock declared in the stock statement submitted to the Bank are not 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Silvassa. 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 (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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Axis Bank ii. Default in payment to the banks iii. Delay observed in payment of outstanding dues iv. Frequent devolvment 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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				public interest. ii. 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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the 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 Gurantee 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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 / devolvment of LCs. RFA Classification The borrower

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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 Income 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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) 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 a lower amount of Rs.6.69 crore

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 transactions 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 the 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				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	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the 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 misappropriation of funds to the tune 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	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				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 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	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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.Himatsinka 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.Himatsinka 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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 Halasuru 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the 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 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 allotted 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 undertake 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	22.22	Gist of the case: Agriculture credit facility was sanctioned and disbursed to a

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
	Mr. Sureshbhai Vishnubhai Patel and 1 Other		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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 in front of the Bank's staff. Subsequently when the account turned irregular and the Bank contacted the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Co-borrower Mr. Mukesh Jayantilal Shah 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 Chatushrunghii 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Ugle was having a credit card facility with 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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, 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)

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 (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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 its Railways Division. Axis Bank classified the borrower as 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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' 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Bank, on behalf of the lenders, appointed T R Chadha and Co LLP on 20.04.2021 to conduct forensic audit of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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-cooperation 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 submitted to the Bank. Action Taken / Proposed i) Legal recourse for

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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), incorporated 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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. Venkatakirana 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Special Committee for Monitoring of Large Value Frauds. iv. 100% provisioning has been done.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Frauds. iv. The exposure has been prudentially written off by the Bank.
154	Case of Diversion of Funds by Arasu Autos-Thiruvapur	49.4	Background : Arasu Autos-Thiruvapur (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 was no revert from TMB. Axis Bank appointed Raj Niranjana 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Thiruvapur Police Station on 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 the transaction audit report along with responses submitted

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Niranjana 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. 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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: Following were noted from the submissions

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				12.08.2021 regarding commissioning of JLM as per RBI guidelines. However, no response was received from them. Accordingly, Axis Bank appointed Raj Niranjani 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, 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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 in the matter is still under way. Action taken 1. An additional amount of Rs. 52.50 lakhs cash identified

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. Conclusion Axis Bank classified the borrower as 'Fraud' based on the following:

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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:

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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, 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 forensic report is yet to be received. In the meantime, the promoters of the company filed an application before the City Civil Court,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Digikonnnect Limited and Karvy Stock Broking Limited. ii. Karvy Stock Broking Limited was classified as Fraud on 23.12.2020 iii. Karvy Digikonnnect 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 the accounts of M/s Shiva Traders, M/s Vidya Traders, Mr. Shiv Kumar Sahu,

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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 2008. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				conducting forensic audit of the 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 then 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Arrangement: i. SVIPL availed credit facilities of Rs.49 crore, under multiple banking arrangement, from 9 lenders viz.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Axis Bank, Canara Bank, ICICI Bank, Yes Bank, State Bank of India (SBI), Sundaram Finance, Tata Capital Finance, Mahindra Finance, Chola mandalam 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

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				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.
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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				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 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.	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Nitesh in his car however, midway Nitesh threatened 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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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 gold 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				(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. 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.,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the present case, considering the complicity 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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. - 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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: - In case of Fraud, "Intention" of party concerned is of utmost importance. In the present case, considering the complicity of accounts and due to unearthing the substance of transactions

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				crore to the company in FY 2016, including takeover of limits of Rs.4.50 crore from Bank of India. <u>Resolution and Recovery Actions</u> 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. <u>RFA / Fraud Status</u> 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

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. - 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 from 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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, respectively. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. - Adverse observations were also noted in the stock audits conducted by Axis Bank: <u>Stock audit report dated 08.12.2016:</u> The company had wrongly reported debtors of Rs.0.54 crore which were overdue more than 90 days. <u>Stock audit report dated 17.02.2018:</u> 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. <u>Audited Financials for FY 2020-</u> The Statutory auditor had not obtained all the information and explanations which

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. <u>Audited Financials for FY 2021-</u> 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 its 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			repeated requests and reminders. The intention and integrity of the management of the 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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) - 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 logged 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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				<u>Resolution and Recovery Actions</u> 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. <u>RFA / Fraud Status</u> 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				and its share in DP. This resulted in the entire DP being allocated to Axis Bank. 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. - 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			- 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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. - 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. - 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.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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 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.3.56 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

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 SDT, wherein instances of misrepresentation in financial statements and 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 - Inventory review identified that for the period January 2022 to March 2022, the borrower bought:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				<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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. - 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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).
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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. - 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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 situated 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				observed for the period prior to sanction by Axis 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. • 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).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			- 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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: 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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: - 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. ▪ 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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 facilities of Rs.2.70 crore in November 2018,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. - 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 chances 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 - 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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).

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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 • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 chances 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. - o A number of instances of suspicious transactions in SDT's accounts are illustrated below: - o <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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				▪ 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. o <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. o <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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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. 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

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% 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 Actions The account was classified as NPA on 29.05.2022. Bank 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.

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 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 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: <u>Drastic reduction in inventory:</u> - 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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. - o 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o As per stock audit report dated 27.01.2022, ~72% of the company's receivables were outstanding from related parties. Analysis of Bank Borrowings: o 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". o 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): o 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. o The details of the other bank accounts is not available. Hence, the authenticity of the transactions cannot be traced. Stock audit report observations: o 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				04.01.2022, stock of only Rs.9.44 crore was observed. A reduction of 30% in the stock of board paper was observed. o 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. • 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 that they had opened the account and applied for 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				ii Notice under section 13(2) of SARFAESI was issued on 11.11.2019. 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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. • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 in the account, delay in submission of stock

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			(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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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
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. - 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. - The client copies of the cash deposit vouchers aggregating to Rs.1.27

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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. 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. • Share Buyback Arrangement

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 & 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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;

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by 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; - o 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: - o 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. - o Sudden exit of employees jeopardized RAPL's business operations and their efforts to recover the 9 vehicles were unsuccessful. - o 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. - o 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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. • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			100% provision has been done for the fraud amount.
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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			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.
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),

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. • 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Miscreants entered the Branch and threatened the Branch staff & security guard at Gun Point. • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. • 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 owing to the payment instructions given by the corporate as per the process flow.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. • 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by 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, Maharashtra, 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 been adjourned to 10.01.2024. • Subsequently, an order dated 21.10.2022 was issued u/s 14 of SARFAESI Act for physical possession 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 complaine 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 initiated 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Pune u/s 14 of SARFAESI Act, 2002 wherein an order was passed 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 possession 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, submitted 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 DRT. DRT has not granted any

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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: • • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 the 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 • Selling-off of hypothecated/mortgaged security, without NOC Root Cause • Selling-off of hypothecated/mortgaged security, without NOC

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 returned 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 • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 from various parties. However, due to the non-

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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: • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. • 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:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. • Assessment of staff accountability across sanction, monitoring and disbursement process is in progress. Action Taken / Proposed

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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/dispensed 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. - Issuance of Show Cause Notice to the Borrower - Supreme court vide its judgement dated 27.03.2023, directed that the 'principle of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the 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. 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	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				(candy.tradecking.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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 mobile number 7087615409 was updated in the bank

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• 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.
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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Rs.0.65 crore has been received from Mr. Keshav Bangur after 31.03.2022.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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: • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken 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).
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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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-

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				BDE), Bishwa Ranjan Das (brother of Soumya Ranjan Das & Ex-RE-Microfinance), T. Jagdish Rao (Agri RE & borrower), Gourav Halder (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. • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 reveals 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. • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. • 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.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by 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 • Fraudsters impersonating as genuine customers had applied for Axis Kwik credit card with multiple valid PAN (name similar to impersonated Aadhaar) • Single Tokenised Aadhaar matching with same name of PAN were used against multiple PANs.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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) • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. Staff Accountability

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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 misrepresentation 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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.

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 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 Pharmaceuticals 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				such observations were made during that time. - Axis Bank responded to borrower's response to SCN on 17.07.2023, as under: - Details of variance in DP arrived basis SS and ABS for FY 2016, FY 2017 and FY 2018 were provided. - 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: - To grant personal hearing to explain the queries. - 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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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 - Process of comparing figures disclosed by the borrower in stock statements and audited financials to be put in place. Remedial Action Plan - 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. - Comparison of values reported in ABS vis-à-vis Stock Statement has been automated through Online DP platform in FY 2022

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 from the Office of Sub-Registrar and also from the Revenue Records which are available on online

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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: - 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. - o No response has been received from the borrower. Modus Operandi • Property not in existence/Wrongly identified by the Bank. Root Cause

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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. - 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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: ○ 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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: - o 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. - o 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. - o Further, it was observed that UGL had positive net worth for FY 2020, FY 2021 and FY 2022. - o 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: - o Comparison of trade payables as per audited balance sheet and stock statement for FY 2020 till FY 2022 is as below. - o 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. - o 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				○ 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 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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. - o Diversion of funds: Long overdue of o/s receivables from related party i.e. Utkal Galvanisers Limited. - o 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: - o Observations on movement of Inventory: Borrower's response: ▪ The delay in submission of records was due to severe labor unrest since 2022, resulting in 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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: ○ The comparison which was done based on information submitted by the borrower to banks 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				▪ 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 the factory, however is

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 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: o 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. o 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Response from Mr. Rajesh to the query was as below: o 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. o 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.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
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 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 he was 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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 respect of 12 complaints

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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). • 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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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. 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)	24.20	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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 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. • 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)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- 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. - 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,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the Warehouse, and they were 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 Tukur 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. 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 filing 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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 • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				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
232		Right Health Platter Private Limited	192.00	Background of the case - Right Health Platter Private Limited (RHPPL), incorporated in January 2020, is engaged in the business of processing, trading and export of dairy products. The company's registered office is located in Chennai, Tamil Nadu. - RHPPL availed working capital facilities of Rs.160.50 crore, under multiple banking arrangements, from 15 lenders with HDFC Bank being the largest lender. - Axis Bank sanctioned export finance limits (EPC/PSC) of Rs.25 crore in May 2023 and cash credit limit of Rs.7.25 crore as a sublimit to EPC. Resolution and Recovery Actions - The borrower was classified as NPA by the Bank on 16.12.2023 - The advances were recalled on 25.09.2023. OA filed with DRT Chennai on 05.04.2024. RFA / Fraud Status - The borrower was classified as RFA due to RFA classification by Fincare Small Finance Bank and Bank of Maharashtra - Axis Bank appointed M/s VCAN & Co to conduct forensic audit of the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrower, wherein diversion of funds were identified. • The borrower did not cooperate in the forensic audit exercise and submitted only partial information. • A lenders' meeting was held to discuss the forensic audit findings, wherein lenders agreed to approach respective competent authorities for classification of the borrower as 'Fraud'. • The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. Forensic Audit/Internal Investigations Key findings of Forensic Audit report are as under: • Partial cooperation by the borrower • The borrower was requested for arranging details and documents of the forensic audit vide email dated 21.12.2023. Further, multiple follow ups were conducted with the company by the forensic auditor on 23.12.2023, 16.01.2024 and by Axis Bank on 18.01.2024. • The borrower vide email dated 03.02.2024, had shared only details such as audited balance sheet, tax audit report, sanction Letter, Insurance copy and acknowledgement of Income tax return. • Transactions conducted with Grove Trading PTE Limited and Springbok PTE Limited O RHPPL had submitted export orders from Grove Trading PTE Limited and Springbok PTE Limited for availing the EPC limit from Axis Bank. O Public domain searches (D&B report) conducted on these entities highlighted that they were directly/indirectly linked with Mr. Gopal Padia, a shareholder and past Additional Director of RHPPL.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o SBI Global Factors had disbursed for Rs.6.72 crore in the RHPPL's HDFC Bank account as part of reverse factoring facility. This facility was for the payment obligations of overseas debtors, Springbok PTE Limited and Grove Trading PTE Limited, which shall be paid by these entities to SBI Global Factor on the due date. o Instead, SBI Global Factor (MBA lender) had shared emails received from Grove Trading PTE Limited and Springbok PTE limited, wherein both the entities initially on 28.07.2023 have confirmed purchases made from RHPPL. However, they denied any relation with RHPPL subsequently vide email in August 2023. It is pertinent to note that confirmation and denial were not from the same email IDs, as tabulated below: o In the emailed sent in, both the entities stated that they have no relation to any export documents relating to RHPPL and that Mr. Dinesh Dalmia, beneficial owner of RHPPL and a known financial offender have fraudulently raised funds against bogus export documents. o Vivriti Capital (MBA lender) had also shared documents wherein RHPPL had made foreign outward remittances to Springbok PTE Ltd and Grove Trading PTE Ltd, in the nature of capital advances and export commission payment respectively. o Hence, though these entities were depicted as buyers to Axis Bank for availing EPC limits, they appear to be related parties of the borrower. o Internal investigation remarks: ▪ As on public domain searches, Grove Trading PTE LTD and Springbok PTE Limited were found to be located on the same address as subsidiary company of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				RHPPL, Right Health Platters (S) PTE Ltd. The common address was: 10, UBI Crescent #05-42, UBI Techpark, Singapore 408564. ▪ Further, Right Health Platters (S) PTE Ltd was struck off from the Registrar of companies on 04.12.2023. • Suspicious entities with which borrower had conducted transactions - o Review highlighted that RHPPL had conducted transactions with entities which were fairly new and recently incorporated. Details are as follows: - o RHPPL had also conducted transactions with Kamadhenu Beverages, purported to be a supplier. As per GST data, Kamadhenu Beverages is registered in the same address as where RHPPL was incorporated: “AL-124, 12th Main Road, 2nd Street, Shanthi Colony Anna Nagar, Chennai, Tamil Nadu, 600040”. Address of RHPPL was shifted to another location, “No. 115/63, Dr. Radhakrishnan Salai, 3rd Floor, North Flat, Mylapore, Chennai, Tamil Nadu-600004” vide Board Resolution dated 01.10.2022. Moreover, authorized signatory of Kamadhenu Beverages Pvt Ltd was also the first subscriber/ shareholder of RHPPL, Mr. Vasanth Kumar Pandi. • Information about Mr. Dinesh Dalmia - o As per the Information received from Vivriti Capital Private Limited (VCPL), Mr. Dinesh Dalmia had represented himself the following at different occasions: - o As an advisor/consultant for Mr. Pankaj Dalmia and mentioned his full name as “Dinesh Kumar”. This meeting was held in May 2022 when the VCPL team

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				had visited borrower's office and all information & details about the company were provided by Mr. Dinesh Dalmia. - o Further in June 2023, Mr. Dinesh Dalmia represented himself as COO on a telephonic communication. - o Public domain searches had highlighted various adverse media coverage for Mr. Dinesh Dalmia, being accused of financial fraud. • Inspection conducted by Axis Bank - o Axis Bank had conducted inspection of the company's Baramati unit, located at F-22, MIDC, Near Baramati Airport, Katphal Road, Baramati, Pune – 413 133, on 03.11.2023. Following were observed: - o No business operations were ongoing at the unit and no inventory was observed at the premises. Further, the fixed assets appeared new and unused. - o The unit was located in a ~3000 sq. ft. rented premises, which was owned by Real Dairy Industries Pvt Ltd (RDIPL). The Chairman of RDIPL and the landlord had informed that the unit was closed since last 3-4 months and only 1 / 2 consignments were dispatched. - o Rental of approx. Rs.3.00 crore was overdue from RHPPL. - o Further, it was informed that Mr. Dinesh Dalmia, who had been the front face for the lease agreements, was not contactable/ reachable. - o As per the stock statement submitted by the borrower, inventory of Rs.24.12 crore was available as on 30.06.2023. - o Internal investigation remarks: - o As per the NPA status note, the coverage team had witnessed reduced activity at Baramati plant during their

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				visit on 27.07.2023. However, the borrower had shared the reason for reduced activity due to production switching. - o Subsequently, a surprise visit was carried out on 19.08.2023, wherein both the plants, Baramati and Satara, were found to be not operational. • Key observations of other lenders - Fincare Small Finance Bank – Supply chain financing limit - o The borrower availed supply chain financing limit, wherein funds were disbursed for Rs.9.97 crore to the vendor, M/s Kamadhenu Beverages Private Limited and M/s Navnath Dudh Sankalan V Shitkaran Kendra, which had allegedly deposited the funds to the HDFC Account of the company. - o It appears that the amount disbursed have never been used for the purchase of the inventory, violating the terms and conditions of the sanction letter. Moglix Labs Private Limited – Supply chain financing limit - o The borrower availed supply chain financing limit, wherein funds were disbursed for Rs.5.76 crore to the vendor, M/s Kamadhenu Beverages Private Limited, which had allegedly deposited the funds to the accounts of the company. - o The amount disbursed has been utilized for loan repayment of Rs.2.09 crore of Aditya Birla Finance Limited and transfers of Rs.2.85 crore made to RHPPL's account maintained with BOM. - o It appears that the amount disbursed have never been used for the purchase

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				of the inventory, violating the terms and conditions of the sanction letter. HDFC Bank – EPC limit - o The borrower availed EPC limit of Rs.62.48 crore, wherein funds were disbursed during the period 30.07.2022 to 28.07.2023. Sample money trail analysis highlighted utilization of the EPC limit for following transfers: - o Foreign outward remittance of Rs.1.89 crore, - o Transfers to Aditya Birla Finance for Rs.1.30 crore, - o Transfer of Rs.1 crore to a university - Sri Balaji Vidhyapeeth, - o Funds disbursed were used for purpose other than purchase of inventory. Vivriti Capital – EPC limit - o The borrower availed supply chain finance/ vendor payments from Vivriti Capital. The money trail review highlighted the following: ▪ Vivriti Capital had disbursed Rs.0.99 crore to entity, Navnath Dudh Sankalan and Shitkaran Kendra basis multiple invoices dated 11.08.2022 and 12.08.2022. ▪ However, on review of bank statements of M/s Kamdhenu Beverages Private Limited (maintained with HDFC bank), Navnath Dudh Sankalan and Shitkaran Kendra had transferred Rs.0.98 to Kamdhenu Beverages Private Limited on 13.08.2022. ▪ Further, Kamdhenu Beverages Private had transferred the Rs.0.98 crore to KPM Fortune Advisors LLP, Majority shareholder of the borrower

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				▪ Lastly, this fund was transferred by KPM Fortune Advisors LLP to RHPPL's HDFC bank account. ○ Basis the abovementioned, it appears that the payment made by Vivriti Capital as supply chain finance to the vendor of the borrower and the same amount has been routed back to the company. • Conclusion by forensic auditor ○ Subsequent to thorough examination of data gathered from multiple sources and scrutinizing the transactions and money transfers between bank accounts, it has become evident that the reported purpose of these movements does not align with the company's stated business activities. ○ Numerous violations of the terms and conditions of various lenders have been observed. ○ Despite efforts to piece together information from interviews, discussions, and data provided by banks, lenders, and online sources, it appears that the individuals behind the company did not have genuine intentions to operate a legitimate business. ○ The intricate network of incorporated companies and the meticulously planned execution of cross-border money transactions strongly suggest fraudulent activity against the bankers/ lenders involved. • Modus Operandi ○ Diversion of Fund • Root Cause ○ Utilization of credit limits for the purpose in violation to sanctioned terms • Staff Accountabilit

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o Staff accountability has been identified with respect to 5 employees for lapses in appraisal process. • Action Taken / Proposed - o Order intimating 'Fraud' classification by registered post has been issued. - o Police complaint has been filed against the borrower and its directors. - o Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - o Full provision has been made. • Specific Learnings / Observations from Frauds - o Credit facilities of Rs.25 crore were sanctioned to RHPPL in May 2023. Subsequently, the account turned NPA on 16.12.2023; i.e. in less than 7 months post sanction. - o Based on the gaps identified, following additional due diligence steps were put in place by Underwriting and Bharat Banking teams: - o While considering proposals with overseas share holder/ beneficial owners, enhanced due diligence to be done by way of checking DNB report, international credit agency report, Worldcheck list or feedback through our overseas branches. - o Promoters' vintage in similar line of business in India and abroad to be critically examined. In case of new Cos', long term equity investments/ commitment in physical asset creation to be verified. - o The financial projections submitted during sanction to be compared with capacity utilization level, demand supply, past performance and orders

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				on hand so as to assess need based/realistic level of funding requirement against aggressive sales estimates. - o Analysis of GST Karza report on sales turnover, quality of debtors/ related party transactions etc along with Perfios check of bank transactions to be compulsorily carried for all NTB. - o While considering large ticket proposal under multiple banking arrangement, extreme care to be taken to compare the estimated financial submitted to other lenders, acceptance of projection so as to clearly quantify / stipulate covenants on total credit facilities from banking system as a whole. - o Endeavour to be made for JLF Meeting with all lenders jointly or individually to discuss business projection, security charged, adverse observation on operation, unit visit, bills realisation history etc. if any so as to ensure parity in terms of sanction and mode of disbursement. - o Disbursement modalities to be tightened in such multiple banking by way of ensuring security perfection, obtaining outstanding exposure, DP availability etc. so as to avoid excess funding vis-a-vis turnover more particularly against same orders and/or related party transactions etc. - o Disbursement may be staggered/ linked to milestone based turnover achievement for better control. For large exposures, Stock audit with other lenders and debtors realization history to be critically examined initially as well as periodical basis. - o Security structure / cover to be strengthened particularly in cases with

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				overseas beneficial owners with low business vintage in India and operating business under leased assets model. - o Personal Guarantee / Corporate Guarantee of beneficial owners/ shareholders to be insisted upon in case of exposure with low security/ vintage. - o CIR report should be taken up with utmost seriousness and any mention of any delayed payment /poor conduct should be evaluated in greater details, before the disbursement is processed. - o Post sanction and before first few EPC/Bills are disbursed, we should be monitoring and conducting a proper due diligence on the parties in favor of whom the disbursal is being sought. - o We may conduct a surprise visit at the promoter's premise to validate the operations prior to disbursement in a few large value cases. - o Debtor ageing to may be delved into more details considering the normal credit period of Industry. We may insist on stronger collateral for exposures having with poor debtor ageing. - o Personal Discussion may be conducted with all the major shareholder/Key persons. - o All rejections at any level (even if primary/or at a discussion levels) should be reported in BQS in a timely manner. - o Wherever the collateral is low or within a year the limits are doubled - Strong market references should be taken.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
233	V S Kisan Producer Company Limited	49.50	Background of the case - V S Kisan Producer Company Limited (VSKPCL) incorporated in June 2019 and was engaged in wholesale trading of paddy wherein they purchased paddy from farmers and sold to Food Corporation of India / traders / mills. - VSKPCL was sanctioned working capital limit of Rs.4.95 crore in April 2022 including takeover of limit of Rs. 2.50 crore from ICICI Bank Resolution and Recovery Actions - The borrower was classified as NPA by the Bank on 29.06.2023. - Notice u/s 13(2) of SARFAESI Act was issued on 30.08.2023 and symbolic possession of assets taken on 19.12.2023. RFA / Fraud Status - The borrower was classified as RFA due to Intentional / willful default and non-submission of stock statements by the borrower - Axis Bank appointed Pankaj Rajendra and Co. Chartered Accountants to conduct forensic audit of the borrower, wherein instances of diversion of funds were identified. - The borrower did not cooperate in the forensic audit exercise and submitted only partial information. - The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. Forensic Audit/Internal Investigations Key findings of Forensic Audit report are as under: - Partial cooperation by the borrower - The borrower failed to present essential documents such as detailed accounting

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				software data/records, purchase invoices, purchase orders and purchase register etc. To effectively evaluate the borrower's purchasing operations, access to comprehensive accounting records beyond downloaded GST data was needed. - o In the absence of the above information, a detailed review and conclusive opinion on borrower's business operations could not be established. - o Variance in calculation of Inventory as per ABS and information on GST portal /inventory as per site visit - o Inventory as per ABS FY 2023 was reported at Rs. 2.24 crore. The provisional inventory as on 15.02.2024 was Rs 0.40 crore (calculated from sales and purchases as updated on the GST portal). - o Further, physical inspection at the borrower's premises on 15.02.2024 identified minimal business activity and no physical inventory (stock of paddy and wheat) was found. In case the inventory was sold, the receipts of such sales were not deposited in the bank. - o Upon query, the management responded that since the season for paddy is over, no stocks could be seen and that required stocks will be available in the forthcoming season. However, since the promoter Mr. Neelesh Singh was out of India for last 11 months, as per the forensic auditor the justification is not reasonable. • Variation between the GST returns filed by the borrower - o Total sales for FY 2023 as per GST-1 and GSTR-3B filing is Rs. 42.42 crore,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				whereas sales as per GST-9 returns is Rs. 23.90 crore (GST-9 filed on 11.02.2024 post initiation of forensic audit). Further, sales of Rs 42.42 crore reported under GSTR-3B, for FY 2023 were also flagged by Income Tax Department. - o The borrower was not following the prescribed format for reporting of GST which is mandatory requirement. - o Further from April-January 2024, the turnover has reduced drastically (by 90%) which casts doubt on the genuineness and authenticity of such cash sales transactions reported in GST return for FY 2023 and doubt as to going concern of the company. • Fund transfer to unrelated entities - o Funds of Rs. 0.07 crore were transferred to Opesh Singh on 02.08.2022 and Rs. 0.17 crore to Mr. Lal Sahab Gupta from 15.06.2022 – 07.07.2022 (unrelated parties), identified from bank statement analysis. - o During the course of investigation, it was noted that the promoter director of VSKPCL, Mr. Neelesh Kumar Singh was a partner in both overseas entities mentioned below: ▪ Goldessa International, based in Dubai and registered on 08.11.2022 and African Biz International, based in Benin, Africa and registered on 04.08.2022. - o The commercial license certificate issued by Government of Dubai stated that Goldessa International was engaged in trading of precious metals. The certificate further stated that Mr. Opesh Singh held 80% share of the company. Whereas, other individuals

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				such as Mr. Lal Sahab Gupta and Mr. Neelesh Kumar Singh were listed as having a total of 10% each share. - o Further, African Biz International was registered in Benin, Africa as a Micro and Small Enterprises engaged in Import and export of all agri-food and agro-pastoral products. Mr. Neelesh Kumar Singh had a 70% shareholding in this company. - o It was suspected that Mr. Opesh Singh was appointment through his firm Opesh Consultancy Private Limited for incorporation of such overseas businesses. However, in absence documentary evidences establishing the same could not be identified. - o During the physical site visit and interactions with Mr. Neelesh Kumar Singh, it was also identified that he was overseas during February 2023 to February 2024. - o Further, the Memorandum of Association of VSKCPL expressly prohibits the Board of Directors from utilizing company funds to establish or incorporate any joint venture or business entity outside of India in collaboration with non-members. Thus investment in Goldessa International (Dubai) and African Biz International (Africa) is a potential violation of this clause and raises concerns about stipulation to adherence to the stipulated MOA restrictions. • Significant cash withdrawal - o Cash withdrawals of Rs. 0.30 crore were noted between June 2022 to January 2023. However due to non-availability of underlying documents the genuineness of such transactions

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				could not be ascertained despite a reasonable doubt. - o Basis the above, despite availability of sufficient cash balance after the seasons (during April – June 2022), the cash withdrawals made by the borrower appear to be suspicious. - o However, the authenticity of the transactions could be ascertained due to lack of documents. - o The borrower communicated that the above transactions were undertaken in normal course of business. However, the borrower could not produce underlying documentary evidences except for a hard copy of ledger from the books of VSKPCL. - o Verification of above transactions basis hard copy ledger provided by borrower could not be carried out. Thus, in the absence of access to books of accounts a verification of the above transactions could not be carried out to ascertain the authenticity of the same. - o <i>Investigation Remarks:</i> In the absence of invoices / purchase orders/underlying documents, the genuineness of/arms-length transactions carried out with related parties or other entities could not be ascertained. • Analysis of sales and purchases - o Borrower reported decline in sales by 88% from Rs.42.42 crore in FY 2023 to Rs.4.91 crore in FY 2024 (GST portal, from April 2023 till January 2024). - o Borrower reported decline in purchases by 91% from Rs.38.85 crore in FY 2023 to Rs.3.31 crore in FY 2024 (GST portal, from April 2023 till January 2024).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o Though underlying documents were not available for verification, such drastic decline in key financials raises a doubt on the going-concern of the company. • Non-routing of funds through account with Axis Bank - o The borrower was maintaining current accounts with Union Bank of India, ICICI bank and IDFC Bank. - o It was observed that sales proceeds of VSKPCL was not routed through Axis Bank accounts in proportion to the sales. <i>Investigation Remarks:</i> Sales as per ABS 2023- Rs 42.42 crore, total credits in Axis Bank CC account: Rs 4.62 crore. • Conclusion by forensic auditor - o Though underlying documents were not available to conclusively establish fraud, however based on the available information, there is high likelihood of fund diversion/misallocation and potential inconsistencies in the financial management practices. - o Further based on the available information funds are not utilized for the intended purpose. Modus Operandi • Diversion of Fund Root Cause • Diversion of Funds 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 has been issued.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Police complaint has been filed against the borrower and its directors. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Full provision has been made.
234	Multiple Gold Loan borrowers – Samastipur Branch	12.80	Background of the case • During the gold loan verification process carried out by Financial Crime Intelligence (FCI; erstwhile FCU) at Samastipur Branch (Bihar), the FCU appointed Gold assayer found 100% spurious gold ornaments pledged in 34 gold ornament packets pertaining to 29 borrowers. • Spurious gold pledged to the Bank was found in 34 Gold Loan Accounts (GLA) opened by 29 borrowers, having total outstanding amount of Rs.128.37 lakh, which were sanctioned and disbursed between October 2022 to March 2023. Internal Investigations Key findings of Internal Investigation are as under: • Raju Kumar Gupta, the gold valuer empanelled by the Bank had conducted the purity check during sanctioning of these loans. • The valuer along with two borrowers Sumit Kumar Jha and Badal Kumar are involved in the fraud and have been arrested by Police. The valuer has confessed his involvement in the act and the anomalies identified with respect to gold loan valuations made by him. • Out of the 29 borrowers, only 4 borrowers had existing SB account relationship with the Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Loan disbursements were made in the SB accounts of the borrowers maintained with other Banks in case of 26 borrowers. Analysis of SB accounts of remaining 3 borrowers revealed the following: - o An amount of Rs.1 lakh from the loan disbursement proceeds received by the borrower Nitish Kumar, were transferred to the borrower Sumit Kumar Jha. - o An amount of Rs.2.19 lakh from the loan disbursement proceeds received by another borrower Santosh K. Ray, were transferred to Sumit Kumar Jha and an amount of Rs.2 lakh was transferred to Raju Kumar Gupta. • The borrower, Sumit Kumar Jha is suspected to be the kingpin of the fraud as informed by Police. Besides suspected of having facilitated opening of GL A/c by pledging spurious gold ornaments, he himself opened two GL A/c, aggregating to Rs.4.64 lakh. Police Complaint / FIR: • An FIR was registered with Town Thana Police Station, Samastipur on 13.04.2023: - o Sumit Kumar Jha was arrested from his hideout, and he is suspected to be the mastermind of the fraud. - o He is a local leader of Karpuri Thakur Party and is having a criminal background. - o Police also arrested another borrower, Badal Kumar, (also having criminal background) as well as the valuer, Raju Kumar Gupta. Modus Operandi • Gold loan accounts opened by pledging 100% spurious gold ornaments with intention to defraud the Bank by 2

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				suspected borrowers in connivance with the Gold Loan Valuer. Root Cause - The gold loan appraiser intentionally did not highlight the spurious nature of the gold ornaments, pledged by the borrowers. Staff Accountability - Staff accountability has been attributed to 3 staff for lapses in the sanctioning, disbursement, and monitoring processes. Action Taken / Proposed - FIR has been filed in this case with local police station. - Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - Full provision made as per guideline. - Collections - To continue legal recourse for recovery. (Nil recovery as on date) Process Gaps / Recommendations - Complete dependency on the Gold appraiser for valuation of the Gold pledged with the Bank at the time of onboarding. Remedial Action Taken: - As at 31.12.2023, more than one empaneled Gold loan appraisers was available in 2237 out of 3071 Gold Loan branches. - Pilot testing for installing Gold testing machines at branches are complete. Decision of Risk Management Committee (RMC) on implementation across branches is awaited.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
235	Multiple Gold Loan borrowers – Veraval Branch	234.50	Background of the case • Surprise visit for verification of Gold Loan Operations at the Veraval Branch in September 2023 by Regional Operations Manager (ROM), Gold Loans, West-II, revealed mismatch in gold ornament details in physical packets vis-a-vis Caslite system. He also found difference in weight of gold ornaments. • Mansingh Gadhiya – Sales Manager (SM), Pinky Khemchandani, Gold Loan Officer (GLO) and Vipul Rathore, Rural Executive (RE), confessed having opened bogus Gold Loan accounts by using genuine gold ornaments already pledged by other borrowers, and replacing them with spurious gold ornaments. They have been arrested by the Police. Internal Investigations Key findings of Internal Investigation are as under: • Financial Crime Intelligence (FCI; erstwhile FCU) appointed Assayer verified all the 426 gold packets and found that 172 were containing completely spurious gold ornaments (41% to 100%). • Vipul Rathore, RE, obtained ‘Identity’ documents from his friends / family / known persons (third parties) and presented bogus / dummy individuals as gold loan customers and arranged for spurious gold jewellery / ornaments. • Pinky Khemchandani, GLO on-boarded the customer accounts with dubious credentials. She retrieved the ornament packets from the vault in the absence of the customer and

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				replaced the genuine gold ornaments with spurious ones. • The fraudulent activities were carried out by the GLO and RE in connivance with GL, Sales Manager, Mansingh Gadhiya. • The funds collected from the disbursement proceeds of the fraudulent activities were utilized for trading in Secondary Markets, mainly in Futures & Options (F&O) category, wherein, the SM, GLO and RE and their family members / associates had multiple share trading accounts with Axis Securities, Zerodha and Angel Broking and collectively incurred losses to the tune of Rs.11 Crore. • The Rural Executive, Vipul Rathod, involved in the fraud is understood to be involved in gambling activities. • Gold loans were disbursed by misusing gold lying in genuine customers' GL packets and using the same by creating new Gold Loan account in dummy customers' name with the connivance of staff who were responsible for overseeing Gold loan business at Veraval Branch. They used such gold loan proceeds for their personal gains. • Basis legal advice, in the absence of police permission who are investigating the case, Enhanced Due Diligence (EDD) was deferred. • Limited CCTV recordings were in place, because of which fraud went undetected over a period of time. • Asset Tracing was conducted by appointing expert agency, M/s IIRIS, who identified 8 properties of the relatives of the accused and suspected

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				individuals. Process of filing of civil suit against the perpetrators for recovery through these assets has been initiated. • Total recovery of Rs.0.79 crore has been made till date. Modus Operandi • Bank Staff defrauded the Bank by tampering with gold ornament packets pledged by the borrowers, by opening accounts of dubious entities and pledging genuine gold removed from the packets of genuine borrowers and replaced them with spurious gold. Root Cause • The staff intentionally defrauded the Bank by replacing genuine gold and opening bogus accounts. Staff Accountability • Staff lapses have been identified on the SM, GLO and RO who are in police custody and confessed of having committed the fraud. • Monitoring and Supervisory lapses and lapses as a Joint Custodian have been identified for the Branch Head and Operations Heads. Action Taken / Proposed • FIR has been filed in this case with local police station. • Fraud has been 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. • Collections - To continue legal recourse for recovery. Process Gaps / Recommendations Process Gap: • To implement a process for barcoding the Gold Loan packets in order to avc

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				manual entries in the system there avoiding errors. Remedial Action Taken: • Capturing the Gold ornament pouch numbers through barcode scanner during Fresh / renewal loan processing and during loan closure, releasing of Gold ornament pouch post validating the barcode details in Gold Loan Origination System has been implemented. Capturing the barcode number through barcode scanner will eliminate the manual data entry error. Process Gap: • CCTV footage at branch locations is maintained only for a period of 90 days. Older footages are purged. • Sampling of CCTV video surveillance not done at present. Remedial Action Taken: • Storage period for CCTV footages at branch locations have been extended from 90 days to 180 days. • Sampling of CCTV video surveillance implemented. Process Gap: • Branch Gold loan process review presently not done by Circle Office. Remedial Action Taken: • Gold loan process at branches has been included in scope of Local Oversight Cluster Head (LOC). Process Gap: • Mystery shopping activity for Gold loan not done to detect anomalies in Gold loan process. Remedial Action Taken: • Mystery shopping activity by FCI team since started. Process Gap: • SMS not being sent to the customer during disbursement and closure.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				Remedial Action Taken: • Process of sending SMS to the customer on disbursement and closure of Gold loans since implemented. Process Gap: • Presence of the customer at the branch while sanctioning and disbursement Gold loan not ensured. Remedial Action Taken: • Process of customer mobile and email OTP validation to ensure customer presence and awareness of onboarding implemented. Process Gap: • Off-role Rural Executive (RE) CASA account monitoring not done. Remedial Action Taken: • For off-roll Rural Executives (RE) CASA account monitoring through DT is done on monthly basis by Product Team and is evaluated by Branch & Product team manually	

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
236	Multiple Gold Loan borrowers – Pipariya Branch	39.10	Background of the case - Spurious gold ornaments were pledged 48 live gold loan accounts and gold ornaments were missing in 1 gold loan account. These 49 Gold loan accounts pertained to 34 borrowers with aggregate exposure of Rs. 3.91 Crore at Pipariya Branch, Madhya Pradesh. - Financial Crime Intelligence team (Formerly FCU) conducted surprise pre-verification of pledged gold for the disbursed gold loans as per pre-defined process and identified that spurious ornaments were pledged in 48 Gold Loan A/cs and 1 gold loan packet found tampered having missing ornaments 124.60 gms. Internal Investigations Key findings of Internal Investigation are as under: - The aforementioned 49 gold loans were sanctioned and disbursed to 34 borrowers during June 2021 – October 2022. - All these loan accounts were opened, processed by Rohit Raghuwanshi, Gold Loan Officer and verified by Ram Raghuwanshi, Branch Head (both under suspension). Ram Raghuwanshi and Rohit Raghuwanshi are relatives who connived with BRO, Agri RE (outsourced employee) and Gold Appraisers for the perpetration of the fraud. - These Borrowers were existing customers of the Bank and either close relatives, friends of the perpetrators or people known to them. - In most of the cases, signatures on the loan documents and gold loan packets did not match with the customer's specimen signature available in their SB A/cs and PAN. Also, in most of the cases

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				photograph of the customers was not available in the loan application. • All these indicated that these gold loans were processed at the branch without view of the borrower. • Several other irregularities were also noticed in the gold loans such as closure of gold loans by third parties, debit to customer's account without cheque, cheques having signature mismatch with specimen signature in SB A/c, mismatch in serial no. of physical gold loan package as compared to serial number entered in Caslite application, etc. • Multiple gold loans were in the names of outsourced staffs (Agri REs) posted at Pipariya Branch. When enquired was made with them, they mentioned that these loans were taken in their names on the instructions of Ram Raghwanishi and Rohit Raghwanishi, where they did not pledge any gold ornaments or signed any loan documents. (All these outsourced staffs have been terminated from service) • Since all these loans were prior to November 2022, CCTV footage was not available therefore, it could not be checked and ascertained whether processing of the gold loans was done in the presence of the borrower, gold appraiser and joint custodians. • Show-cause notice has been issued to the borrowers seeking explanations on the adverse findings of internal investigation. • The incident was classified as 'Fraud' based on adverse findings in internal investigation report. Modus Operandi • Gold Loan A/cs. got opened without loan documents or with incomplete loan application form i.e., without borrower signature or with forged signature

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrower, against pledge of spurious gold ornaments. - Gold Loan packets tampered by branch officials where gold ornaments were replaced with spurious one or stolen. Root Cause - Deceit / deception on the part of Branch Head and Gold Loan Officer, who took advantage of their position to get Gold Loans disbursed in their relative / friend / colleagues / colleague's relative name against spurious gold. - Failure of the Gold Loan appraiser to conduct his duties properly. Issued valuation certificate without compliance with Bank's guidelines. - Failure to adhere to the Bank's laid down guidelines in respect of processing Gold Loans by concerned branch staff. Staff Accountability - Staff lapses are identified on the part of staff including the Branch Head, Operations Head, Gold Loan Officer for lapses in the sanctioning, disbursement and monitoring processes. - Lapses are also identified on the part of outsourced employees who were terminated from the services during the investigation. Action Taken / Proposed - Branch - FIR has been lodged by the Bank. 4 staffs and 2 Gold Appraiser have been arrested and presently on bail. Charge-sheet has been filed by the Police against these 6 identified persons. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO) - F&A - 100% provision has been made for the fraud loss amount.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Collections - To continue legal recourse for recovery. (Nil recovery as on date) • Process Gaps / Recommendations • Gold Appraiser did not visit the Branch sign off on the Valuation Certificate which is generated digitally through Caslite application (system used for gold loan processing). • Remedial Action Taken: • Access to the Gold Appraiser through separate application, which will register the Gold appraiser's presence at the Branch during processing of gold loans, under implementation.
237		Manikala Nageswararao and 19 customers - Sathupally Branch		26.20	Background of the case • On 21.11.2023, a verbal complaint was received from the customer, Manikala Nageswararao maintaining a current account with Sathupally Branch, alleging about Rs.30 lakhs debited from the above current account with the narration as 'TD' without his consent and knowledge. A Term Deposit (TD) advice was issued on A4 paper to the customer on multiple follow ups with Kasturi Prasanth, Deputy Manager and Branch Operations Head (BOH), EMP no 193843, by the customer. • Multiple times the customer visited Sathupally Branch for the closure of instant TD however, the Branch staff, Katrala Chennarao, Branch Relationship Officer, (BRO) EMP no. 173812, advised him to continue the TD to avoid loss of interest. • Later the customer realised that there is no such TD exist on the Bank records and the advice issued to him was fictitious. • On scrutinising the disputed transaction, it was revealed that Rs. 30 Lakh was debited vide cheque no 70301 from a

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				non-personalized cheque issued to the customer without proper customer request. The amount was found transferred to savings account no 923010038612854 of Vemireddy Swapna, who is a spouse of another staff, Guduru Saidulu Reddy, Assistant Manager, BRO, EMP no 324903. Guduru Saidulu Reddy and Kasturi Prasanth were the maker and checker of the instant transfer transaction. • Upon enquiry with Kasturi Prasanth, he admitted about the issuance of fictitious TD advice to the customer and utilization of the disputed amount for his personal use. The disputed amount was returned to the customer by Kasturi Prasanth, along with the interest thereon, by way of cash deposits, IMPS, UPI, and RTGS from his other bank accounts. • Further, Branch had received complaints from 19 other customers amounting to Rs. 231.97 lakhs against the staff, Kasturi Prasanth, Guduru Saidulu Reddy, Katrala Chennarao, related to unauthorised transactions in their accounts. • Total 261.97 Lakh was found misappropriated by the staff, Kasturi Prasanth, Guduru Saidulu Reddy, Katrala Chennarao from the customer's accounts. Investigation Findings • Investigation findings reveals that there were 14 non-personalized cheque books issued without customer request/consent and misappropriated the customer funds by transfer /cash withdrawal without customer knowledge/consent with the use of non-personalized Cheques in the complainant accounts by the staff

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Kasturi Prasanth, Guduru Saidulu Reddy, Katrala Chennarao. • Further, there were 63 unauthorized transactions observed across 20 customer's accounts (savings accounts, current account, OD account, Gold Loan, and fixed deposits) without proper mandate during the period 10.07.2023 to 22.11.2023. These 63 transactions included Unauthorized transfer debits/credits -43, cash payments- 9, and Term Deposits-11. • Branch Staff Kasturi Prasanth, Guduru Saidulu Reddy, and Katrala Chennarao misappropriated the customers' funds under the pretext of Term Deposit and subsequently transferred the same to spouse's savings account, and other customer's accounts and used the amount for personal purpose. • Review of makers and checkers of the above disputed transactions revealed that the staff Guduru Saidulu Reddy, Katrala Chennarao, Kasturi Prasanth, were either maker or checker of the transactions. • Review of the CCTV footage revealed that customers were not present at the branch during the entry and verification of the transactions in their accounts. • During the interaction, few customers informed that their accounts were debited under the pretext of Term Deposit however, later the amount was returned after multiple follow ups. Whereas few other customers informed that they were not aware about the transactions in their accounts. • The staff Kasturi Prasanth has confessed having misappropriated funds from the various customer's accounts.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The staff Mr Guduru Saidulu Reddy has confessed having forged the customer's signature viz., Vemireddy Swapna (Spouse), Narukulla Chandra Mohan, and Shaik Meeravali on the non-personalised cheques issued to them and utilised for the disputed transactions at the instructions from BOH, Kasturi Prasanth. • The staff, Kasturi Chennarao confessed having knowledge about the disputed transaction in the customer's accounts. Further he stated borrowed money from the BOH, Kasturi Prasanth. • Review of the customer complaints, clarification obtained from the remitters, beneficiaries revealed that Staff Kasturi Prasanth, Guduru Saidulu Reddy, Katrala Chennarao had misappropriated customer funds aggregating to Rs.261.97 lakhs. Of this, Rs.193.55 lakhs were internally transferred / adjusted from the victim customers / own sources. • On 05.02.2024, Sathupally Branch obtained approval from the competent authority and refunded the amount of Rs. 63.42 lakhs to five customers by way of debiting the Branch SA-Others account. An amount of Rs.5 lakhs is pending for refund to one of the victim customers. • Sathupally Branch had recovered an amount of Rs.48.50 lakhs from the staff Kasturi Prasanth and an amount of Rs.20 lakhs from the staff Guduru Saidulu Reddy during the period 06.02.2024 to 13.02.2024. The amount was parked in the office account of Sathupally Branch (SL-Funds in Transit for Rs. 54.41 lakhs and Sundry Deposit Account for Rs.14.09 lakhs)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Further it was revealed that the accounts of the customer Narakulla Chandra Mohan, Shaik Meeravali, M/s Chandini Collections, Vemireddy Swapna, Burugujadda J S B Mani Prasad accounts were used for routing the fraudulent transactions. However, the customers Narakulla Chandra Mohan, Shaik Meeravali have lodged a complaint with the branch claiming unaware of the transactions in their accounts. • The customer Vemireddy Swapna submitted a letter to the branch, the transactions in the accounts were done by her spouse Guduru Saidulu Reddy. Modus Operandi • Issuance of non-personalized cheque books by the staff in the customer's accounts without proper request/consent, followed by the misappropriation of the customer funds by way of transfer /cash withdrawal without customer knowledge/consent. • Branch Staff had misappropriated customers' funds under the pretext of Term Deposit and transfer funds to staff spouse savings account, other accounts and used the amount for personal purpose. Root Cause • Lack of Supervisory oversight from the Branch Head in the instant matter as non-personalised cheque book was issued in various customer's accounts without proper request. • Staff, Kasturi Prasanth has been posted at Sathupally Branch for more than 4 years resulting into gaining trust from the customer and misappropriation of the customer's money. Staff Accountability

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Staff Accountability has been identified in respect of Kasturi Prasanth, Guduru Saidulu Reddy, and Katrala Chennarao, as Malafied and 6 other staff being negligent/gross negligent in executing the disputed transactions. - Staff accountability has been identified on Nagaraju Lingam, current Branch Head, then Branch Head Shaik Aleem of Sathupally branch for lack of supervisory oversight. Learnings from the Fraud - Rotation of Staff needs to be strictly adhered to as per Bank's policy (Staff continued in the same branch for more than Four years) - Lack of Supervisory Controls on the Branch Operations staff by the Branch Head. Action Taken / Proposed - The staff Kasturi Prasanth, Guduru Saidulu Reddy, Katrala Chennarao has been suspended from the services of the Bank. - The errant staff have been referred to the Ethics Team for suitable action. - Police complaint has been filed in the matter against the staff Kasturi Prasanth, Guduru Saidulu Reddy, Katrala Chennarao. - Sathupally Branch has been advised to make stop payment of non-personalized cheques issued (without customer knowledge) to the customers by obtaining their consent. - Sathupally Branch has been advised to examine the continuing the relationship of accounts used for routing fraudulent transactions, remitter, beneficiary accounts involved in incident in consultation with respective controllers.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Filing of Suspicious Transaction Reports has been recommended in the accounts used for routing fraudulent transactions. - The Mobile number, PAN, and CIF ID of accounts used for routing fraudulent transactions are being included in the negative list database of the Bank.
238		Maheshwari Agrofood Private Limited	112.10	Background of the case - Maheshwari Agrofood Private Limited (MAPL), incorporated in 2011, is engaged in processing of OTC products like Isabgol. - MAPL purchases psyllium seeds from farmers in western Rajasthan and processes them in its facility located in Jodhpur. - Axis Bank sanctioned cash credit facilities of Rs.8.25 crore and ECGLS loan of Rs.1.25 crore in December 2021, including takeover of limits from Kotak Mahindra Bank. - Axis Bank is the sole lender to MAPL. - The borrower was classified as NPA by the Bank on 05.10.2023. - Notice u/s 13(2) of the SARFAESI Act was issued on 06.10.2023 and u/s 13(4) was issued on 16.12.2023. RFA / Fraud Status - The borrower was classified as RFA pursuant to arrest of the Director of the company in a suspected fraud case involving another firm, M/s Jhanwer Medical Agencies. - Axis Bank appointed M/s ATK & Associates to conduct forensic audit of the borrower, wherein misrepresentation in financial

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				statements for availing bank finance were identified. • Letters were issued seeking clarification from the borrower. The clarifications received from the borrower were not found to be satisfactory. • The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. • 100% provision was held against the exposure as on 31.03.2024. Forensic Audit/Internal Investigations Key findings of Forensic Audit report are as under • Non-cooperation by the borrower o Initial data request was shared with the borrower on 25.11.2023. Despite repeated reminders on 27.11.2023, 01.12.2023, 07.02.2024, 09.02.2024, 01.03.2024, 04.03.2024 and 06.03.2024, the borrower had not shared any information for the forensic audit exercise. Moreover, the director, Mr. Jugal Kishor Jhanwer is in judicial custody. o Final opportunity was given to the borrower on 19.03.2024. However, no response was received. o The borrower's premises were visited on 05.02.2024, wherein it was noted that the premises was under symbolic possession of the Bank and no business operations were being carried out. • Observations relating to trade receivables o Trade receivables of Rs.0.02 crore were disclosed in ABS as on 31.03.2023. As per the stock audit report dated 20.05.2023, trade receivable of Rs.3.74 crore were outstanding as on 07.05.2023.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o The discrepancy of Rs.2.89 crore in trade receivables, between stock audit report and above reconciliation, indicate misrepresentation by the borrower to the stock auditor. DP computed based on figures in stock audit was Rs.9.56 crore, which reduces to Rs.7.40 crore based on calculation by the forensic auditor. - o Balance confirmations were requested from 3 major debtors as per the stock audit report, R C Enterprises, Prime Psyllium and Rudraksh Psyllium P Ltd, with outstanding balance of Rs.3.39 crore. Negative confirmations was received from 2 parties, whereas no response was received from the third. Moreover, on party, Prime Psyllium, claimed dues of Rs.0.11 crore from MAPL. • Observation relating to inventory - o Inventory of Rs.12 crore was disclosed in stock statement for March 2023 and Rs.9.40 crore as on 07.05.2023 as per the stock audit report. The above decrease in inventory cannot be reconciled based on available documents, as negative balance confirmation had been received from major 2 debtors. - o Inventory of Rs.13.56 crore disclosed in stock statement for June 2023. However, based on reconciliation by the forensic auditor, basis available information, inventory as at 30.06.2023 works out to Rs.9.52 crore only, highlighting a gap of Rs.4.05 crore. Details as below: - o The above discrepancy points to misrepresentation in stock statement for June 2023, for Availment of excess DP.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o Inventory value of Rs.12.75 crore was disclosed in ABS as per 31.03.2023. A fire incident was reported at the borrower's premises on 06.08.2023, wherein stock worth of Rs.12.37 crore was captured as loss in stock. The borrower had filed an insurance claim of Rs.14 crore. The claim processing and forensic review of the claim is underway. • Observations relating to sales o The GST returns for FY 2023 were in line with the annual turnover disclosed in ABS. However, the borrower had not provided any information/documents for verification of the revenue from operations. o Monthly sales during FY 2023 was Rs.7 crore on average. However, monthly sales reduced drastically during April-May 2023 and no sales were booked post May 2023 till the fire accident on 06.08.2023, i.e. in the month of June 2023 and July 2023. o The non-booking of sales before the fire incident raises concerns over the genuineness of transactions. • Routing of turnover through other banks o Review of audited financials for FY 2023 highlighted that considering the turnover and change in trade receivables, there should have been an inflow of Rs.86.38 crore. However, as per the CC account statement, collection of Rs.70.30 crore were noted. o The borrower maintained account with Kotak Mahindra Bank, Bank of Baroda and State Bank of India. However, in the absence of the documents and bank statements of other banks, routing/

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				movement/ diversion of funds in such account cannot be commented upon. • Transactions with Jhanwer Medical Agencies - o As per the sanction documents, M/s Jhanwer Medical Agencies was identified as a related party, wherein Mr. Jugal Kishor Jhanwer (Director of MAPL) serves as a proprietor. - o Jhanwer Medical Agency was empanelled vendor of RGHS Scheme run by Government. A FIR was filed against Mr. Jugal Kishor Jhanwer on 26.09.2023 by Dr. Abhishek Singh (Joint Project Director) RGHS, Rajasthan regarding bogus medical bill claims with fabricated documents to earn unfair advantage. Mr.Jhanwer had been arrested as accused and is under custody. This indicates fraudulent intent of Mr.Jugal Kishor Jhanwer. - o Scrutiny of bank statements highlighted payment and receipts of Rs.3.41 crore and Rs.3.04 crore respectively, during FY 2023, from Jhanwer Medical Agencies. In the absence of documents, whether transactions have been conducted at arms-length cannot be determined. However, nature of business of both entities appear to have no correlation. Therefore, the possibility of diversion of funds cannot be ruled denied. - o As per the ABS of FY 2023, purchase from related parties were only Rs.0.48 crore. However, the names of the related parties transaction wise were not disclosed in the audited financials. - o <i>Internal investigation: As per transaction analysis, payments and receipts of Rs.1.69 crore and Rs.2.47</i>

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				<i>crore were conducted with Jhanwer Medical Agencies during FY 2024.</i> • Conclusion by forensic auditor ○ The below observations proves that borrower had mala-fide intent and account shall accordingly be classified as Fraud. ▪ Non-Cooperation by the borrower in sharing any relevant information and document during the forensic audit exercise. ▪ Breach of terms of Sanction Proposal: Unsecured loans were withdrawn during the tenure of Loan with Axis Bank, which is in violation to the sanctioned terms. ▪ Fraudulent Business Practice in Proprietorship Firm owned by the Director: Mr Jugal Kishor Jhanwer, Director of MARPL is directly engaged in fraudulent business practices through his proprietorship concern M/s Jhanwar Medical Agencies as reported in FIR & initial Investigation report available. ▪ Wrong Information of Debtors to Stock Auditor: The borrower had provided inflated data of debtors to stock auditor for DP Calculation. As per the balance confirmation requested from 3 major debtors, 2 have denied for any outstanding amount with the borrower, which attributed to Rs.2.14 crore out of total outstanding of Rs.3.74 crore as on 07.05.2023 reported by the borrower to the stock audit report. ▪ Sudden Curtailment of Business operation & Occurrence of Fire: There was a sudden curtailment of operation of business just before the event of fire. Further there is difference of Stock value of Rs.4.05 crore as per the

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					calculation of the forensic auditor & as reported to Insurance Company. 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 26.03.2024, seeking explanations on the below: - o Trade receivable as per forensic auditor as on 31.05.2023 was Rs.0.85 crore. However, trade receivables information submitted to stock auditor by the borrower was Rs.3.74 crore as on 07.05.2023. Negative confirmation received from 2 trade receivables. - o Utilization of limits for repayment of unsecured loan and loan repayment. Maintaining accounts with other banks in a sole banking arrangement with Axis Bank - o Value of inventory as on 30.06.2023 per the borrower was Rs.13.57 crore. However, as per the forensic auditor was Rs.9.52 crore. - o Substantial transaction of Rs.5.10 crore (receipts) and Rs.5.51 crore (payment) were conducted by the borrower with M/s Jhanwer Medical agencies. - o Reason for decline in business from April 2023 onwards and reason for non realization of sales/ collections in the month of June 2023 and July 2023, before the fire incident. • The borrower responded to the SCN vide email dated 08.04.2024, wherein the following were stated:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				○ The company's operations were mainly managed by Mr. Jugal Kishor Jhanwer, who is under judicial custody. The company shall be able to furnish the comprehensive reply to the issues on availability of Mr. Jhanwer. ○ Following documents were requested from the Bank: copies of appraisal note, renewals, copy of any communication post 06.08.2023 given by the bank to the company, copies of the papers / order for appointment of forensic auditor giving the scope of work, copies of papers which were shared by the bank with forensic auditor, extract of Bank's guidelines relating to stock / inventory inspection, copies of stock inspection report prepared by the bank's officials during the period 01.04.2022 to 30.06.2023 and copy of stock audit report dated 20.05.2023 of Sharp & Associates, Chartered Accountants. • The response received was not found to be satisfactory. Modus Operandi • Forged / Fabricated Financial Statements Root Cause • Misrepresentation in financial statements for availing bank finance Staff Accountability • Staff accountability has been identified with respect to 2 employees (branch) for lapses in monitoring process. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been filed against the borrower and its directors. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					to the Serious Fraud Investigation Office (SFIO) Full provision has been made
239		A K Treding		35.00	Background - A customer, Aniket Mundada has been maintaining a sole proprietorship current account in the name of M/s A K Treding at Pimpalgaon Branch, Nashik, since 21-05-2022. - On 30-01-2024, a Demand Draft (DD) bearing no 003691, drawn on Axis Bank for INR 3.50 Crore, favoring to the customer, was encashed in their above-mentioned current account. - The said DD was purchased by the customer, M/s Sendeur Industrial Corporation on 29-01-2024 favoring to “A K Treding”, from its newly opened current account at Nagadevanahalli Branch, Bangalore. Sumanth A is the proprietor of the said firm. - Later, on 05-02-2024, the above DD was presented at Nagadevanahalli Branch for the cancellation by the purchaser of the DD, M/s Sendeur Industrial Corporation however, the said DD was already paid in the beneficiaries’ account as above. - It appeared that the DD encashed at Pimpalgaon Branch was a fraudulently encashed in the account of M/s A K Treding and hence, FIR has been lodged against the customer in the instant matter. Investigation Findings - On 30-01-2024, a cloned/fake Axis Bank DD of Rs.3.50 Crore was received for the encashment in the account of M/s A K Treding, being maintained with Pimpalgaon Branch, Nashik.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The said DD was purchased by M/s Sendeur Industrial Corporation having account with Nagadevanahalli Branch, Bangalore, on 29-01-2024 and immediately thereafter the image of the DD was sent to unknown person through WhatsApp. The purchaser had approached for the cancellation of the DD on 05-02-2024. The original DD is in possession of the purchaser at present. • Although the DD was issued as per the Bank's extant guidelines, the punching on the amount box was not observed. Also, the DD was signed by a staff not having specimen signature (SS) no. • At the time of processing the DD transfer transaction at Pimpalgaon Branch, the said DD was checked under the UV lamp. Further, since the disputed DD was apparently a cloned instrument, all other details such as payee name, date, amount (words & figure), purchaser's details, and MICR, matched the respective details in Bank records. The instrument was found in order by the Pimpalgaon Branch for further processing (Pimpalgaon Branch). • However, the fonts used for printing the DD was different from the standard fonts used by the Bank and the punching on the amount box was not observed. Also, the DD was signed by a staff not having specimen signature (SS) no. • Subsequently, on rise of the incident, the DD was independently scrutinised by Ajay Pithore, Nashik Central Cluster Head, and it was found in order as per UV lamp check as well as fugitive ink test. • The occupation of the customer, M/s A K Treding is related to trading in Onion and other agri produce whereas the customer,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				M/s Sendeur Industrial Corporation is dealing in steel products. • The customer M/s A K Treding while interacted, he informed that he received an order for the supply of Onion worth Rs.4.50 Crore through reference. The amount of Rs.3.50 Crore is an advance payment thereof. • Whereas the customer M/s Sendeur Industrial Corporation informed that he received an offer through acquaintances for the purchase of Steel at cheaper price for which the said DD was purchased. Further they informed that they had shared the image of the original DD to middleman however, the original DD is still in their possession. • After receipt of the funds in the account of M/s A K Treding, immediately between 30-01-2024 and 02-02-2024, Rs. 1.08 Crore was internally transferred to account of M/s Annu Trading Company, Zero Mile Branch, Bihar, Rs.1.61 Crore was transferred outside the Bank through RTGS out of which Rs. 1.32 Crore was transferred to M/s Shiv Shankar Traders at ICICI Bank, and Rs.29.50 Lakh to M/s Gajanand Enterprise at IndusInd Bank. The remaining amount of Rs. 78.50 Lakh was withdrawn in cash. • M/s Annu Trading Company has been sanctioned an unsecured credit of Rs. 1.48 Crore under CGTMSE scheme (Credit Guarantee Fund Trust for Micro and Small Enterprise). Further it has been observed that above M/s Shiv Shankar Traders has also been sanctioned Rs.1.20 Crore vide account by the Axis Bank against the property mortgage. Both these parties are sister concerns.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• EDD in the accounts of M/s Annu Trading Company as well as in M/s Shiv Shankar Traders have been found positive by the CBG team at Patna. • M/s Annu Trading Company and Shiv Shakar Traders produced multiple invoices related to the supply of Wheat to M/s A K Treding against the funds received by them. These invoices were dated prior to the funds received in the account. Further, it appeared that this was a maiden deal between the parties. • Regarding the cloned instrument, the same was referred for the forensic examination vis-a-viz Bank's standard security features. It was also scrutinised by the Bank's security stationery printing vendor, M/s Manipal Technologies Ltd (MTL). Both, the forensic agency and MTL found the disputed instrument to be inconsistent with the Bank's standard security features. • The vendor, MTL informed that among multiple anomalies observed on the cloned instrument, the discrepancy related to CTS watermark was also observed on the instrument. Further they informed that they are purchasing the stationery paper from Westcoast Paper Mill which is already embedded with CTS watermark at their end. Hence stationery leakage if any, has occurred outside their domain. • During investigation, initially, the beneficiary customer was contactable however upon FIR lodged against him, he was arrested by the Police • Further, in the instant case, the DD was purchased on 29-01-2024 from Nagadevanahalli Branch, Bangalore, by the customer, Sendeur Industrial

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Corporation from its newly opened account and immediately the image of the same was sent to unknown person through WhatsApp. The DD was presented for encashment at far location, Pimpalgaon Branch, Nashik, on the next day i.e., 30-01-2024. Hence, possibility of involvement of the DD purchaser (Sendeur Industrial Corporation) in encashment of the fraudulent DD cannot be ruled out.
240	Met Technologies Pvt Ltd	75.30	Background of the case • M/s Met Technologies Pvt Ltd, based in Kolkata is a private limited company established in July 2010. Mr. Kunal Gupta is chairman and founder of M/s Met Technologies Pvt Ltd and holding 97.50% equity stakes in company. • M/s Met Technologies Pvt Ltd offers B.P.O. Services (telecom, online education K.P.O. services, custom software solutions, project management services), application development (iPhone app & android app development), internet marketing services and web development. • HDFC Bank is the sole banker of the firm. Borrower has overdraft limit of Rs 2.21 crore with HDFC bank (Account no 50200020619009) • Axis Bank had sanctioned Loan against property (purchase of commercial property) of Rs. 7 crores in Jan 2019, ECLGS facility of Rs 1.35 crore in July 2020 and Auto loan of Rs 73.91 lakh in July 2021. Resolution and Recovery Actions • The account was classified as NPA on 08.11.2022. • Bank had initiated Sec 13(2) under SARFAESI Act on 22.11.2022 followed by Paper publication for recovery of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				dues. During visit at the mortgaged property, it was found that the Property was confiscated by Bidhan Nagar Cyber Crime Police in P.S Case No - 77/2022, which was later released by our application filed before the ACJM, Bidhan Nagar. • An application under Section 14 has been filed before CJM , Baras which is sub Judice. • Claim for ECLGS has been lodged by the Operations team with the authority. • Bank has received the Provisional Attachment Order No 07/2023 issued on 7.11.2023 in respect of EICR No KLZO-II/20/2022 dated 14.9.2022 under Sub Section (1) of Section 5 of Prevention of Money Laundering Act 2002 on the said property. RFA / Fraud Status • The borrower was classified as RFA on 23.10.2023, since the borrower had defaulted in the loan repayment and FIR was filed against borrower alleging cheating, forgery, and criminal conspiracy under various sections of IPC, 1860. • Investigation by Enforcement Directorate revealed that the representatives of the company targeted gullible residents in the USA, UK, and Australia through bogus tech support offers, deceptive website sales and sham loan offers via counterfeit mobile apps, coercing victims into substantial payments. • Axis Bank appointed M/s ATK & Associates, Chartered Accountants to conduct forensic audit of the borrower, wherein involvement of borrower in illegal activities defrauding its foreign customers and purchase of the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				commercial property financed by Bank with the proceeds of crime was identified. - Subsequently, clarification on the forensic audit findings was sought from the borrower by issuing SCN which could not be delivered to the borrower. Mr Kunal Gupta and other associates of Met Technologies Pvt Ltd have been arrested by ED in Nov 2023. - The borrower was classified as 'Fraud', based on adverse findings of forensic audit. Forensic Audit/Internal Investigations - Key findings of Forensic Audit report are as under: - End Use of Funds - As per the findings of ED, the property of Ecospace office (property mortgaged with Axis Bank by borrower) was used to acquire proceeds of Crime and launder the same. The bank loan repayment is being done from illegal income earned by Met Technologies Pvt Ltd. The borrower has used the proceeds of crime for making margin money payment to the seller for purchase of property. - The property has been purchased directly from Proceeds of Crime and is liable to be attached under PMLA. - Revenue & Receivables - Due to limitation of availability of data from the borrower, forensic auditor couldn't comment on the revenue from operation of the borrower. - As per the findings by ED, the Relevant Authorities has stated that the total amount of cheated fund received from foreign countries as inward foreign remittances as per available data amounts to Rs. 126.15 crores approx. and rent of Rs 19.91 crore is received

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				from companies operating sham call centre. • The inward remittance in the books of the company is in question & it is an amount received from Foreign Countries as Inward Foreign Remittance by cheated funds & trespass of law of land. • Unsecured loans and advances • As per the findings of ED, the cheated funds were transferred from Met Technologies Ltd., UK, Global Consumer Leads Ltd., UK, Guaranteed Telecom Ltd., UK, etc. to Met Technologies Pvt Ltd. in India. Kunal Gupta was either Director, shareholder or the person who was controlling these companies. • Kunal Gupta did not declare the ownership of above-mentioned companies in his Income Tax returns. The borrower did not disclose his association with any foreign companies so that non-disclosure made Met Technologies Pvt Ltd ineligible for the Transfer Pricing Audit. This clearly depicts a malafide intention on the part of the borrower to hide such transactions in books from the stakeholders. Related party Transactions • Mr. Kunal Gupta and his family members had huge transactions (Rs 3.82 crore) with Met Technologies Pvt Ltd and other sister concerns. • Rs 1.35 crore were transferred by Mr Ankur Khanna and Mr Hardeep Singh (close associate and friends of Mr Kunal Gupta) to Met Technologies Pvt Ltd and Fenicia Hospitality Services Private Limited (sister concern). Mr Ankur Khanna and Mr Hardeep Singh used to organize Poker games in Fenicia Hospitality Services Private Limited.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Such major transactions as reported in above findings are not reported in Audited Financial Statements with a clear intention to hide fraudulent activities & to hide diversion of funds in sister concern & related parties. Accounting and Falsification of accounts: - As per the investigation finding by ED & interrogation of close authorised personnel of Met Technologies Pvt Ltd by ED it is observed that a substantial amount was transferred to related companies and related parties under different modus operandi i.e., Loan, Capital Investments, Rent, Salary, Remuneration towards services without any backing of supporting paper & Agreement. - All revenue which are reported under Revenue from Operation & Other Income in Financial Statement are Receipts from Cheated Funds & Illegal Activities demonstrating a clear disregard for the Law of Land. - Above Facts & various segments as reported in order strongly suggest deliberate manipulation aimed at concealing the true nature of revenue sources Conclusion by forensic auditor: - Since the borrower had malafide intentions, the account shall be treated as Fraud as per RBI Norms. - 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrower – Met Technologies Pvt Ltd and Kunal Gupta on 23.03.2024 seeking explanations on the adverse findings of the forensic audit and internal investigation. • SCN notice issued to Met Technologies Pvt Ltd was delivered on 26.03.2024. Postal Status of RPAD no RT065306055IN is “Addressee Left without instructions”. • SCN notice issued to Mr. Kunal Gupta was delivered on 27.03.2024. Postal Status of RPAD no RT065306041IN is “Refused” Modus Operandi • Borrower was running clandestine business of cheating in abroad and in India from call centre operated by them. Root Cause • Involvement of borrower in illegal activities such as defrauding foreign customers and violation under PMLA Act. Staff Accountability • No staff lapses observed since the Bank’s process for loan sanctioning and disbursement was duly followed. Action Taken / Proposed • Order intimating ‘Fraud’ classification b registered post to be issued. • Collection/Branch – To lodge police complaint/FIR against the borrower, in consultation with Law Department. • F&A – Full provision to be made as per guidelines • Retail collection team – To continue leg course for recovery

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
241	Patwa Abhikaran Ratlam Pvt Ltd	218.50	Background of the case • Patwa Abhikaran Ratlam Pvt. Ltd. (PARPL) was a dealer of automobiles manufactured by Mahindra and Mahindra (M&M). • Key promoters of the company is Mr. Surendra Patwa, who is a member of the Madhya Pradesh Legislative Assembly. • PARPL availed working capital facilities of Rs.26.59 crore, under multiple banking arrangements, from 2 lenders with Axis Bank being the largest lender. • Axis Bank sanctioned cash credit limit of Rs.22 crore to PARPL in July 2016, by way of takeover of limits from Bank of Baroda. Resolution and Recovery Actions • The borrower was classified as NPA by the Bank on 19.07.2018. • Notice u/s 13(2) of the SARFAESI Act was issued on 09.07.2019. Symbolic possession of the properties have been taken. • OA was filed on 18.12.2019 with DRT Jabalpur. Next hearing in the matter is scheduled on 30.04.2024. • Complaints u/s 138 of NI Act were filed in September 2018 and September 2019, for dishonoring cheques. Matter is presently sub-judice. RFA / Fraud Status • Axis Bank classified the borrower as RFA on 25.10.2023, based on the following alert: based on direction from Review Committee for classification as Non-Cooperative Borrower. • Axis Bank appointed M/s Chaturvedi & Chaturvedi to conduct forensic audit of the borrower, wherein instances of misrepresentation in stock statements submitted to the Bank were identified.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Letters were issued seeking clarification from the borrower. The clarifications received from the borrower were not found to be satisfactory. • The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. • Principal outstanding of Rs.21.85 crore has been prudentially written off by the Bank. Forensic Audit/Internal Investigations • Key findings of Forensic Audit report are as under: • Non Co-operation by the borrower • The requirement list was shared with the borrower on 29.12.2023 and further multiple follow ups were conducted on 03.01.2024, 08.01.2024, 23.01.2024, 24.01.2024, 07.03.2024, via multiple emails. However, no documents were made available by the borrower. • The borrower on multiple occasions have requested for extension of time citing lack of staff and business operations being closed. • Drastic reduction in inventory • Review of audited financials highlighted drastic reduction in inventory from Rs.16.15 crore as on 31.03.2016 to Rs.4.59 crore as on 31.03.2017, and further to Rs.1.10 crore as on 31.03.2018. Since inventory register and books of accounts were not available, the genuineness of above reduction in inventory could not be ascertained. • Inventory of Rs.29.90 crore was outstanding as at 31.10.2017, basis the stock statement submitted to the Bank. However as per the Unit Inspection Report dated 30.11.2017 (conducted by Axis Bank), the showroom was not operational and no staff was present.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The above indicates inconsistencies in value of inventory reported for availing higher credit limits from the Bank. • Comparison of stock statement with audited financials • In absence of books of accounts, authenticity of the debtors outstanding reported by the company in stock statements cannot be ascertained. • Total Trade receivables as per ABS for FY 2017 and FY 2018 were Rs.22.84 crore and Rs.22.80 crore respectively. Receivable upto 180 days, as per ABS for FY 2017 and FY 2018 were Rs.21.32 crore and NIL respectively. • There were overstatement in current assets (i.e. inventory + receivables) disclosed in stock statements for both March 2017 and March 2018, for claiming higher drawing power. • Movement of loans and advances and unsecured borrowings • Loans and advances: Review of audited financials highlighted reduction of short-term loans and advances by Rs.6.25 crore, i.e. from Rs.6.73 crore as on 31.03.2017 to Rs.0.47 crore as on 31.03.2018. However, based on the available bank statements, only a sum of Rs.3.57 crore was observed to be credited. The borrower could be operating other bank accounts or adjusting advance balance against fictitious liabilities. • Unsecured loans: USL reduced from Rs.30.94 crore in FY 2017 to Rs.27.47 crore in FY 2018. The USL balance increase to Rs.29.63 crore in FY 2019 and subsequently reduced to Rs.26.88 crore in FY 2020. • The borrower had made preferential payment of Rs.3.47 crore in FY 2018

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				and Rs.2.75 crore in FY 2020 to unsecured lenders. However, genuineness of the above transactions cannot be ascertained in absence of supporting documents. Bank statement analysis • Apart from the 2 lenders, PARPL maintained current accounts with other banks viz. State Bank of India, HDFC Bank and Bank of Baroda. Bank statements for these accounts were available only for a limited period. On analysing these statements, it was noted that approx. 63.79% of payments and 71.18% of receipts were routed through them during the period from August 2016 to February 2017. • As per bank statement review, PARPL made a total payment and receipt of Rs.24.30 crore and Rs.32.30 crore respectively with related parties during the period, FY 2016 to FY 2020. Out of which major transactions were conducted with Patwa Automotive Pvt Ltd (Payments – Rs.17.97 crore, Receipt – Rs.3.06 crore). • Further, cash deposits of Rs.13.64 crore were noted during FY 2016 to FY 2018. In absence of documents, verification of the adjustment of cash deposited cannot be conducted. • Out of the above, transactions conducted in the Axis Bank accounts were as follows: • Related party transactions – Payment and receipt of Rs.1.55 crore and Rs.2.05 crore. Out of which payment and receipt made to Patwa Automotive Pvt Ltd was Rs.1.55 crore and Rs.1.48 crore respectively. • Cash deposits of Rs.0.45 crore during FY 2017 to FY 2018.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Total related party sales and purchases of Rs.96.10 crore and Rs.87.46 crore, respectively, were disclosed in ABS of FY 2017. Related party sales and purchases were reported as Rs.1.04 crore and Rs.0.24 crore respectively in FY 2018. Party wise break-up was not disclosed. Conclusion by the forensic auditor • Considering the irregularities, discrepancies and observations in the business and banking operations of the company, basis the analysis of the details made available by the Bank and extracted through public domain, various misreporting of facts by the company in its stock statements submitted to Bank vs audited financial statements were observed, which are considered as fraud according to section 447 & 448 of the Companies Act, 2013. • 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 05.04.2024, seeking explanations on the below: • Drastic fall in inventory from FY 2016 to FY 2017 and thereafter in FY 2018. • Significant variances observed between stock statement and audited financials for FY 2017 and FY 2018. • Treatment and utilization of the collection from the loans and advances as they significantly fell from Rs.6.73 crore as on 31.03.2017 to Rs.0.47 crore as on 31.03.2018.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Repayment of unsecured loans of Rs.3.47 crore in FY 2018, over secured lenders. • Transactions conducted with related party, Patwa Automotive Pvt Ltd, which was classified as Fraud by Bank of Baroda. • Source and utilization of cash deposit of Rs.13.64 crore and routing of turnover through other Banks. • The borrower was permitted time till 19.04.2024 for responding to the queries. The borrower sent an email on 18.04.2024 seeking further time of 15 days to respond on the queries. However, it is to be noted that the borrower had already requested for extension of time on multiple occasions, during the forensic audit exercise and failed to provide any desired data / information till now Modus Operandi • Fabricated / Inflated Stock / Book Debt Statements. Root Cause • Misrepresentation in values of current assets reported in stock statement and Financial statements. Staff Accountability • No staff lapses were identified. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been filed against the company and its directors. • 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

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Due diligence of politically exposed persons (PEP) • The exposure was onboarded in July 2016. It was noted during sanction that the promoter of the company was a member of the Madhya Pradesh Legislative Assembly and a Minister in the State Government. • Enhanced due diligence for Lending to Politically Exposed Persons (PEP) was not captured in CCP. Remedial Action Plan The following clause for Lending to Politically Exposed Persons (PEP) was incorporated in Corporate Credit Policy – CBCG for FY 2020: • Proposals otherwise falling within the power of a lower committee to be put to Senior Management Committee (SMC) for approval. • PEP shall mean an entity where a promoter (or a relative) who is or has been entrusted with a prominent public function i.e. persons who are elected representatives of public or senior officials of political parties. The meaning of “relative” would be as defined earlier in this policy.
242	Multiple Customers - Incidents of ID Theft / Impersonation in Flipkart Digital Personal Loan disbursement-Central Office	26.40	Background • Digital Banking and Transformation (DBAT) Team referred 20 cases of Flipkart Digital personal loan wherein they have observed that the Latitude and Longitude captured for the loan cases during Digital on-boarding were found to be similar for few of the customer. • The matter was earlier referred to the FCU Team, who found out that all of these customers were not contactable on their registered Mobile number and also were not available at the declared address as well.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Investigation Findings • Axis Bank provides facility for availing personal loan through Flipkart Mobile Application both for ETB and NTB. A whitelisted base is shown a banner through which the customer can initiate the journey and avail the personal loan post tokenized Aadhar authentication and VKYC conducted by the Bank. • Primarily 20 suspected cases of Flipkart Digital personal Loans were referred for investigation. In all the cases the live photograph was captured during the VKYC which were matched with the photograph digitally fetched from the UIDAI through tokenized Aadhar verification for the applicants. • During investigation, the PAN details available in NSDL for the respective PANs were obtained from FCU department and the details were compared with the PAN displayed by the respective applicants of the 20 loan accounts during VKYC. • The aforesaid comparison revealed that barring 1 case, in all other 19 cases, the details of the digital loan applicants such as Aadhar number, date of birth, Father Name and photograph were completely different from the details of the original PAN holders received from NSDL. In these 19 cases, the aggregate amount involved is INR 0.67 Crores. • Hence, it was ascertained that the applicants had prepared fabricated PANs of the respective original PAN holders with the applicant's photograph in it and also had prepared Aadhar with the same name and had availed the loans through VKYC by impersonation / identity theft. • Considering the suspected modus adopted by the fraudsters for

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				commissioning the fraud, it was apprehended that more such cases of fraud of similar nature may surface in the Flipkart digital personal loan disbursal cases. Hence, a random sample checks of 87 cases were conducted during investigation apart from the initial 20 cases referred for investigation by the DBAT team. • Out of the 87 cases selected randomly, 66 cases having loan amount aggregating to INR. 1.97 Cr were found to be cases of Identity theft / impersonation cases wherein the Live Photograph, Date of birth and Aadhar details provided by the loan applicant were found to be completely different when compared with the PAN details received from NSDL for the original PAN holders. • Hence, in the total 85 cases (19 cases referred initially by DBAT + 66 cases found from random checking from the delinquent data) with total principal balance outstanding amount aggregating to INR. 2.64 Crores, which has been identified in the instant case as ID Theft / Impersonation. Modus Operandi • Fraudsters are sourcing PAN of the persons with good track records (CIBIL) from unknown source. • Fraudsters are preparing fabricated PAN for the persons with photograph of the fraudsters with same PAN numbers in it. • Further, the fraudsters are managing to prepare Aadhar with the same name from the UIDAI with their own mobile numbers. • Post preparing PAN and Aadhar, fraudsters are applying Digital Personal

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Loans from the partners' channel i.e. through Flipkart mobile application. - During video KYC the fraudsters are displaying the fabricated physical PAN and Aadhar details fetched from UIDAI where their photographs are matching. - Thereafter, availing the digital personal loan disbursed to their account held with other Banks. Root Cause - The reason for the impersonation / ID theft in the digital journey process of the credit card and the Flipkart Personal Loan is primarily attributed to the data such as DOB and Aadhar linked to the PAN recorded in the NSDL portal is not being matched with the DOB declared by the applicant and Aadhar number fetched from the UIDAI during the on-boarding of the cases. - The matter was referred to the DBAT team, who had informed that the process of the DOB checking with NSDL data of the PAN was implemented w.e.f. 31.01.2024 and the checking of the Aadhar linked to the PAN holder recorded in the NSDL data was implemented w.e.f. 31.01.2024 through a system named "IDFY". Action Taken / Proposed - The DBAT team have been recommended to write-off the outstanding amount for 85 Flipkart loan accounts and close all the same since the case is concluded as fraud under impersonation / identity theft. - CIBIL records have been recommended to be corrected / suppressed for the 85 customer's PANs if the same are impacted due to the respective Flipkart Loan account nos. mentioned against the respective PANs.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• DBAT have been recommended to ensure that loan account nos. are deleted/removed from the respective PANs and customer IDs mentioned against the loan account nos. • Police complaint has been recommended to be filed in the matter. • The DBAT team have been recommended to share the DOB and Aadhar Linked with PAN mismatch data between the loan applicants and the original PAN Holders with FCI Team. The FCI Team to compare the same with the data recorded in the NSDL for the respective PAN for identifying whether the said cases are of ID theft cases or genuine cases. Post identifying the cases of identity theft / impersonation by the FCI team among the aforesaid cases, the same to be forwarded to Internal Vigilance team for further investigation.
243		Pranav Jewellers	201.5	Background of the case • Pranav Jewellers (PJ) was engaged in wholesale trading and retail sale of jewellery. It operated 8 retail stores across Tamil Nadu. Resolution and Recovery Actions • The borrower was classified as NPA by Axis Bank on 16.01.2024 • The advances were recalled on 19.03.2024 and personal guarantees were invoked. Notice u/s13(2) of FARFAESI was issued on 21.05.2024. RFA / Fraud Status • The borrower was classified as RFA, pursuant to filing of complaint against the borrower with Economic Offenses Wing, Trichy for not honoring Chit-fund commitments. • Axis Bank appointed Sagar & Associates to conduct forensic audit of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the borrower, wherein diversion of funds was identified. • The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. • A provision of Rs. 5.03 crore was made against the exposure as of 31.03.2024 Forensic Audit/Internal Investigations • Key findings of Forensic Audit report are as under: Limitations • The borrower was arrested and their staff was not contactable. • In the absence of access to books of accounts, invoices, ledgers, etc. the report has been prepared on the basis of information received from the Bank and public domain searches if any. • Absence of Inventory and drawing power calculation • As noted in the financials, the total inventory increased from Rs. 8.86 crore in FY 2020 to Rs. 118.87 crore as per financials of FY 2022. This increase was significant and primarily due to increase in number of stores. • As per stock statement dated 31.07.2023, total inventory across all stores was noted to be at Rs. 72.22 crore of which inventory of Rs. 14.92 crore was at Trichy store. • However, physical visit to the Trichy store identified that the store was let out to unknown parties. As a result, the status of inventory at Trichy store could not be established. • Thus, it is a possibility that the borrower has either moved the inventory from all show-rooms or sold them without proper records. • As per stock statement, the value of gold jewellery was found to be valued at rates

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				less than the purchase rates during the relevant period, which is abnormal. However, drawing power was not affected since inventory value was much higher than the sanctioned limit. - The stock statement submitted for June 2023 provided rounded off figures which casts a doubt on the genuineness of the data. Investigation remarks: - As per stock statement for July 2023, the total inventory across all stores was valued at Rs.72.22 crore. During ED raids in November 2023, an amount of Rs. 0.23 crore along with jewellery of 11.60 kg was sized. It maybe noted that during October 2023, approximate value of 10 gm gold was Rs. 62000 and at the same rate 11.60kg gold would be valued at approximately Rs. 7.20 crore. This is one tenth of the value that was reported in the last stock statement that was submitted to the Bank. Status of inventory at other stores could not be verified as they were closed. - Given the difference between the total inventory disclosed in stock statement and the amount seized during ED raids, there is a possibility that the borrower had either inflated their inventory or disposed-of goods without proper records. - Non-routing of funds through bank accounts - Review of transactions from the cash credit and current account of the borrower identified that there were total receipts of Rs.184.31 crore and payments of Rs. 211.96 crore; indicating a difference of Rs. 27.64 crore. - In spite of increasing trend in overall sales, routing of receipts and payments

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				through bank accounts had reduced during period from April 2022 to November 2023. • Further, as per the stock audit report dated 30.06.2023, during January to April 2023, against sales realization of Rs.130.65 crore, credit summation in CC and CA of the Borrower was Rs.73.23 crore. i.e. only 56.05% of the Sales realization was routed through the Bank accounts. • Review of bank statements identified transfer of Rs. 7.56 crore to partners accounts. However, purpose of these transactions could not be ascertained. • While the potential diversion for January to April 2023 was Rs. 57.41 crore, the overall diversion of funds could be significant, as captured in the stock audit report. However, in the absence of access to book of accounts for the review period, the actual diversion of funds could not be ascertained. Significant increase in Partner's share capital • The share capital of the borrower during FY 2020 was Rs. 0.10 crore which increased to Rs. 14.62 crore as per balance sheet for FY 2022. • Thus, balances increased by Rs. 8.67 crore during FY 2022 including share of profits of Rs. 5.58 crore; presuming a net infusion of Rs. 3.09 crore. • Given that the borrower was not routing funds through their CC account with the Bank and there was significant increase in partner capital, it appears that a significant amount of sale proceeds and 'bought out gold' was shown as capital infusion by the Partners as part of their capital account.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Conclusion by forensic auditor • In view of the above facts, fraudulent activities by the borrower are established on account of the following: • Absence of inventory at the store in Trichy and non-availability of inventory at other stores • Depletion of stocks without corresponding increase in other assets of the Firm • Non-routing of sale proceeds from the accounts indicating potential diversion of funds. Modus Operandi • Diversion of funds Root Cause • Diversion of fund Staff Accountability • Staff accountability has been identified with respect to 1 employee for lapses in monitoring of account. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been filed against the borrower and its partners. • Fraud has been 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. Process Gaps / Recommendations • Process of identification and reporting of Category III triggers (investigative / forensic audits, other adverse developments identified through inspection) by the business units to Risk Department to be put in place. Remedial Action Plan • Process of identification and reporting of Category III triggers by the business

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			units to Risk Department on a monthly basis, has been put in place.
244	Fresco Plus Ceramic Private Limited	66.50	Background - Fresco Plus Ceramic Private Limited (FPCPL), established in 2013, was engaged in manufacturing of ceramic tiles. Resolution and Recovery Actions - The borrower was classified as NPA by Axis Bank on 14.08.2023. - Notice u/s 13(2) of the SARFESI Act was issued on 11.09.2023. Physical possession of an industrial unit was taken on 21.03.2024. Symbolic possession of residential property is pending. - Post NPA, recovery of Rs.0.08 crore in CC and Rs. 0.19 crore in invoked BG account has been made, through liquidation of FDs. - Additional payments of Rs.1.35 crore was received against sale of machinery, post classification as 'Fraud'. RFA / Fraud Status - The borrower was classified as RFA, due to non-realisation of export bills. - Post NPA, recovery of Rs.0.08 crore in CC and Rs. 0.19 crore in invoked BG account has been made, through liquidation of FDs. - The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. - A provision of Rs. 4.32 crore was made against the exposure as of 31.03.2024 Forensic Audit/Internal Investigations - Key findings of Forensic Audit report are as under: Status of inventory - The borrower had reported an inventory of Rs. 6.55 crore vide stock statement for March 2023. However, at the time of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				physical visit to the unit on 05.04.2024, the inventory was noted to be valued at approximately Rs. 0.50 crore. • Further, as per GST returns filed by the borrower for FY 2024, the company had reported a sale of Rs. 0.30 crore and no sales were noted from May 2023 to January 2024. • Based on the stock availability during the physical visit, the management's response, and details captured in Stock Statement for March 2023 and GSTR Returns from April 2023 to January 2024, the following conclusions can be drawn • The borrower may have submitted inflated stock statements to the bank to avail a higher drawing power. • The inventory was indeed in the possession of the company and was disposed-off without proper invoices or by under-invoicing. • Clarification on the status of inventory was sought from the borrower. However, no response in this regard was received from the management of the company. Review of financials • As per un-audited financials of FY 2023, the borrower had a total income of Rs. 5.58 crore whereas the same was Rs. 7.57 crore as per ABS FY 2022; the net loss for FY 2023 was Rs. 2.46 crore and as per ABS FY 2022 it was Rs. 0.41 crore. • The inventory as per unaudited financials for 2023 was reported at Rs. 8.71 crore and the same was reported at Rs. 8.45 crore as per ABS FY 2022. Borrower's response • The borrower stated that due to large scale changes in the ceramic industry, there has been increased unhealthy market competition resulting in declining sales.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The borrower tried to move from ceramic wall tiles to ceramic Parking tiles to be able to sustain in the market but even after huge amount of monetary involvement, they could not sustain and eventually had to shut down unit to curtail further losses. • To be able to repay bank dues, the borrower had requested to sell machinery. However, before this could materialize, the demand of these machines was closed by other buyers Transactions with related party • Review of books of accounts identified that the borrower had an outstanding of Rs. 0.88 crore from its related party i.e. Rubric Ceramics LLP, promoted by Mr. Kevalbhai Dhoriyani (a Director in FPCPL) • The borrower was requested to share invoices to ascertain whether the sales were made at the arm's length. However, the same was not made available. Borrower's response • The borrower stated that Mr. Keval Dhoriyani, had made payments from his personal account towards Gujarat gas bill, Paschim Gujarat Vij Company Limited (PGVCL) bill and certain term loan instalments of Axis Bank. • These payments were to be treated as payment from Rubric Ceramics LLP as all the payments made by Mr. Keval Dhoriyani were on urgent basis and there was no time to route transactions from Rubric account; relevant documentation has been shared for the same. Auditor's remarks • The management of the company furnished ledgers of Gujarat Gas Limited, PGVCL, and GST Payment challans, which reflected payments of Rs. 0.74 crore made by Mr. Keval Dhoriyani from

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				his personal savings account. These payments have been recorded under the ledger of Mr. Keval Dhoriyani in the company's books of accounts. Consequently, the management asserted that these payments represent settlements towards the amount of Rs. 0.73 crore receivable from Rubric Ceramics LLP. • Further, a credit of Rs. 0.15 crore was noted in the Bank statement and the same was also recorded in the ledger as received by the Company from Rubric Ceramics LLP. • Thus, it was noted that payments totaling Rs. 0.89 crore were made by Mr. Keval Dhoriyani on behalf of Rubric Ceramics LLP. • Maintenance of accounts with other banks: • The borrower was maintaining a current account with HDFC Bank Limited and another with Central Bank of India which were closed on 03.07.2021 and 10.08.2021 respectively. Borrower's response • The company had current accounts with other banks for collections and payment. These were reported to reported to Axis bank in our financial submission. • Further, current account with other Banks were closed during regular functioning of the unit as well as timely payments of Axis Bank dues. Thus, there is no chance for diversion of fund; all current accounts have been closed and financials routed through Axis Bank • CC account. • We assure genuine transactions through current accounts and all operating accounts. Conclusion by forensic auditor

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• The borrower is being categorized as fraudulent due to significant discrepancy in the inventory. The stock inventory present during the physical inspection, did not align with stock worth Rs 6.00 crore as submitted in the Stock Statement for March 2023 and subsequent sales in April 2023, • From the information, documentation, and observations gathered during the physical inspection, it is clear that the stock at the company's unit did not reach the approximate value of Rs. 6.00 crore. Modus Operandi • Fabricated / Inflated Stock / Book Debt Statements Root Cause • Misrepresentation in values of current assets reported in stock statement and Financial statements Staff Accountability • No staff lapses observed. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been filed against the borrower and its directors. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Full provision to be made as per guidelines.
245		Pure Milk Processors		20.70	Background of the case • Pure Milk Processors was engaged in procurement, processing, packaging and marketing of milk and milk products. • Axis Bank is the sole lender to the company. • The borrower was sanctioned working capital limit of Rs.2 crore under CGTMSE (Credit Guarantee Trust for

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Micro and Small Enterprises) scheme in January 2020. Further, WCTL limits of Rs.0.29 crore under ECLGS scheme were sanctioned in June 2020. Resolution and Recovery Actions • The borrower was classified as NPA by Axis Bank on 15.09.2023. • Recall notice was issued on 03.04.2024. Notice u/s 13(2) of SARFAESI Act was issued on 09.05.2024. RFA / Fraud Status • The borrower was classified as RFA on 26.09.2023, based on availing credit facility under CGTMSE scheme from both HDFC Bank and Axis Bank. • Axis Bank appointed Chaturvedi and Co. to conduct forensic audit of the borrower. The auditor could not submit a conclusive report due to non-submission of information by the borrower. • Based on internal review of documents available with the Bank, availment of double financing under CGTMSE scheme, beyond the permitted threshold, and misrepresentation in stock statement submitted to the Bank were identified. • Clarification on the investigation findings were sought from the borrower by issuing SCNs. Response from the borrower were not found to be satisfactory. • As per opinion from external legal counsel, withholding of vital information such as availing of credit facility from other lenders and subsequently, continue to misrepresent stock statements to lenders is act of cheating and fraud. • The borrower was classified as 'Fraud', based on adverse findings of internal

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				investigation and opinion from independent legal counsel. Forensic Audit/Internal Investigations Key findings of Forensic Audit report are as under: • Non-cooperation from the borrower: - o Despite multiple requests and reminders, the borrower did not share critical information required for conducting the forensic audit and has withheld information. - o This non-cooperation significantly hindered ability to complete a comprehensive and reliable assessment of financial activities under scrutiny and demonstrates clear intention to circumvent the audit procedures. - o During FY 2022 and FY 2023, more than 50% and 32% of total receipts respectively are from related parties. This signifies that majority of the borrower's business transactions are exclusively conducted with its related parties and that the borrower is utilizing the drawing power primarily basis receivables from related parties. - o Due to non-availability of underlying documents pertaining to sales it was not possible to ascertain whether such transactions with the related parties were conducted at arm's length or not. Further it was not possible to comment on the movement of goods. Analysis of routing of funds through Axis Bank Accounts: - o The borrower routed only 43.14% and 24.39% of its receivable through Axis Bank accounts during FY 2022 and FY 2023 respectively. Since the borrower has not routed its entire cash-flow through Axis Bank (sole working capital lender), it has not complied with the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				terms and conditions of the Bank's sanction. - o Further the shortfall in routing in accounts maintained with Axis Bank could have been adjusted by netting-off receivables against purchases by making fictitious book entries. These entries can become more pronounced given borrower's substantial engagement with related parties. - o Though specifications/adjustments of these transactions cannot be determined due to limited availability of information, however, combined with intentional non-cooperation and data withholding, the identified fund diversion collectively point towards a compelling conclusion of fraudulent activities. - o 66% and 53% of total payments made during FY 2022 and FY 2023 respectively were made to Vrisha Agro Foods. Similarly, 8% and 53% of total payments made during FY 2022 and FY 2023 respectively were made to Susheel Dairy. - o It is to be noted that address of both Vrisha Agro Foods and Susheel Dairy are similar to one of the premises of the borrower. However, due to non-availability of information/clarification from both the entities, the above transactions could not be ascertained. Conclusion of Forensic Auditor: - o Based on the limited available information, though the instance fraudulent activities could not be corroborated, it however does not definitively prove their absence. - o Further, there have been some poor decisions taken by the management and management lapses have been observed. Key findings of Internal Investigation:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Availing CGTMSE facility from 2 lenders, simultaneously: - o Pure Milk Processors was sanctioned working capital limits of Rs.2 crore by Axis Bank under CGTMSE (Credit Guarantee Trust for Micro and Small Enterprises) scheme on 10.01.2020. The said limit was disbursed on 29.02.2020. - o However, it was observed that borrower had already availed limits of rs.2 crore from HDFC Bank under CGTMSE facility from 10.01.2020. This led to borrower availing limits more than the permitted threshold of Rs.2 crore (maximum guaranteed amount) as per eligibility under CGTMSE scheme. - o Security cover under CGTMSE scheme against the credit facilities of Axis Bank was rejected, as the total exposure (including Axis Bank and HDFC Bank) was more than eligible cover of Rs.2 crore. Hence, Axis Bank's exposure to borrower is unsecured. - o This is a case of misrepresentation of facts by the borrower to avail CGTMSE limits from Axis Bank. - o Validation in CGTMSE Portal: ▪ In the instance case, CGTMSE registration for the borrower was done on 25.02.2020 by Axis Bank. Later in August 2022, CGTMSE rejected the CGPAN stating that borrower's ITPAN is exceeding the threshold limit of Rs.2 crore borrowing under CGTMSE, hence guarantee is 'closed' in the system by CGTMSE. ▪ Till August 2023, the CGPAN history search option was available with very limited information on chargeable basis to all MLI (Member Lending Institution).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				▪ The option for detailed search such as existing CGPAN, Bank name, CGPAN status whether active/closed etc. were made available on portal post September 2023. This has enabled lenders to verify the current status of CGPAN of the borrower including identification in case the borrower (ITPAN) has already availed credit facility from other lender under CGTMSE scheme. • Non reporting of related party/intra group debtors under stock statement: - o As per sanction letter, it was stipulated that intra group debtors, if any, to be excluded for (drawing power) DP calculation. - o As per various stock statements submitted to the Bank, related party debtors were reported as Nil. However, during forensic investigation it was observed that during FY 2022 and FY 2023, receipts from group companies and related parties were noted. - o Non reporting and non-exclusion of debtors from group companies/related parties tantamount to misrepresentation of information to avail higher DP. Issuance of Show-cause notice (SCN) 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 08.03.2024 seeking explanations on the adverse findings of forensic audit and internal investigation. • The borrower provided his response to the queries in SCN on 22.03.2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Further, supporting documents were provided on 23.03.2024. - Forensic auditor's opinion was sought against the response. Auditor has provided his views against the response on 28.03.2024. Details of borrower's response and auditor's response against each of the queries has been captured below. - Misrepresentation of information: - Availment of Rs.2 crore of CGTMSE limits both from Axis Bank and HDFC Bank simultaneously. This led to availing of the said limits beyond the threshold of Rs.2 crore (maximum guaranteed amount) and as per eligibility under CGTMSE. Further, Axis Bank's exposure of Rs.2 crore became unsecured since the security against the sanctioned limits was rejected at CGTMSE portal. Borrower's Response: - There was no intention of misrepresentation to avail higher limits. The sanction letter dated 26.06.2020 from Axis Bank clearly outlines the extension of 2nd charge on guarantee cover under CGTMSE scheme to be obtained which means the Bank was already aware about the existing limits of CGTMSE from HDFC Bank. - Further, it is important to note that despite our efforts to approach HDFC Bank via mail to close the account, no action was taken by them till present date. Consequently, borrower inadvertently ended up availing limits from both HDFC and Axis Bank under CGTMSE facility. - Transparency was maintained by separately submitting DP statements to Axis Bank and HDFC Bank, and also

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				reported the same in financial statements, thereby ensuring that none of the funds were diverted. The rejection of Axis Bank's sanctioned limits at CGTMSE portal does not signify deliberate misrepresentation but rather an unintended consequence of the situation. Further, no funds were diverted or siphoned off by the firm. Auditor's Response: - o The borrower has disclosed the borrowing from HDFC and Axis Bank in its financial statement for FY 2020 & FY 2021. Statement of unsecured liabilities duly signed by proprietor which matches with the loan liabilities as per balance sheet. - o As per the borrower, it was submitting DP statement to Axis Bank and HDFC Bank separately. However, no copy of the DP statement submitted with HDFC Bank were shared. - o In view of the above, and due to limited availability of information, the rejection of Axis Bank sanction limits at the CGTMSE portal was not a misrepresentation but an unintended consequent of the situation. Investigation Remarks: - o The sanction letter dated 07.02.2020, wherein CC limits of Rs.2 crore were sanctioned under CGTMSE scheme, clearly states that Axis Bank would have an exclusive charge on guarantee cover under CGTMSE scheme. Further, sanction letter dated 26.06.2020 states about sanction of ECLGS limits to the borrower. As per said sanction letter under security cover for ECLGS limits, it was erroneously mentioned about extension of 2nd charge on guarantee cover under CGTMSE scheme instead of ECLGS limits.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o Borrower has not provided any documentary evidence of follow-up conducted with HDFC for closure of limits. Further, DP statements/stock statements submitted by the borrower with Axis Bank did not mention about limits with HDFC Bank. Hence, it can be inferred that borrower was availing DP from Axis Bank along with HDFC Bank but not informing through stock statement is clear misrepresentation of financials to avail higher limits. • Availing Drawing Power basis Receivables from Related Parties: o Large value of receipts (51% in FY 2022 and 32% in FY 2023) from related parties leading to borrower availing drawing power basis receivables from related parties which is against terms of sanction of the Axis Bank. Borrower's Response: o None of the parties mentioned are considered related parties of the borrower. Sun Dairy Fruits operates as a proprietorship firm owned by Sundeep Chaudhary. Pure Milk Processors does not have any affiliation with Sundeep Chaudhary nor with his proprietorship firm. Also, Kimaya Agro Farms is not related to the borrower entity since it is owned controlled and managed by Sundeep Chaudhary and Ashok Sharma. o Transactions with Sun Dairy Fruits, Naresh Kumar were completely genuine business transactions. No sales and purchase transactions were made with Kimaya Agro Farms. Auditor's Response: o Pure Milk is a sole proprietorship firm of Mr. Ankur Bhati. Sun Dairy Fruits is a sole proprietorship firm of Mr. Sundeep Chaudhary. Kimaya Agro

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Farms is a partnership Firm with Mr. Sundeep Chaudhary and Mr. Ashok Sharma as the Partners. However, Mr. Ankur Bhati was the Partner from 15.7.2020 till 17.8.2021. o Mr. Naresh Kumar and Mr. Sundeep Chaudhary are individuals and not related to Mr. Ankur Bhati. However, Mr. Sundeep Chaudhary has given third party personal guarantee securing the loan of Pure Milk Processors. Apart from the third-party personal guarantee, there is no relation between Mr. Ankur Bhati and above-mentioned entities. o In view of the above, and borrower being non-corporate entity, the explanation pertaining to relationship with the related parties appears to be acceptable. • Non-routing of funds/receipts through Axis Bank Accounts: o During FY 2022 and FY 2023, only 43.14% and 25.39% of total receipts were routed through Axis Bank accounts (sole banker). Borrower's Response: o Pure Milk Processors had pre-existing credit facilities sanctioned by HDFC Bank, a fact that was explicitly communicated to Axis Bank at the time of sanction and same can be corroborated through sanction letter dated 26.06.2020. o In order to adhere to the terms & condition as per sanction letters of both lenders, funds were routed proportionately through both lenders. None of the funds were diverted for purposes other than business transactions pertaining to Pure Milk Processors. Auditor's Remarks:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o Borrower has maintained account with HDFC Bank and routed the transactions which tantamount to diversion of funds, as per the current RBI circulars in place, without considering the current litigations on the matter pending at various courts. o Further, on analysing the transactions of HDFC Bank, it was noticed that majority of the transactions were with Amar Natural Products, Vrisha Agro Foods, Sun Dairy Fruits, Salarpur Agro Farms etc. which appears to be in the normal course of business. These transactions were also recorded in the financial statements. There is also an outstanding credit limit from HDFC Bank. In view of the above, the diversion of fund cannot be ascertained. • Concentration of business with Selected Entities: o Borrower made large payment transactions to Vrisha Agro Foods and Susheel Dairy in during FY 2022 and FY 2023. During forensic investigation it was noted that registered address of Vrisha Agro Foods and Susheel Dairy were similar to one of the premises of the borrower. Borrower's Response: o Both Vrisha Agro Foods and Susheel Dairy operate as independent entity. Further, place of business for both entities also diverge from Pure Milk Processors. Opinion of External Legal Counsel: The Fraud Identification Council, in its meeting dated 10.04.2024, had advised following: • To seek opinion from external legal counsel to understand if withholding

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				information regarding HDFC's sanction can be treated as reason for fraud. As per opinion dated 06.05.2024 from independent law firm Lex Indis: • The Borrower, at the time of availing credit facility from Axis Bank in January/February 2020, suppressed the information of availing the facility from another Bank. Borrower is the sole beneficiary, being the sole proprietor and even pursuant thereto has continued to deliberately manipulate the stock statements by offering the same to both the Banks and availed the facilities from both the Banks on same stocks. • The Borrower has also admitted that he has availed credit facility from HDFC Bank and offered to close his account with HDFC Bank in his reply dated 22.03.2024 to the show-cause notice. Further, borrower vide his response to show-cause notice also has alleged that as per the sanction letter dated 26.06.2020, wherein by extension of second charge on guarantee cover under CGTMSE was mentioned, Axis Bank was already aware of the said CGTMSE facility availed by him from HDFC Bank. It has to be noted that sanction letter dated 26.06.2020 was in respect to the ECLGS facility and not the CGTMSE facility and mention of second charge on guarantee cover under CGTMSE was an inadvertent error. Further, vide amendment sanction letter dated 04.07.2020 the inadvertent error was rectified which was never objected to by the Borrower. • Borrower has deliberately and intentionally withheld the vital information from the Bank and subsequently continued to manipulate

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					the stock statements by offering the same to both the Banks and continuing to avail the facilities from both the Banks on his stock. - In our view, it makes a clear case of cheating and fraud. Modus Operandi - Fabricated / Inflated Stock / Book Debt Statements Root Cause - Misrepresentation in values of current assets reported in stock statement and Financial statements. Staff Accountability - Staff accountability has been identified with respect to 1 employee (branch) for lapse in disbursement process. 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) and to the Serious Fraud Investigation Office (SFIO). - The exposure has been prudentially written-off.
246		Multiple Customers - Misappropriation of customers funds by the Branch Staff – Hassan Branch, Hubli Circle		21.10	Background - Hassan Branch received multiple complaints alleging misappropriation of funds aggregating to Rs. 211.01 lakhs from 13 customer accounts by BRO L Vinitha Investigation Findings - The disputed/ unauthorized cash withdrawals were undertaken during 30.07.2021 to 22.12.2023 at Hassan Branch (Sol 203) by misusing the cheques provided by customer for issuance of Fixed Deposits.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Scanned images of 33 cheques aggregating to Rs.1.43 crore were retrieved and examined. - Signature forgery was observed in 25 cheques aggregating to Rs.1.22 crore. - In 8 cheques, even though the signature of the customer was found to be matching, however, the cash was handed over to L Vinitha by Branch teller. - Cash withdrawal transactions were processed with mismatch in signature of the customer, signature of the receiver of cash was not obtained on reverse of cheque at time of making cash payment and cash was handed over to L Vinitha by Branch Teller. - Staff took undue advantage of the faith bestowed by the customer on her and misappropriated funds from their accounts. These funds were reportedly used by her for online games and at casinos. - An amount of Rs.0.52 crore is recovered from L Vinitha. Modus Operandi - Branch official took undue advantage of customer's trust and misused the cheques provided by customer for issuance of Fixed Deposit for unauthorised cash withdrawals. Root Cause - Deliberate act of misappropriation of customers' funds by using customer's trust and undertaken transactions using the cheque provided by customer for opening Fixed Deposit. - Failure of Branch Teller in not obtaining the signature of the receiver on reverse of cheque in his presence. - Maker/checker of transactions failed to notice the mismatch in signature of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				customer on the cheques used for misappropriation of customer funds. Staff Accountability • Lapses observed in processing of cash payment and internal transfer transactions. • Supervisory failure observed on part of Branch Head and Branch Operations Head. Action Taken / Proposed • Police complaint (FIR) has been filed by Hassan branch. • Disputed amount of Rs.1.59 crore is to be compensated to the customers. • L Vinitha has been suspended from the services of the Bank • Staff side actions are being initiated for the lapses identified.
247		Liz Enterprises	95.40	Background • Liz Enterprises (LE) is a partnership firm engaged in distributorship and dealership of ITC products in cigarettes and FMCG segments. Axis Bank is the sole banker to the borrower. • Axis Bank sanctioned CC limit of Rs.8.50 crore and ECGLS loan of Rs.1.43 crore in October 2021, by way of takeover from Federal Bank. Subsequently in the same month, a drop line OD limit of Rs.0.75 crore was sanctioned. • Axis Bank is the sole lender to the borrower. Resolution and Recovery Actions • The borrower was classified as NPA by the Bank on 20.11.2023. • The advances were recalled on 27.03.2024. Recovery action under SARFAESI and DRT is being initiated. RFA / Fraud Status • The borrower was classified as RFA on 03.12.2023 based on a) Withdrawal of partner's capital post availing, b)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				cancellation of dealership of ITC and diversion of working capital funds, c) partial routing of sales, and d) adverse stock audit observations. • Axis Bank appointed SVV & Co to conduct forensic audit of the borrower, wherein diversion of funds and misrepresentation to the Bank were identified. • The borrower was classified as 'Fraud' on the basis of adverse observations 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 Reconciliation of Inventory Position: • As per stock statements for March 2023 and June 2023 submitted by the borrower, disclosed inventory position were Rs.12.77 crore and Rs.9.59 crore, respectively. • ITC had terminated the dealership of LE on 12.04.2023. The gross receipts from April 2023 to November 2023, other than from related parties, were Rs.3.31 crore and payment to ITC Ltd was Rs.1.42 crore. Similarly, receipts, other than from related parties, post June 2023 was Rs.0.07 crore only and no payments were made to ITC.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Axis Bank had also conducted stock audit on 20.11.2023 by M/s. Agrawal & Dhandhanian, wherein no stock was made available for physical verification to the stock auditor on 16.11.2023. • Either the borrower had transferred the stock out of the business or have fraudulently overstated the primary security. • The receipts from other than related parties post June 2023 was Rs.0.07 crore as against closing stock mentioned in the stock statement as Rs.9.59 crore as on June 2023. • These factors indicate that the financials and statements submitted by the borrower are falsified / manipulated. Internal investigation: • As per the RFA note, it was noted that based on discussions held by the collections/ business with the borrower the borrower informed that the business unit was closed. • Further, borrower was not able to meet the targets fixed by ITC, the distribution rights were cancelled, leading to shut down of the business. • The borrower also informed that recent stock shown was mostly credit purchase from other dealers which he managed to liquidate them and the proceeds were used to settle his employees while closing the business. • Further, the loan would be closed by selling the properties given as collateral security. • Unusual trading activity detected: • Credit transaction aggregating Rs.5.02 crore and debit of Rs.5.54 crore (i.e. net payment of Rs.0.52 crore) were conducted with suspicious entities, M/s Aiyoki Trading Co. (ATC), M/s

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Thalasserry Business Enterprise LLP (TBEL), Great Sands Consulting Pvt. Ltd. (GSCPL) during FY 2022 - FY 2024. The geographical location of GSCPL was different and it was not viable for the borrower to make sales to the party. • Prima-facie, the above trading activities do not appear to be in normal course of business and were undertaken merely to increase sales/purchase, as there may not be actual movement of goods. • Documents like invoice, LR copy for the transactions were not available for verification. Hence, it can be inferred that there was no movement of goods and these were mere book entries to increase sales and purchase. Bank statement analysis: • The funds were used by the borrower at multiple instances to lend to sister concern and other parties and divert to accounts maintained with other banks, as per the analysis of the bank statements of the borrower and in the absence of availability of financials for the period under review. • The receipts from M/s Great Sands Consulting Pvt Ltd from FY 2022 – FY 2024 was Rs.0.55 crore were suspicious in nature as the borrower was in the business of distribution of products of ITC Ltd. to the local customers as regulated by ITC, whereas the said party was registered in Mumbai and has GST registration in various other cities of India as per GST records, however has no existence in the city of the borrower. • M/s Malabar Distributors (MD), also a dealer of ITC products, availed limits with Axis Bank. Dealership with ITC Limited for Liz Enterprises was cancelled and their business operations got

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				suspended from 12.04.2023. However, MD had made transfers of Rs.2.59 crore to Liz Enterprises during 19.04.2023 to 22.08.2023. - The borrower was a dealer of ITC products and supplied products to retail customers with approx.1500 shops and 95% of transactions were in cash. However, it was noted that the cash receipts were twice against the sales turnover. Internal investigation: - Basis the discussion with the coverage team, the borrower being a dealer of ITC products, observes sales of more than 50% towards cigarettes, wherein most sales are made around year/ month end to meet targets. Most retailers doesn't have GST registration and non GST cash sales are observed to such parties. This was noted in the credit proposal dated 24.11.2022. - Furthermore, as per coverage, the sales/ turnover appearing in the audited/ provisional financials are net of taxes. Cigarettes and other tobacco products attract GST, NCCD (National Calamity Contingent Duty) and compensation cess. As per a news article in the public domain dated 18.02.2023, overall tax on cigarettes accounts for 52.5%. 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'. - Based on the above it was concluded that the management of the borrower was engaged in unethical trading activity and also using banking channel to route illegal

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				funds / unauthorized cash / black-money, by operating account with falsified representation to the bank, and maintain accounts with other banks with probable intention to default the bank finance. • 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 15.05.2024 sharing our findings and forensic audit report and seeking explanations on the below: (copy of notices sent placed in annexure A) • Variance between value of inventory as per stock statement for March 2022 and ABS for FY 2022. • Present status of inventory and receivables since as per the latest stock audit available, no access was granted for verification. • Non-compliance to sanction terms by not infusing back the capital withdrawn by the partners during the sanction period. • High value of cash deposits and routing of turnover by maintaining accounts in non-lending banks. • Basis and purpose for transactions conducted with related party, M/s Malabar Distributors, especially after suspension of its dealership with ITC Limited. • No response has been received from the borrower in this regard. Modus Operandi • Diversion of Funds Root Cause

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					- Inventory disclosed in stock statement of June 2023 was disposed off and funds realized from sale of inventory/ realization from debtors not routed through Axis Bank Staff Accountability - No appraisal or monitoring staff lapses 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). - Full provision will be made as per guidelines Process Gaps / Recommendations - Identification and reporting of Category III triggers - Process of identification and reporting of Category III triggers (investigative / forensic audits, other adverse developments identified through inspection) by the business units to Risk Department to be put in place. Remedial Action Plan - Process of identification and reporting of Category III triggers by the business units to Risk Department on a monthly basis, has been put in place
248		Malabar Distributor		95.30	Background Malabar Distributors (MD) is a partnership firm engaged in distributorship and dealership of ITC products in cigarettes and FMCG segments.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• MD is a group entity of Liz Enterprises (LE), which has also been classified as 'Fraud' by Axis Bank on 31.05.2024. • Axis Bank sanctioned CC limit of Rs.8.50 crore and ECGLS loan of Rs.1.43 crore in October 2021, by way of takeover of limits from Federal Bank. Subsequently in the same month, a drop line OD limit of Rs.0.75 crore was sanctioned. • Axis Bank is the sole lender to the company • Resolution and Recovery Actions • The borrower was classified as NPA by the Bank on 20.11.2023. • The advances were recalled on 19.03.2024. Recovery action under SARFAESI and DRT is being initiated. RFA / Fraud Status • The borrower was classified as RFA due to a) Cancellation of its dealership with ITC, b) adverse stock audit observations, and c) suspected diversion of funds realized from sale of inventory/ realization from debtors. • Axis Bank appointed SVV & Co to conduct forensic audit of the borrower, wherein diversion of funds and misrepresentation to the Bank were identified. • The borrower was classified as 'Fraud' on the basis of adverse observations in forensic audit report. Forensic Audit/Internal Investigations • Key findings of Forensic Audit report are as under: • Non-cooperation by the Borrower • Multiple requests were made to the borrower by the Forensic Auditor and Bank for providing the requisite details during 09.02.2024 to 06.04.2024. However, no document/information was shared by the borrower.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Capital withdrawn by the Partner • Review of audited financials for FY 2020 to FY 2022 highlighted that the partner's capital reduced from Rs.2.64 crore in FY 2020 to Rs.1.86 crore in FY 2021 and further in FY 2022 to Rs.1.38 crore. • Internal investigation: As per the sanction letter dated 24.11.2022, the firm was to bring back the withdrawn capital portion before 31.03.2023 and maintain gearing ratio less than 4. However, the firm had not infused/ or put back the withdrawn capital which is in violation to the sanctioned terms. • Present position of inventory and comparison of SS with ABS • Comparison of stock statement for March 2022 with ABS for FY 2022 highlighted overstatement of Rs.8.21 crore in the stock statement. Inventory was valued at Rs.1.88 crore in ABS for FY 2022 and Rs.10.09 crore in the stock statement for March 2022. • Further, stock as per the latest stock statement i.e. June 2023 amounted to Rs.9.17 crore. However, after suspension of business with ITC Limited w.e.f from 16.08.2023, the collections were observed to be negligible in the account statement. Axis Bank had also conducted stock audit on 20.11.2023 by M/s. Agrawal & Dhandhanania, wherein no stock was made available for physical verification to the stock auditor on 16.11.2023. • Either the borrower had transferred the stock out of the business or have fraudulently overstated the primary security. • Internal Investigation: As mentioned in the RFA note, the borrower informed the Bank that ITC had cancelled his distribution rights leading to shut down of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the business, due to non-fulfillment of targets. The borrower further informed that the stock which was mentioned in the stock statements were mostly credit purchases from other dealers and the liquidations if any, were utilized for settlement of employees since the business was wounding up. Transactions with Related parties • As per the account statement analysis, total receipts and total payments made to related parties amounted to Rs.4.82 crore and Rs.6.22 crore respectively, with net outflow of Rs.1.39 crore. • Major transactions i.e. receipts and payments of Rs.3.05 crore and Rs.4.81 crore with M/s Liz Enterprises were observed respectively. • M/s Liz Enterprises (also a dealer of ITC products) availed limits with Axis Bank. Dealership with ITC Limited for Liz Enterprises was cancelled and their business operations got suspended from 12.04.2023. However, the borrower have made transfers of Rs.2.59 crore to Liz Enterprises during 19.04.2023 to 22.08.2023. Said funds were utilized for transfers to M/s Ayoki General and interest of loan taken by M/s Liz Enterprises. Transactions with Suspicious parties • Transactions were conducted with suspicious entities, M/s Shenoy Agencies and M/s Chakkittapara Service Co Operative Bank Ltd during FY 2023- FY 2024. • The borrower had sourced loan of Rs.0.15 crore from M/s Chakkittapara Service Co Operative Bank in September 2022, without obtaining written consent from Axis Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Further, the borrower had made payments to entity, M/s Shenoy's Agencies for Rs.0.21 crore which does not appear to be in normal course of business. • Non-compliance to tax norms • The borrower has not paid the ESIC liability since June 2023. • Further, GST payments were not observed during the period, November 2021 to October 2022. Further, post making GST payments of approx. Rs.0.65 crore per month from November 2022 to April 2023, borrower had stopped payment of GST through Axis Bank from May 2023. • The borrower is observed to have defaulted on various tax compliances like GST, ESIC, TDS, TCS and Income Tax. Such non-compliance would amount to various contingent liabilities on borrower remaining undisclosed, due to non-availability of information and data. Conclusion by the Forensic auditor • Based on the above it was concluded that the management of the borrower was engaged in unethical trading activity and also using banking channel to route illegal funds / unauthorized cash / black-money, by operating account with falsified representation to the bank, and maintain accounts with other banks with probable intention to default the bank finance. • 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrower on 15.05.2024, seeking explanations on the below: • Variance between value of inventory as per stock statement for March 2022 and ABS for FY 2022. • Present status of inventory and receivables since as per the latest stock audit available, no access was granted for verification • Non-compliance to sanction terms by not infusing back the capital withdrawn by the partners during the sanction period. • High value of cash deposits and routing of turnover by maintaining accounts in non-lending banks • Basis and purpose for transactions conducted with Related party, M/s Liz Enterprises, especially after suspension of its dealership with ITC Limited • Transactions conducted with suspicious entities, M/s Shenoy Agencies and M/s Chakkittapara Service Co Operative Bank. • No response has been received from the borrower in this regard. Modus Operandi • Diversion of Funds Root Cause • Inventory disclosed in stock statement of June 2023 was disposed off and funds realized from sale of inventory/ realization from debtors not routed through Axis Bank Staff Accountability • No appraisal or monitoring staff lapses were identified. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint is being filed in the matter.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Full provision will be made as per guidelines Process Gaps / Recommendations • Identification and reporting of Category III triggers • Process of identification and reporting of Category III triggers (investigative / forensic audits, other adverse developments identified through inspection) by the business units to Risk Department to be put in place. Remedial Action Plan • Process of identification and reporting of Category III triggers by the business units to Risk Department on a monthly basis, has been put in place.
249		Multiple Agri Loans (Impersonation) – North Lakhimpur, Silapathar and Dhemaji Branch, Assam	60.10	Background • Alert received from Bajaj FinServ for few suspected fraudulent SB A/cs opened with Axis Bank. These customers had availed consumer loans from Bajaj FinServ where EMIs were getting bounced and customers were not traceable. • Based on alert, internal investigation identified that apart from opening SB accounts, these Customers had also availed Agri Loans from Axis Bank. Internal Investigations Key findings of Internal Investigation are as under • Agri loans were sanctioned to 29 borrowers (31 applied) at 3 branches of Assam (North Lakhimpur, Dhemaji, Shilapathar). Out of the 29 cases, in 25 cases, loan (ODCON & CCAGR) was disbursed during March 2022 – March

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				2023 (in the remaining 4 cases, loan was not disbursed). • Out of 25 disbursed Agri loans, 24 borrowers were identified as imposters and 1 borrower named as Susil Chutia (who had mortgaged different property as against the property shown for valuation at the time of loan processing) has been identified as perpetrator. • In all these cases, fake /forged physical driving license, copy of Pan Card (most of which were issued based on Driving license), photograph pasted by the imposter on the Pan Card (having similar name of the actual person with good CIBIL score to get the loan processed easily) was submitted as KYC document (proof of ID and address). All these borrowers were shown as existing customer of the Bank since they had already opened Saving account (North Lakhimpur , Silapathar & Dhemaji branch). No field visit by branch official before opening SB accounts. The field visit done by outsourced staff was staged during onboarding of loan. • Two outsourced Agri-RE (Quess corp employee) had given the lead for opening of these savings account. Both had connived with a Syndicate where impersonated SB A/cs were opened (similar to the name of the person having non-Agri property). Post opening of SB A/c, Agri loans availed. The Syndicate extracted documents either online or SRO office and perpetrated fraud by impersonating through fake KYC and Property documents. • Post disbursement of these loans to the respective SB A/c or Overdraft account, amounts were withdrawn either in cash (cheques/ ATMs) or third party transfer

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				(Mobile App). Money was circulated in the same set of borrowers. - Initially timely interest was serviced through cash deposit so that no red-flags will be raised. Post highlighting of the incident (July 2023), no further transactions were taken in all these loan accounts due to which all of them become overdue. - Life insurance policies were given to 21 borrowers (imposters) by the respective branch team. Total premium: Rs.12.14 lacs were paid from loan proceeds. - Perpetrators: 1 borrower (Susil Chutia), 3 Agri REs- Outsourced staff, 2 Axis Bank Sales Manager, 2 agent of FCU agency, empaneled Valuer & his agent have been found involved with Syndicate for the facilitation / perpetration in the fraud. - Identity of Syndicate and some of the person who impersonated themselves have also been identified during the investigation. Modus Operandi - Loan availed by imposters (placed by a syndicate) having a similar name as that of the Property holder who surreptitiously mortgaged property as security to the Bank which did not belong to them. In one case borrower has been identified as perpetrator (mortgaging a different property as against the property shown for valuation at the time of loan processing) Root Cause - Impersonated SB Accounts were opened post which Agri Loans were availed by the borrowers in connivance with the Bank officials, outsourced employees and vendor's agent along with the fraud Syndicate. Staff Accountability

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Staff lapses are identified on the part of 48 staffs and 8 outsourced staffs for lapses in the SB A/c Onboarding and Agri loans for sourcing, sanctioning and disbursement. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post to be issued. - The Bank has filed police complaint. 100% provision to be made for the fraud loss amount. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - Collections - To continue legal recourse for recovery of dues.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
250	Multiple Credit Card Customers - Fraudulent availment of Credit Cards through External Partner Platform (Freecharge Channel) – 55 Credit Cards involving 24 customers'	41.10	Incident • The Bank had launched “Axis Bank – FreeCharge” Co-Branded Credit Card and had launched Rupay Credit Card variant partnering with “Freecharge” as its distribution partner (external). • Suspected fraudulent on-boarding were observed in Rupay credit cards which were on-boarded through FreeCharge Channel during January 2024. • The preliminary analysis revealed a total of 64 credit cards involving 27 Customers. • 3 customers out of 27 reported had approached the Bank and the cases were investigated separately and concluded as Fraud. • The amount involved in the three cases was aggregating to Rs.0.29 crore. • The details and the findings on remaining 24 Customer IDs involving 55 Credit Cards were considered in this investigation (Amount involved Rs.2.05 crore). Investigation Findings • Credit cards were availed by misusing the valid 10-digit PAN of the victims with good CIBIL/Bureau score. • Perpetrators impersonating as genuine customers had applied for Axis credit card by making fabricated PAN cards using 10-digit valid PAN. • OTP based E-KYC was used for digital on-boarding while availing the credit card through External Partner • Applicant’s mobile authentication was done through OTP and PAN provided during on-boarding gets validated through NSDL. • In the instant case, the on-boarding journey was completed by using 10-digit valid PAN and mobile number.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Aadhaar validation had taken place (this is through UIDAI portal wherein 72-digit tokenized Aadhaar is received) • Aadhaar e-KYC validation takes place through UIDAI and authentication of OTP. • Since the valid PAN of complainant was misused during the process, wherein PAN got validated through NSDL, and Aadhaar used in the same name match of PAN, the applications were further processed. • All together 55 credit cards were linked under the 24 Customer IDs. 3 customers had availed single credit card and remaining 21 customers had availed multi-carding facility (initial credit card through FREECHARGE and subsequent multi-carding through Phone Banking) • In 2 cases SB A/cs were also opened with fabricated documents. • All 55 credit cards and 2 SB accounts were classified as Fraudulent. • All the 55 credit cards were found to have been over-utilized, over and above the sanctioned limits. • This was mainly on account of Account level limit was getting blocked; however Customer level aggregated limit was NOT getting blocked. • Customer, in such scenarios, had used the released limit at customer level on another cards. (This was mainly due to OTB issue as the transactions were converted to EMI) • The total amount / net exposure to the Bank is Rs.2.05 crore. Modus Operandi • Fabricated PAN Cards were made (plastic) by using the valid 10-digit valid PANs matching the same name however

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				with different date of birth, Father Name, and photograph of PAN • The unknown person/s had also procured Aadhaar details matching the same name of PAN. (The probability of the unknown person(s) getting a new Aadhaar card with victim's credentials cannot be ruled out). • Using the PAN and Aadhaar, the E-KYC validation was successful where valid PAN got validated through NSDL site (using Axis – NSDL API service). Aadhaar was validated through UIDAI. • The unknown person, while appearing for V-KYC, had shown the fabricated PAN during which the photograph on PAN, Aadhaar fetched from UIDAI portal was matching with the person providing live Video KYC. Root Cause • Identity takeover issue: • Fraudsters took over access to the valid 10-digit PAN details of genuine customers with good bureau record. • Multiple fake/fabricated PAN cards were created against a single Aadhaar matching the same name of valid PAN. • Over Utilization issue: • EMI conversions should block the card limit for further utilization, to the extent of the total amount used. The system was releasing the open to buy (OTB) limit. This meant re-setting the credit line back, even prior to payment which created exposure over the assigned card limit. • In the instant case, the customers used multi-carding (multi-accounting) customer wherein the limit set to all the credit cards put together was Card limit (Single card limit), hence aggregated limits and Card level limits were correctly set for the customer. (Cards OTB getting reset after EMI conversion leading to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				overutilization and the same is fixed now). • Staff Accountability • The root cause of the fraud was mainly due to 2 issues (Identity take over and Over Utilization) which have been extensively examined in other incident (GOKIWI – Case 122179). • Suitable controls have already been put in place to prevent further recurrence of such incidents. • No further lapses / gaps were observed in the referred incident. Hence NO staff lapses are attributed in the instant case. Action taken • Aadhaar Token and PAN dedupe implemented in Newgen platform (21.09.2023) • EMI Issue Tech fix identified: Fix was deployed (27.10.2023) • EMI conversion feature disabled (27.11.2023) • Passing of Aadhaar token from Newgen to Posidex implemented- enhances dedupe across database preventing multiple issuances on same Aadhaar token (03.11.2023) • Integration with IDFY for PAN plus API service for identifying mismatch with linked Aadhaar & PAN DOB. (Live in Maximus partner journey/ Newgen live - 06.02.2024 and For D2C Channel – 15.03.2024) • Integration with IDFY for PAN plus API service for identifying mismatch with linked Aadhaar & PAN DOB (Live in D2C channel 15.03.2024) • Fix deployed for OTB release due to EMI conversion for UPI on CC transactions. (05.02.2024) • Cards Sourced Through FreeCharge Channel put on hold (25.01.2024)

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Standardization of VCIP process across products/ journeys (with product specific customization) to bring consistency in on-boarding checks across platforms have been implemented. • Feasibility check to implement controls on MB/IB channel is WIP (timelines- June 2024) • Post 06.02.24, we have not come across any fraudulent on-boarding of credit cards with the same modus operandi. Action Taken / Proposed • Police Complaint being filed in the matter. • 100% provision will be made for the fraud loss amount. • PANs delinking from the Credit Card / Customer IDs. • Necessary Rectification of CIBIL record for all PAN numbers. • Marking of Total Freeze in 2 fraudulent SB accounts.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
251	Munjal Showa Limited, Comviva Technologies Limited, Poly Medicure Limited and employees associated with Selectronic Equipment and Services Private Limited	114.4	Background - During Internal Audit, the IAD identified Personal Loans aggregating to Rs. 11.73 crore were sanctioned to 118 ETB customers during the period March 2022 to July 2023, at various locations across North and North-East Regions. - The count of loan accounts is 142 across, 118 customers and all these loans were processed through digital journey of the respective customers. 24 customers found to have multiple loans availed from the Bank. - Subsequently, these accounts became delinquent and suspecting the fraud, the case was referred by Internal Audit Department for investigation. - Investigation Findings - The 118 saving accounts were spread across 39 branches. 118 Accounts were found to be KYC compliant at the time of on boarding. - Fresh Field Verification was conducted in 118 accounts and found to be negative and the customers were not contactable. - The 118 customers had availed a personal loan from the bank claimed to be employed with companies Munjal Showa Limited, Comviva Technologies Limited, Poly Medicure Limited and employees associated with Selectronic Equipment and Services Private Limited. Below are the details of the loans availed by the customers. Munjal Showa Limited - A total of 16 unique customers availed 29 loans amounting to INR 306.94 lakhs via digital mode claimed to be employed with a company Munjal Showa Limited.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• All the 29 personal loan accounts were digitally sourced through Maximum Lending Platform (MLP) in the category of 'ETB Perfios' through STP process. • ETB Perfios is a Non-Pre-Qualified Personal Loan (NonPq) journey where Income assessment is done using ETB Perfios application on the basis ETB relationship of the customer while customer confirm the salary details and employment details in the journey. • Currently DPD for all the 29 cases is more than 180 days and loan accounts have been identified as NPA in the system. • On scrutiny of salary credit transactions in 16 accounts, it was observed that the salary credits were received through NEFT from Kotak Mahindra Bank account number – 3145527944 in the name of Munjal Showa, however loans were availed under the employer of Munjal Showa Limited. • A current account is held in the name of Munjal Showa with Axis Bank at Rajarhat Bisnhupur Branch. • The account of Munjal Showa was KYC compliant at the on-boarding stage, as per extant guidelines. • Deepak Kumar is the proprietor of the current account of Munjal Showa having an account with Axis Bank and Kotak Mahindra Bank. • However, Munjal Showa Limited is a member of Hero Group having joint venture with Showa Corporation (Japan) that designs and manufacturers' shock absorbers and struts for leading two-wheelers and four-wheelers.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• As per MCA portal, company Munjal Showa Limited is a listed in stock exchange. • The company address captured by the customers in the SB accounts is not matching with the actual company address available in the MCA portal. • On scrutiny of pay slips it was observed that, there was no UAN number provided on the pay slips and no Company logo available on the pay slips and pay slips appears to be a Fabricated pay slips • The customer who had availed a Personal loan from the bank claimed to be employed with a company Munjal Showa Limited, 10 customers had availed credit cards through digital platform and defaulted in the credit card, o/s dues with amount of Rs.13.28 lakhs and the current status of the credit cards is in Z2 – Write off and NPA. • Basis the above it is apparent that, the proprietor account of Munjal Showa was opened by the perpetrator with Axis Bank and Kotak Mahindra Bank which is a set-up of the actual renowned company Munjal Showa Ltd and availed a Personal loan to defraud the bank. • Comviva Technologies Limite • A total of 15 unique customers availed 25 loans amounting to INR 285.61 lakhs via digital mode claimed to be employed with a company Comviva Technologies Limited. • All the 25 personal loan accounts were digitally sourced MLP cases in the category of ‘ETB Perfios’ and ‘Nonpq IW’ through STP process. • Nonpq IW is Income waiver journey where income is already assessed by the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				BIU basis the credits received in the ETB accounts of the customers. - On scrutiny of salary credit transactions in 15 accounts, it was observed that the salary credits were received through NEFT from Yes Bank Ltd account number – 061485800001065 in the name of Comviva Technologies. - The customer Deepak Kumar (Prop. Of Munjal Showa A/c no. 922020007449304) holding an account no. 920010066410267 had availed a Personal Loan No. PPR082407567464 under the employer Comviva Technologies Limited - The salary credits were received through NEFT from Yes Bank account number – 061485800001065 in the name of Comviva Technologies, however loans were availed under the employer of Comviva Technologies Limited. - The company Comviva Technologies Ltd is among the leaders in mobility solutions offering an expansive suite of productised solutions and catering to over billions of mobile users globally. - The company address captured by the customers in the SB accounts is not matching with the actual company address updated in the MCA portal. - The loan accounts have been identified as NPA in the system. - Out of 15 customers who had availed a Personal loan from the bank claimed to be employed with a company Comviva Technologies Limited, 5 customers had availed credit cards through digital platforms and defaulted in the credit card o/s dues with amount of Rs. 6.60 lakhs and the current status of the credit cards is in Z2 – Write off and NPA.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The account of Comviva Technologies was opened by the perpetrator with Yes Bank which is a set-up of the actual renowned company Comviva Technologies Ltd and availed a Personal loan to defraud the bank. • On 18.11.2023 a Police complaint has been filed with Cyber Crime, New Delhi by the bank FCI team against Deepak Kumar, Proprietor of M/s Munjal Showa Ltd, Ankur Singh, Proprietor of Comviva Technologies and on other unknown persons in the matter. Poly Medicure Limited • A total of 28 unique customers availed 28 loans amounting to INR 237.17 lakhs via digital mode claimed to be employed with a company Poly Medicure Limited. • All the 28 personal loan accounts were digitally sourced MLP cases in the category of 'ETB Perfios', 'PQPL' and 'Nonpq IW' through STP process. • Pre-Qualified Personal Loan (PQPL) is a BIU based journey where BIU prepare a base while customers can avail a PQPL with the bank providing eligibility of the loan to the customers on the basis the salary credits and CIBIL records. • The loan accounts have been identified as NPA in the system. • On scrutiny of salary credit transactions in 28 accounts, it was observed that the salary credits were received through NEFT from IDFC account number – 10079628032 in the name of Poly Medicure, however loans were availed by the customers under the employer of Poly Medicure Limited.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				• Poly Medicure Limited is a medical device company which manufactures of Medical Devices since 1997 and having manufacturing facilities across the world. • As per MCA portal, company Poly Medicure Limited is listed in stock exchange. • The company address captured by the customers in the SB accounts is not matching with the actual company address updated in the MCA portal. • On scrutiny of pay slips it was observed that, pay slips submitted by the customers appears to be a fabricated pay slips. • All the 28 customers who had availed a Personal loan from the bank claimed to be employed with a Poly Medicure Limited are also availed credit cards through digital platform and defaulted in the credit card o/s dues with amount of Rs. 213.06 lakhs. • The account of Poly Medicure was opened by the perpetrator with IDFC Bank which is a set-up of the actual renowned company Poly Medicure Limited and availed a Personal loan to defraud the bank and current status of the credit cards is in Z2 – Write off and Delinquent status. • Selectronic Equipment and Services Private Limited • A total of 59 unique customers availed 60 loans amounting to INR 343.52 lakhs via digital mode, all customers are associated with a company Selectronic Equipment and Services Private Limited. • All the 60 personal loan accounts were digitally sourced MLP cases in the	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				category of 'NonPq IW' through STP process. • The loan accounts have been identified as NPA in the system. • On scrutiny of salary credit transactions in 59 accounts, it was observed that the salary credits were received through bulk upload towards salary proceeds from current account nos. 922020056627096, 920020047721442 held by M/s. Selectronic Equipment and Services Private Limited. • The accounts were found to be KYC compliant at on-boarding stage. • Fresh field verification was reported as negative since the company has shifted from the address. • On review of transactions in the account it was observed that credits were received from multiple remitters and salary uploads were processed from the accounts. • 59 Accounts were found to be KYC compliant at the time of on boarding. • Salary credits were observed in the accounts post loan disbursement, balances were maintained in the accounts post salary credits and loan disbursement. • On review of transactions in the 59 accounts, it was observed that no similar transaction pattern was observed in the accounts. • On scrutiny of pay slip submitted by the customer it was observed that, UAN number of the employee was mentioned on the pay slip. • Further observed that, Provident fund, Income tax and Health Insurance payments were also deducted from the salary.	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Debit transactions were observed towards income tax payment from the current account no. 922020056627096 of the customer. - No complaint/enquiry has been received from any Law Enforcement Authorities in the said account of M/s. Selectronic Equipment and Services Private Limited - Basis the above it is apparent that company M/s. Selectronic Equipment and Services Private Limited was in existence at the time of opening the current account and company was operating from the address and salary was transferred to the 59 customer accounts from the company account itself. Modus Operandi - The perpetrators had opened a savings account with the bank and received a credit under the pretext of salary from the proprietor concerned accounts from Axis Bank and other bank accounts, which were just a set-up of the actual renowned limited companies and availed personal loans, two-wheeler loans and credit cards, to defraud the bank. Root Cause - Savings accounts were opened in the name of individuals and amounts were transferred in those accounts from set-up Company under the pretext of salary. - These fictitious regular inward credits build up the eligibility criteria for these account holders to avail other products like Personal Loan, credit card and other loans. - Post loan disbursement, inward credits were not received and EMI payments towards loans availed, and credit card

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o/s dues were not transferred by the perpetrators to defraud the bank. - The perpetrators had opened proprietorship current accounts with Axis Bank and other banks with similar name type of reputed limited companies and loans/credit cards were availed under the salary label of limited companies. - Staff Accountability - Staff Accountability has been identified in respect of underwriters (UW) Rappu Kumar, Ruchika Suresh Naik and Pasuladi Ramprasad who were failed to identify the fabricated salary slips submitted by the customers while availing the personal loan from the bank. Learnings from the Fraud - During the Personal Loan journey, UW were failed to identify the fabricated salary slips submitted by the customers and no proper due diligence conducted by the UW. - Customers opened savings accounts with bank and salary credits were received from other banks through NEFT and loans were obtained by these customers claimed to be employed with Corporates in a good position. - The loans and credit cards were processed for the customers on the basis of transfer credits received through internal customers and through NEFT transfers (apparently fake salary) without validating the source of credits. Control Gaps / Recommendations / Remedial Action Gap Identified: - Prior to April 2023 employment verification was not mandatory in digital journey while processing the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				personal loan applications resulting to disbursement of loans to customers involved in the case. Action taken: • Employment verification has been made mandatory for Non-Pre-Qualified Personal Loan (Non-Pq) journey while processing the digital personal loan applications from April 2023. Personal loan team is in the process of removing a step from digital PL journey where UW are involved in validating the payslips. • Below framework is currently underway for MLP digital journey cases towards Employment Verification (EV) from June 2024: • EV1 - EPFO based employee verification. • EV 2 - Cases failed at EPFO shall be put through the TDS based EV. • EV 3 - Customer Official email id verification through OTP for the cases failed at both EPFO and TDS. • EV 4 - Cases failed at all above level, customer has to upload the Salary slip. These salary slips shall be verified by FCI team. Followed by a Field Investigation for the case. Action Taken / Proposed • Lien has been marked in all the 118 accounts for shortfall of charges, credit card dues and EMI- Loan Overdue • Police complaint has been filled in the matter. • 100% provision has been made for the fraud loss amount. • Bestech Towers Branch is advised to examine the continuing the relationship of account M/s. Selectronic Equipment and Services Private Limited in consultation with respective controllers.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• FCU/RAC team is advised to examine insurance claim in the matter under the Banker's Indemnity Policy. • Bank is in the process of filing Suspicious Transaction Reports in the accounts. • Bank is in the process of including the Mobile number, PAN, CIF ID of accounts in the negative list database of the Bank. • Bank is in the process of suspending the CIF ID's of the customers.
252		Global Services, Siliguri Branchf	30.00	Incident • A customer, Sandip Kumar Majumder has been maintaining a sole proprietorship current account in the name of M/s Global Service at Siliguri Branch, West Bengal, since 02-12-2023. • On 25-04-2024, a Demand Draft (DD) bearing no 201496, drawn on Axis Bank for Rs. 3.00 Crore, favoring to the customer, was encashed in their above-mentioned current account. • The said DD was purchased by the customer, M/s Popular Publishers and Distributors Pvt Ltd on 25-04-2024 favoring to "Global Service", from its current account at Powai Branch, Mumbai. • Later, on the same day i.e., 25-04-2024, the above DD was presented at Powai Branch for the cancellation by the purchaser of the DD, M/s Popular Publishers and Distributors Pvt Ltd however, the said DD was already paid in the beneficiaries' account as above. • It appeared that the DD encashed at Siliguri Branch was fraudulently encashed in the account of M/s global Service and hence, FIR has been lodged

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				against the customer in the instant matter. - The amount of RS. 3.00 Crore has been recovered from the beneficiary customer, M/s Global Service and refunded in the purchaser's account. Thus, there is no loss to the bank. Investigation Findings - On 24-04-2024, a cloned/fake Axis Bank DD of Rs. 3.00 Crore was received for the encashment in the account of M/s Global Service, being maintained with Siliguri Branch, West Bengal. - The DD was purchased by M/s Popular Publishers and Distributors Pvt Ltd having account with Powai Branch, Mumbai, on 24-04-2024 and immediately thereafter the image of the DD was sent to third party through WhatsApp video call. The purchaser approached for DD cancellation on 25-04-2024. - At the time of processing the DD transfer transaction at Siliguri Branch, the said DD passed through the UV lamp checks as well as the fugitive ink test. Further, since the disputed DD was apparently a cloned instrument, all other details such as payee name, date, amount (words & figure), purchaser's details, and MICR, matched the respective details in Bank records. The instrument was found in order by the Siliguri Branch for further processing in the beneficiary's account. - However, the fonts used for printing the DD was different from the standard fonts used by the Bank. - After receipt of the funds in the account of M/s Global Service, immediately cash of Rs. 9.70 Lakh was withdrawn from the account followed by internal transfer of Rs.8.00 Lakh to account of Sandip

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Kumar Majumder. The remaining amount Rs.2.82 Crore was not withdrawn from the account. - As per Bank records, occupation of the customer, M/s Global Service is related to online cybercafé whereas the customer, M/s Popular Publisher and Distributors Pvt Ltd is dealing in book publishing. - The customer M/s Global service while interacted, he informed that he received DD from his acquaintances, Mr. Santosh Kumar Sarkar and Bijay Sahani, against liquidation of stock of scrap he held. - Whereas the customer M/s Popular Publishers and Distributors Pvt Ltd informed that they were to sign an investment deal with M/s HCL Technologies Service Ltd through middlemen. The DD was purchased as part of the deal and the image of the same was shared with middleman Mr. Ravindra Tambat and Vikram Kashinath Kavale over a WhatsApp video call. However, the deal could not be materialised hence, the DD was submitted for the cancellation. - Regarding the cloned instrument, the same was referred for the forensic examination vis-a-viz Bank's standard security features. It was also scrutinised by the Bank's security stationery printing vendor, M/s Manipal Technologies Ltd (MTL). Both, forensic agency and MTL found the disputed instrument to be inconsistent with the Bank's standard security features. - The vendor, MTL informed that among multiple anomalies observed on the cloned instrument, the discrepancy related to CTS watermark was also observed on the instrument. Further they

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				informed that they are purchasing the stationery paper from Westcoast Paper Mill which is already embedded with CTS watermark at their end. Hence stationery leakage if any, has occurred outside their domain. - Both, the beneficiary customer as well as the purchaser have filed a police complaint in the instant matter. - Further, in the instant case, the DD was purchased on 24-04-2024 from Powai Branch, Mumbai, by the customer, Popular Publisher and Distributors Pvt Ltd and immediately the image of the same was sent to third party through WhatsApp video call. The DD was presented for encashment at far location, Siliguri Branch, West Bengal on the next day i.e., 25-04-2024. Hence, possibility of involvement of the DD purchaser (Popular Publisher and Distributors Pvt Ltd) in encashment of the fraudulent DD cannot be ruled out. Modus Operandi - The original DD was cloned to appear as genuine and subsequently encashed in the beneficiary's account. - The amount so credited in the beneficiary's account was immediately withdrawn through internal transfer, RTGS and cash withdrawals. Root Cause - Failed to identify the instrument being cloned to appear as genuine and further the same was encashed in the customer's account. - The Branch failed to contact the base branch (i.e., DD issuing Branch) to confirm the issuance of the DD from the purchaser. Staff Accountability

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Staff Accountability has been identified in respect of the maker of the disputed DD encashment, Shubhamkar Das – Branch Relationship Officer, and authorizer, Bishwabrata Deb - Branch Operations Head being negligent in terms of failing to identify different fonts on DD and to contact the base branch to confirm the DD issuance from the customer. Learnings from the Fraud - Lack of adherence with the internal guidelines/advisories sent by the BBOG-CO with respect to payment of high value DD by the Branches. - The paying Branch failed to conduct proper due diligence with respect to high value credit received in the customer's account vis-à-vis profile of the customer. - Although the disputed instrument was found in order for further processing, in light of the high value DD, the paying Branch failed to notice the change in type of fonts on the DD. Action Taken / Proposed - The staff accountability has been referred to Ethics Team. - FIR has been lodged in the matter against the beneficiary, Sandip Kumar Majumder (proprietor of Global Service). - Entire money has been recovered from the beneficiary customer and refunded to the purchaser. - BBOG-CO to reiterate the Bank's internal guidelines/advisories to the Branches with respect to issuance, payment, and cancellation of the high value DD by the Branch.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
253	AVNET India Private Limited	106.00	Background of the case •FCU Hyderabad identified Digital Personal Loans aggregating to Rs. 10.34 Crores sanctioned to 56 ETB customers during the period February 2022 to January 2024, at various branches across Andhra Circle. •The count of loan accounts is 105 across 56 customers and all these loans were availed digitally by customers and sourced through Mobile Banking Application. 36 customers observed to have availed multiple personal loans from the Bank. •It was observed that loans were availed by the 56 customers after receiving salary credits from the proprietor concerned accounts. However, claimed to be employed in different companies and suspected the fraud. Investigation Findings •The 56 saving accounts were Easy Access savings accounts spread across 7 branches. •Out of 56 accounts, 54 Accounts were found to be KYC compliant at the time of on boarding. •In the remaining 2 accounts, discrepancy observed with respect to signature mismatch on PAN and AOF while opening the SB accounts. During Fresh Field Verification (FFV), customers were not contactable and FFV was Negative. Hence, KYC could not be reestablished for two accounts. •Lapses observed on the staff for not obtaining the signature mismatch declaration while on boarding of these two accounts. •FFV was conducted in remaining 54 accounts and found to be positive in 38 accounts and negative in 16 accounts.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				•The 56 customers had availed 105 personal loans from the bank claimed to be employed with companies AVNET India Private Limited, Othain Software Services India Private Limited, GMR Infra Developers Limited, Mind Space Reality Private Limited, Capital Tree and Others. •Out of 56 customers, 10 customers had also availed credits cards. Below are the details of the loans availed by the customers. AVNET India Private Limited •A total of 52 unique customers availed 89 loans amounting to INR 897.45 lakhs via digital mode claimed to be employed with a company AVNET India Private Limited. •All the 89 personal loan accounts were digitally sourced through Maximum Lending Platform (MLP) in the category of ‘ETB Perfios, Non- PQ_IW’ through STP process. •ETB Perfios is a Non-Pre-Qualified Personal Loan (Non-PQ) journey where Income assessment is done using ETB Perfios application on the basis ETB relationship of the customer while customer confirm the salary details and employment details in the journey. •Non-PQ IW is an Income waiver journey where income is already assessed by the BIU basis the credits received in the ETB accounts of the customers. •Out of 89 loans, 22 loans are falling under 0 DPD, 16 loans under 1-6 DPD, 44 loans under 32-158 DPD (2 cases identified as NPA), 6 cases have been identified as NPA in the system and one loan account is closed. •The salary was credited in the 52 customers savings accounts under the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				pretext of salary (apparently fake salary) through NEFT from the proprietorship accounts of MR Infoline, Global Solution, Capital Tree, AB Infoline maintained with other banks. Post salary credit, the funds were immediately transferred to internal customers' accounts, to the other bank accounts. • Out of 52 customers, 43 customers had submitted pay slips pertaining to 59 personal loan cases claimed to be employed with a company AVNET India Private Limited. • On scrutiny of 59 payslips, it was observed that there was no UAN provided on the pay slip, no company logo available on the pay slips and further observed that no Provident fund, no Income tax was deducted from the salary, and in two cases name mismatch was observed on the payslips. • The pay slips submitted by the customers in 59 PL cases observed to be a fabricated pay slip of AVNET India Pvt Ltd. • In remaining 30 personal loan cases (availed by 28 customers), payslips were not submitted by the customers, as per digital loan PL journey prior to April 2023, employment verification is not mandatory for Non-PQ cases, hence, loans were processed without salary slips. • Out of 52 customers, seven customers were contactable, and the customers confirmed that the accounts were opened by them. However, they have mentioned that they are self-employed and not aware of the company AVNET India Private Limited. • Out of seven customers, five customers informed that they have been contacted by persons named Allabakshu, Siva, Venky on pretext of providing the personal loans

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				to them, hence, they had shared their SIM and credentials of the SB accounts to the above persons. • One customer Yallasiri Swathi had submitted a written letter at Muthukur Branch stating personal loan was availed by a third person named Naidu in her name from Axis Bank without providing the complete details of the personal loan. • Out of 52 customers, 9 customers had availed credit cards through digital platform with current o/s dues amounting to Rs. 25.02 lakhs. • Basis on the above, it is observed that 52 customers had opened SB accounts and received a credit under the pretext of salary (fake salary) from the proprietor concerned accounts and availed personal loans/credit cards claiming employed in different company to defraud the bank. • Othian Software Services India Private Limited • A total of 8 unique customers availed 9 loans amounting to INR 66.81 lakhs via digital mode claimed to be employed with a company Othian Software Services India Private Limited. • All the 9 personal loan accounts were digitally sourced MLP cases in the category of 'Non-PQ_IW' through STP process out of which 2 cases falling under 0 DPD, 2 cases under 1-6 DPD, 4 cases under 32-67, and 1 loan account have been identified as NPA in the system. • The salary was credited in the 8 customers savings accounts under the pretext of salary (apparently fake salary) through NEFT from the proprietorship accounts of MR Infoline, Global Solution, Capital Tree, maintained with other banks. Post salary credits, the funds were transferred

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				to internal customers' accounts, to the other bank accounts. • Payslips were not submitted by 8 customers, as per digital loan PL journey prior to April 2023, employment verification is not mandatory for non-PQ cases, hence, loans were processed without salary slips. • The salary credits of 8 customers were observed from proprietorship firms, Mr Infoline, Global Solutions, Capital Tree. However, these 8 customers had claimed to be the employees of Othian Software Services India Private Limited and availed personal loans to defraud the bank. • Out of 8 customers, 7 customers are also part of the personal loans availed under employer AVNET India Private Limited. • Out of 8 customers, 7 customers were not contactable, and one customer Pattan Mobeen informed that the account was opened by her. she informed that she has been contacted by Allabakshu on pretext of providing the personal loan, hence, she had shared her SIM and credentials of the SB account to Allabakshu. • Basis on the above, it is observed that 8 customers had opened savings account with the bank and received a credit under the pretext of salary (fake salary) from the proprietor concerned accounts and availed personal loans/credit cards, claiming employed in different company to defraud the bank. • GMR Infra Developers Limited, Mind Space Realty Private Limited, Capital Tree: • A total of 3 unique customers availed 3 loans amounting to INR 19.91 lakhs via digital mode claimed to be employed with a company GMR Infra Developers

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Limited, Mind Space Reality Private Limited, Capital Tree. • All the 3 personal loan accounts were digitally sourced MLP cases in the category of ‘Non-PQ_IW’ through STP process. • Out of 3 cases, 1 loan is falling under 0 DPD, 2 loans are under 32-67. • The salary was credited in the 3 customers savings accounts under the pretext of salary (apparently fake salary) through NEFT from the proprietorship accounts of MR Infoline, Capital Tree maintained with other banks. Post salary credit, the funds were transferred to internal customers’ accounts, to the other bank accounts. • Payslips were not submitted by 3 customers, as per digital loan PL journey prior to April 2023, employment verification is not mandatory for Non-PQ cases, hence, loans were processed without salary slips. • The salary credits of 3 customers were observed from proprietorship firms, Mr Infoline, Capital Tree. Two customers had claimed to be the employees of GMR Infra Developers Limited, Mind Space Reality Private Limited, availed personal loans to defraud the bank. • Out of 3 customers, one customer is also part of the personal loans availed under employer AVNET India Private Limited, Othian Software Services India Private Limited. • In remaining 1 case salary credits were received from Capital Tree in the customer account of Sayad Jareena and personal loan was availed from Capital Tree. On review of SB account, it was observed that RTGS credits were received from MR Infoline.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Besides, the customer Sayad Jareena had availed two loans claimed to be employed with Othian Software Services India Pvt Ltd, 1 personal loan claimed to be employed with AVNET India Pvt Ltd to defraud the bank. • Out of 3 customers, 2 customers were not contactable, and one customer named Aduri Pranay Kumar informed that the account was opened by him, and he has been contacted by Allabakshu on pretext of providing the personal loan, hence, he had shared his SIM and credentials to him. • Basis on the above, it is observed that 3 customers had opened savings account with the bank and received a credit under the pretext of salary (fake salary) from the proprietor concerned accounts and availed personal loans/credits cards claiming employed in different company to defraud the bank. • Details of Other Personal Loan accounts • A total of 4 unique customers availed 4 loans amounting to INR 49.80 lakhs via digital mode claimed to be employed with others under Prequalified Personal loans. • All the 4 personal loan accounts were digitally sourced MLP cases in the category of 'PQPL' through STP process. • PQPL is a BIU based journey where BIU prepare a base where customers can avail a PQPL with the bank providing eligibility of the loan to the customers on the basis the salary credits and CIBIL records. • Out of 4 loans, 2 loans are falling under 0 DPD, 2 loans are falling under 32-67. • The salary was credited in the 4 customers savings accounts under the pretext of salary (apparently fake salary) through NEFT from the proprietorship accounts of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				MR Infoline, Global Solutions maintained with other banks. Post salary credit, the funds were transferred to internal customers' accounts/other bank accounts. • Out of 4 customers, three customers are also part of the personal loans availed under employer AVNET India Private Limited. • As confirmed by the PL product team, employment verification is not required in the PQPL journey. Hence, loans were processed without salary slips. • The salary credits of 4 customers were observed from proprietorship firms, Mr Infoline, Global Solutions. However, these 4 customers had availed personal loans claimed to be employed with others under prequalified personal loans to defraud the bank. • Out of four customers, three customers were not contactable, and one customer Machala Lakshmi Sri was contactable, and the customer confirmed that the accounts was opened by her. She has been contacted by Allabakshu on pretext of providing the personal loan. Hence, she had shared her SIM and credentials of the SB account to Allabakshu. • Out of 4 customers, one customer had availed credit card through digital platform with current o/s amounting to Rs 1.44 Lakhs. • Basis on the above, it is observed that 4 customers had opened savings accounts and received a credit under the pretext of salary (fake salary) from the proprietor concerned accounts and availed the personal loans/credit cards to defraud the bank. Modus Operandi

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				•The perpetrators had opened a savings account with the bank and received a credit under the pretext of salary (apparently fake salary) from the proprietor concerned accounts from other banks and availed personal loans/credit cards claiming employed in different company to defraud the bank. Root Cause •Savings accounts were opened in the name of individuals and amounts were transferred in those accounts from other bank accounts under the pretext of salary (apparently fake Salary). •These fictitious regular inward credits build up the eligibility criteria for these account holders to avail other products like Personal Loan, credit card. •Post loan disbursement inward credits were not received and EMI payments towards loans availed, and credit card o/s dues were not transferred by the customers. Staff Accountability •Staff Accountability has been identified in respect of underwriters (UW) Rappu Kumar, Ruchika Suresh Naik, Adish Radheshyam Vishwakarma, Thokala Upender and Pasuladi Ramprasad who were failed to identify the fabricated salary slips submitted by the customers while availing the personal loan from the bank. •Staff Accountability has been identified for not obtaining the signature mismatch declaration while on boarding of three accounts by the sourcing officials Alapaka Srinivasaulu, Thatipalli Surya Prakash, Branch verifier Appasamudram Ravi Kumar, Uppanti Chandrasaha, Scrutiny checker, Vijay Yadav, Ankita Bisht, Chetna Anand Poojary

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Learnings from the Fraud • During the Personal Loan journey, UW were failed to identify the fabricated salary slips submitted by the customers and no proper due diligence conducted by the UW. • Customers opened savings accounts with bank and salary credits were received from other banks through NEFT and loans were obtained by these customers claimed to be employed with Corporates in a good position. • The loans and credit cards were processed for the customers based on the NEFT transfers (apparently fake salary) without validating the source of credits. Control Gaps / Recommendations / Remedial Action Gap Identified: • Prior to April 2023 employment verification was not mandatory in digital journey while processing the personal loan applications resulting to disbursement of loans to customers involved in the case. Action taken: • Employment verification has been made mandatory for Non-Pre-Qualified Personal Loan (Non-PQ) journey while processing the digital personal loan applications from April 2023. • Below framework is currently underway for MLP digital journey cases towards Employment Verification (EV): • EV1 - EPFO based employee verification in the PL journey. (Since Implemented) • EV2 - Cases failed at EPFO shall be put through the TDS based EV (Aug 2024). • EV3 - Customers who have failed EV1 / EV2 step, Official email id verification through OTP to be carried out. (Since Implemented)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				• EV4 – Customers failed at all EV1, EV2, EV3, currently are uploading Salary Slip and that goes to UW for eyeballing. This step shall be removed on account of human error related issues (July'24). Action Taken / Proposed • Lien has been marked in all the defaulted customer accounts for shortfall of charges, credit card dues and EMI- Loan Overdue. • Nellore Branch has been filed a Police complaint in the matter. • 100% provision has been made for the fraud loss amount. • Cards Business Team advised to block the 10 credit cards. • Nellore Branch has been examine insurance claim in the matter under the Banker's Indemnity Policy. • Bank is in the process of filing Suspicious Transaction Reports in the accounts. • The Mobile number, PAN, CIF ID of accounts are being included in the negative list database of the Bank. • Bank is in the process of suspending the CIF IDs of the customers.	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
254		Abbas Taher Mithaiwala & Mrs Farida Abbas Mithaiwala	22.03	• Background • Home loan (HL) of Rs.2.20 crore was sanctioned to Mr. Abbas Taher Mithaiwala and Mrs. Farida Abbas Mithaiwala in February 2020 towards purchase of a residential apartment situated at Thane, Mumbai (market value – Rs.3.10 crore). The loan was sourced through a DSA - Urban Money Private Limited. • The borrower was running a proprietorship firm named M/s M B Trading Consultancy, which was into the business of providing online trading services for customers based out of Singapore, Dubai and Hong Kong. • The loan was secured by way of mortgage on the residential property, intimation of which sent to SRO office on 20.11.2020 is also on record. • During Sarfaesi process, when the Collection team initiated valuation/ title search of the property, it was observed that the borrowers have clandestinely sold-off the property mortgaged to the Bank to one Mr. Cyrus Soli Nallset on 03.06.2021. • Upon contacting, Mr. Cyrus Soli Nallset (who introduced himself as solicitor) claimed to have the original documents of the property with him. However, he did not share any copy of the same with the Bank. • Collection team has initiated SARFAESI and has taken possession of the property. The property is currently vacant and the borrower is absconding. • Internal Investigations • Key findings of Internal Investigation are as under: • Based on the complaint received, fresh title search (TSR) of the property was

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				initiated. The TSR report dated 12.01.2024 confirmed that the mortgaged property was registered in the name of Mr. Cyrus Soli Nallset on 03.06.2021. Hence the borrowers have clandestinely executed sale deed in favour of My Cyrus Soli Nallset, without NOC of the Bank. • Fresh Original document verification (ODV) was also initiated and ODV report dated 18.06.2024 confirmed that original documents / chain of property mortgage with registered agreement to sale executed by seller Mr. P Sunil Chandran in the favour of Mr. Abbas Taher Mithaiwala is with regards to property mortgage is with Axis Bank. • Financial transaction was observed between Mr. Cyrus Soli Nallset and Mr. Abbas Taher Mithaiwala in the bank account of borrower prior to disbursement of the home loan. There is a possibility of personal financial assistance taken by the borrower from Mr. Cyrus Soli Nallset, however the same could not be substantiated on the basis of existing evidences/documents. • Hence, sale deed executed by Abbas Taher Mithaiwala in favour of Mr. Cyrus Soli Nallset on 03.06.2021 stands factually void, since sale deed was executed while the property was already mortgaged with Axis Bank and intimation of mortgage also sent to SRO on 20.11.2020. • The borrower Abbas Taher Mithaiwala and co-borrower Farida Abbas Mithaiwala are thus classified as ‘perpetrator of Fraud’, based on the “clandestinely execution of sale deed in favour of Mr. Cyrus Soli Nallset on 03.06.2021”.

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 and Co-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 and co-borrower, to give them an opportunity of being-heard and make representation to the Bank. • The borrower and Co-borrower however did not respond to any of the Notices sent by the Bank. • Modus Operandi • Borrower and co-borrower clandestinely sold-off mortgaged property to third party without the knowledge of the Bank and is currently absconding. • Root Cause • Borrower and co-borrower clandestinely sold-off mortgaged property to third party without the knowledge of the Bank and is absconding. • Staff Accountability • The documents and details submitted by borrower are found to be in order and genuine. While processing the loans, guidelines were followed. Hence, no staff lapses have been identified. • Action Taken / Proposed • Police complaint/FIR has been filed against the borrower and co-borrower. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • 100% provisioning has already been done as per guidelines. • Collection team to check with legal team to send letter to SRO office for

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank	
					cancelation of sale deed executed by borrower in the favour of Mr. Cyrus Soli Nallset while property was mortgage with the Axis bank.	
255		Bhaswati Acharya		12.00	Incident • Ms. Bhaswati Acharya (Customer/Complainant) maintains savings account with Bangalore Branch. • The complainant had remitted approximately Rs.120.36 lakhs in December 2023 through IMPS and RTGS favoring Balaji Transport and Sharma and Sons maintaining accounts with PNB and IDFC Bank.	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• She lodged a BO complaint wherein customer/complainant has alleged that she has been duped and these transactions/remittances aggregating to Rs.120.36 lakhs are fraud. Investigation Findings • The disputed transactions were carried out through 02 IMPS transactions of aggregate amount Rs.81816 and 02 RTGS transactions of aggregate amount Rs.119.54 lakhs. • Scanned images of the cheques and RTGS forms were retrieved and examined and were found to be in order. • The Customer had transferred the amount at her own will through IMPS and RTGS transactions, no anomalies were observed in the transaction executed through the branch channel. Hence there is no liability on the Bank • Reportedly, the customer has lodged FIR against the perpetrators with the local Police station Modus Operandi • Customer was approached by unknown perpetrators posing as FedEx representative. • During the call, the customer was informed that a parcel has been seized by authorities for containing illegal items. • Customer was later connected to fake law enforcement officials who threaten the customer to pay up to avoid arrest or face legal action. • Customer remitted funds to the account numbers provided by fake law enforcement officials. Root Cause • Customer failed to take proper due diligence before remitting funds to beneficiaries. Staff Accountability

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- No Staff Lapses were observed. Action Taken / Proposed - Police complaint has been filed by Bangalore Branch. - The beneficiary accounts are being red flagged.
256		Mr. Binod Kumar Singh and Mrs Bina Singh	15.40	Background - Loan against property (LAP) of Rs 1. crore was sanctioned to Binod Kumar Singh and his wife Bina Singh in July 20 towards purchase of a residential property (under construction) situated in Allahabad, Uttar Pradesh. The loan was sanctioned in line with the extant policy. The property was being developed by Grace Infrastructure Private Ltd. - Since the property was under-construction, a tripartite agreement was executed between the Bank, builder, and the borrower. The loan was disbursed to the builder, post receiving the allotment letter. - The loan was serviced regularly from July 2014 till June 2021. The account turned NPA in October 2021 due to non-payment of EMI's. - Post NPA and as part of the legal action, while pasting the DRT notice at the property, it was observed that the said property is in the name of one Mr Atul Aggarwal (third party) - Subsequently on account of the above DRT notice, Mr. Atul Aggarwal has filed an FIR against the senior management of the Bank stating that the aforesaid property belongs to his late father (Mr. M. K. Aggarwal). - Internal Investigations - Key findings of Internal Investigation are under: - Based on the complaint received, a fresh legal search through Bank's empanelled advocate was conducted. As per the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				advocate's report dated 21.06.2024, no sale deed was registered by the builder in favour of the borrowers (Binod Singh and Bina Singh). • Further based on the sale deed registered at the SRO office, it was noted that the sale deed has been executed on 21.07.2020 between M/s Rameshwar Dayal Mithle Kumar (HUF) through its Karta Shri M. K. Aggarwal (now deceased and father of M/s Atul Aggarwal) and M/s Grace Infraventures (builder). Hence the property is owned by Late Mr. M. K. Aggarwal and not by the borrowers (Binod Singh and Bina Singh). • During investigation, FCU verified the documents provided by the borrower and found it to be genuine. • The Managing Director of the firm (Grace Infraventures Private Ltd.) , Anil Kumar Tulsiani is currently hospitalized. He was behind the bar for 2 years and at present FCU investigation is on-going against him. • Hence, based on the above, it was observed that the builder sold the property to the third party (Atul Aggarwal) despite entering into a tripartite agreement with the Bank and the borrower (Binod Singh and Bina Singh). • Since the builder had entered into a tripartite agreement on the aforesaid property with the Bank, the incident was classified as fraud perpetrated by the builder M/s Grace Infraventure Private limited. • The builder "Grace Infraventure Private Limited" was thus classified as 'perpetrator of Fraud', based on the "clandestine execution of sale deed in favour of the third party" despite entering into a tripartite agreement with the Bank and the borrower. • Issuance of Show Cause Notice to the Borrower and Co-borrower

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Though suspected but due to lack documentary evidence, the borrower could not be classified as perpetrator. Hence show cause notice has been issued to them • Modus Operandi • The Builder “Grace Infraventure Private Limited” clandestinely sold the property to a third party, which was allotted to Mr. Binod Singh and Bina Singh and without the knowledge of the Bank. • Root Cause • The Builder registered the property in the name of another person, which was allotted to the actual borrower, without the knowledge of the Bank and despite entering into a tripartite agreement. • Staff Accountability • The staff accountability is currently under process where prima facie lapses have been identified for not registering the sale deed post completion of construction of the property. • Action Taken / Proposed • Police complaint/FIR has been filed against the perpetrator. • Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO) • 100% provisioning has already been done as per guidelines.
257		Mr. Ashwin Kumar Sharma	25.40	Background • A home loan of Rs 2.54 crore was sanctioned to Ashwin Kumar Sharma in November 2018 towards purchase of residential property situated in Rohini, New Delhi. • The loan was sanctioned as per policy and process. Field Investigation (FI) was conducted at the residence and official address of the borrower and was found to be positive. Similarly FI of the seller was conducted and was found to be positive.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Legal and technical verification was conducted, and no anomalies were found. - The case was investigated on the basis of a Notice which was received from Police on 12.08.2022, stating that the borrower had obtained a loan from the Bank through a fake person Naveen Bansal (Seller of the property). Internal Investigations - Key findings of Internal Investigation are as under: - In order to investigate the complaint, a free title search (TSR) was initiated as per which the borrower is the owner of the property and has clear, valid and marketable title on the said property. Further, the said immovable property is enforceable under the SARFAESI Act. - During investigation, a mismatch was found in the photograph of Naveen Bansal (original owner) as per the certified conveyance deed dated 30.09.2008 on comparison with photograph of Naveen Bansal (seller of property) in PAN, Aadhar and Sale deed executed with Ashwani Kumar Sharma (borrower). - Based on the investigation findings for the home loan availed by Ashwani Kumar Sharma, it is evident that the seller of the property – Naveen Bansal is not the genuine/original property owner of 'Plot No.32, Pocket 5A, Sector 25, Rohini, New Delhi 110085'. - The account was thus classified as 'fraud' with the property seller and borrower as 'perpetrators of fraud'. - Issuance of Show Cause Notice to the Borrower - The Bank issued show-cause notice seeking explanations on the adverse findings of internal investigation. However, the

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					borrower did not respond to the said notice sent by the Bank. Modus Operandi • Impersonation of property owner and selling of the property to the borrower. Root Cause • Property seller impersonated as property owner and sold the property to the borrower. Staff Accountability • Lapses have been identified against the empanelled lawyer as during legal audit failed to identify documents of fake seller who was entering into a transaction with the Bank. Further he had not identified the mismatch in seller's photograph between the conveyance deed and the sale deed. • The staff accountability is currently under process where prima facie lapses have been identified on the staff for failure to check the property documents before sanction of the loan. Action Taken / Proposed • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • 100% provisioning has already been done per guidelines.
258		Multiple Personal Loan borrowers - Wardha, Yavatmal, Akola		32.90	Incident • 26 personal loans were sourced from Wardha, Yavatmal and Akola branches of Maharashtra, where loans amounting to Rs 3.29 crore was disbursed between September 2022 to July 2023. • Out of these 26 cases, 21 cases were sourced by the Branch through Relationship Officers (RO, outsourced employee) and balance 5 were through 2 DSAs (Urban Money Pvt. Ltd. and Fin India).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• In all these accounts, approx. 3-4 EMIs have been paid, post which the borrowers defaulted. Thereafter, all these 26 accounts became NPAs (multiple dates) and have been written-off as on 31.03.2024 (PWO). • Post NPA and at the time of recovery FCU & Collection team identified forged /fabricated income documents and employment details in 26 delinquent personal loan accounts. Post this, the cases were referred for investigation. Internal Investigations • Key findings of Internal Investigation are as under: • Post referring of the accounts to Internal Vigilance, it was identified through field visits that all 26 customers had submitted forged salary slips and employment details and were not found to be working in the organisations as mentioned in the loan applications. • Further, one of the RO also confessed that he had signed few documents on behalf of the customers before logging the cases in the system. • All 26 customers were non-cooperative / non-contactable when calls/visits were made. • It was identified that a syndicate was involved in sourcing of these cases, who used to pay ~Rs.10,000/file to the ROs for further processing of the files (The ROs have confessed their involvement during investigation). Both the DSA Channels got the cases from the same syndicate person sourced through freelancers. • It is observed that a fraud syndicate had targeted low income/ people with monetary needs and channelized their personal loan application through the ROs

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				(outsourced employees) and through DSA-freelancer routes. • Loan amounts of these borrowers were disbursed to other Bank's account (18 cases) and newly opened SB A/c at Axis Bank (8 cases), from where it was withdrawn in cash. • Based on the above, the incident has been classified as fraud with all 26 borrowers as 'perpetrator of Fraud' • Issuance of Show Cause Notice to the Borrowers • The Bank issued show-cause notice to all 26 borrowers, seeking explanations on the adverse findings of internal investigation. However, none of them have responded to the show cause notice of the Bank. Modus Operandi • Personal Loans availed by borrowers based on forged salary slips and fake employment details. Root Cause • Failure to conduct due diligence of the financial and income documents of the borrowers during on-boarding which is identified as fake/fabricated/manipulated. • Deceit/deception on the part of Personal loan RO (outsourced employee) who took the advantage of their position to process Personal loans having fake/fabricated/manipulated financial and income documents of the borrowers. Staff Accountability • Staff lapses have been identified on the part of 3 staffs and 6 outsourced staffs. Action Taken / Proposed • Police complaint/FIR has been filed against the perpetrator. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				100% provisioning has already been done as per guidelines. Below framework is currently underway/implemented Personal Loan cases towards Employment Verification (EV): - EV1 - EPFO based employee verification in the PL journey. - EV2 - Cases failed at EPFO shall be put through the TDS based EV - EV3 - Customers who have failed EV1 / EV2 step, Official email id verification through OTP to be carried out. - Automated checks in form of EV 1-3 are being implemented in Fin 1 (BRD has been signed off and CMC note is being circulated). For the time being, FCI has implemented the following two step verification: - EV 1 and EV 2 are being checked manually (through Pehchan login) (Implemented since March 2024) - Cases with no match for EV1-3 (Govt. hospitals, schools etc.), FCI has put in additional controls in form of residential check/ official address verification and mandatory bank statements verification in all cases. (Implemented July 2024)
259		Sudesh Kumar	13.70	Background - Prashant Rai, Branch Head of Sodal Road Branch his routine check observed that balance of one of his branch savings account customer named Sudesh Kumar has depleted considerably on 05.08.2024. - Thereafter, a call to the customer revealed that the transactions in the account were unauthorized and was executed without consent. - Further, the Branch noticed that the customer's registered mobile number was changed on 30.07.2024 i.e. prior to the unauthorized transactions executed which

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the complainant customer also had disputed. • Scrutiny of the account by Branch revealed that an amount aggregating to Rs.1.37 Crores were debited from the complainant's account during the period 01.08.2024 to 05.08.2024 vide 35 Mobile and Internet Banking transactions which the complainant customer also had disputed. • Out of Rs.0.60 Crores remitted to SBI account held in the name of Sahil, an amount of Rs.0.57 Crores (available) were marked freeze as per the request of our Sodal Road Branch. • Out of Rs.0.75 Crores remitted to Yes Bank account held in the name of Timler Fashion Pvt. Ltd, an amount of Rs.0.66 Crores (available) were marked freeze as per the request of our Sodal Road Branch. • Hence, out of the total amount (Rs.1.37 Crores), an aggregate amount of Rs.1.22 Crores available with other banks (marked freeze on Branch request). Investigation Findings • On 30.07.2024, the registered mobile number of the aforesaid account was changed through SR dated 30.07.2024 by submitting a physical customer request form (CRF) processed at Gujral Nagar Branch i.e. non-home Branch of the customer. • The signatures in the aforesaid CRF were compared with the signature of the complainant held in the Bank records and it was found to be mismatched. • Sahil Sharma, Asst. Manager, BRO and Ankush Chadha, AVP & Branch Head of Gujral Nagar Branch was the maker and checker of the CRF. • Both of them had informed that the aforesaid CRF was submitted by a third

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				party named Gursewak Singh who claimed himself to be the nephew of the complainant account holder Sudesh Kumar. • The maker had stated that he tried to contact the complainant customer in his existing mobile number, however the number was switched off. Thereafter, he made a call to the mobile number which was intended to be updated in the account through the CRF; the receiver of the call identified himself as Sudesh Kumar and had ratified the request. • Further, both the maker and checker had informed that they had obtained confirmation for change of mobile number through the E-mail ID updated in the account at that point of time i.e. on 30.07.2024. • The maker had stated that since the third party had already all the related information of the complainant account holder such as E-mail ID, spouse name, old mobile number and address; it led him to believe that the request to be a genuine one. • Post confirmation, the CRF was allowed to be processed. • Post change of mobile number of the account, the Mobile Banking application was re-onboarded, and Internet Banking credentials were changed on 30.07.2024 using the changed mobile number. • Thereafter, the beneficiaries were added, and the funds were transferred subsequently. • The funds in the account were realized by closing the existing Fixed Deposit linked to the account through Mobile Banking application.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- SBI, in the meantime had refunded an amount of Rs.0.57 Crores to the Sodal Road Branch on 14.08.2024 in this connection and as per confirmation received from Branch, Yes Bank has kept Rs.0.66 Crores under freeze. Modus Operandi - Execution of digital transactions in customer's account by the way of changing mobile number vide physical request submitted at non-home branch with fabricated signature. Root Cause - Execution of CRF for mobile number change with fabricated signature. Action Taken / Proposed - Gujral Nagar Branch to restore an amount of Rs.0.14 Crores to the complainant's account. - Sodal Road Branch has been advised to restore Rs.0.57 Crores thus received from SBI to the customer's account. - Sodal Road Branch has been advised to follow up with the Yes Bank to recall the funds held under freeze by them in coordination with CFC and Circle BCU. Further, on receipt of the same, the amount to be restored in the complainant's account. - Police complaint has been filed in the matter.
260		Manya International	47.50	Background - Manya International (MI), a partnership firm, is engaged in manufacturing of readymade garments. MI has been in business since 2018 as a sole proprietorship and was converted into a partnership firm in November 2020. - Axis Bank sanctioned CC limits of Rs.1.60 crore under CGTMSE Scheme in February 2022, by way of takeover from Bank of Baroda. MI was further

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				sanctioned Mortgage Loan (LAP) of Rs.4.10 crore in April 2023. - Axis Bank is the sole lender to MI. Resolution and Recovery Actions - The account was classified as NPA on 22.11.2023. - The bank had recovered Rs.0.90 crore in June 2024 from the claim filed under CGTMSE scheme. - An OA has been filed with DRT. RFA / Fraud Status - The borrower was classified as RFA based on alerts, stock statement pending for submission and borrower not being traceable. - Axis Bank appointed Pankaj Dhingra & Co to conduct forensic audit of the borrower, wherein several adverse observations were highlighted. However, the forensic auditor could not submit a conclusive report due to non-cooperation from the borrower. - Based on internal review of documents, suspicious linkage with other delinquent accounts and availment of multiple LAP facilities on same property have been identified. - Clarification on the forensic audit findings were sought from the borrower by issuing SCNs. However, no response was received. - The borrower was classified as 'Fraud', based on adverse findings of internal investigation. Forensic Audit/Internal Investigations - Key findings of Forensic Audit report are as under: - Non-cooperation by the borrower - No information received from the borrower, since the partners were not traceable.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Emails and letters sent to the available mail address were either not responded to or have returned undelivered • Further, as per ABS for FY 2022, Mr. Kamlajeet Singh and Mr. Amit Kumar had withdrawn Rs.0.06 crore each from the partner's capital account. • Gap in reconciliation in realization from debtors' post June 2023 • Trade payables of Rs.1.40 crore were outstanding as on 30.06.2023, as per stock statement. However, as per the account statement, payment to suppliers between 18.07.2023 to 30.08.2023 was Rs.1.73 crore. • Further, DP as per the stock statement as on 30.06.2023 was Rs.2.42 crore. Due to non-availability of information, ageing of stock and debtors cannot be ascertained. End use of limits • Investigation Comments: Majority of the funds were transferred to partnership firms and individuals, details regarding which in public domain are limited. Hence, genuineness of these transactions could not be ascertained. • Due diligence of major counterparties • Milky Fashion Clothes Private Limited (MFCPL) - Based out in Delhi and incorporated in 2008, engaged in the business of manufacturing and trading of garments. Payments of Rs.8.60 crore were made to Milky Fashion Clothes Pvt Ltd during April 2022 to June 2023. • Galaxy Outsourcing Services Private Limited – Based out in Delhi and incorporated in 2008, engaged in the business of manufacturing and trading of garments. Payments of Rs.4.55 crore were made to Galaxy Outsourcing Services Private Limited during May 2022 to May 2023.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Knitmac India Limited (KIL) – Based out in Delhi and incorporated in 1985, engaged in the business of manufacturing wearing apparel. Receipts noted for Rs.2.05 crore from Knitmac India Limited to the firm during April 2022 to April 2023. • Satsai International Designer Private Limited (SIDPL) - Based out in Delhi and incorporated in 2018, Receipts noted for Rs.2.43 crore from Satsai International Designer Private Limited to the firm during April 2022 to December 2022. • As no documents were available, it cannot be ascertained if the transactions were at arm's length. Further, legal cases were noted against MFCPL, KIL and SIDPL. Investigation remarks: • It may be noted that the above entities had common directors and were inter-linked to each other, which appears to be suspicious. However, association with the borrower and partners cannot be established basis available information. • 38% of total payments and 13% of total receipts from the CC account, during the period from first disbursement to NPA classification, have been undertaken with these inter-linked entities, which appears suspicious in nature Visit by the forensic auditor • The forensic auditor had conducted visit at two premises of the firm: • Address 1: H.No. 413, W Block, Naraina Village, New Delhi-110028, wherein no stock was found. The shop was a rented premise and it was noted that the borrower had moved to a different location. • Address 2: Site 165, Sector 20, Near Park Hospital, Old Delhi Gurgaon Road, Gurugram. The premises was let-out to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				somebody else. Further, no stock/ machinery/ furniture & fixture was found in the premises. - Investigation remarks: As per the latest credit proposal dated 06.03.2023, the borrower had shifted to the address, Park Hospital 165 Dundaheera District Gurgaon, Old Delhi - Gurugram Road, Sector 20, Gurugram, Haryana, At Po: Dundaheera, Pin code: 122016. As per inspection done by Axis Bank's Retail Collections team, the premises were closed and vacant. As per the latest stock statement, inventory of Rs.2.40 crore were available with the firm as on 30.06.2023. - Comparison of stock statement and audited financials - Comparison was conducted between the stock statement of March 2022 and audited financials for FY 2022. Value of inventory was overstated in the SS by Rs.0.30 crore and trade receivables were understated by Rs.1.32 crore. Non-compliance to tax norms - The borrower had done GST registration on 31.01.2021 and the same was deactivated with effect from 19.10.2022. Last GST return was filed on 18.10.2022, was for the month of September 2022. Conclusion by the Forensic auditor - Based on the limited information, documents and records made available combined with the fact of non-cooperative attitude of the borrower, potential diversion and/or siphoning of funds cannot be established. - Key observations of Internal investigation are as under: - Suspicious Linkage with other delinquent borrowers

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				As per the review conducted by the Retail Collections team, the following suspicious observations were highlighted: • The address of Partner, Mr. Kamaljeet Singh (House No 55 Pocket 16,,Sector 20 Rohini, Pooth Kalan North West Delhi, Delhi at Po: Begumpur, District: North West Delhi, State: Delhi, Pincode: 110086) was same as that of a collateral property mortgaged for another borrower, Balaji Impex. • Manish Tokas, past partner of Many International, had given business reference for the borrower, Balaji Impex. • The address of Partner, Mr. Amit Kumar (House No A 278 Ground Floor, Madhu Vihar Uttam, Nagar West, New Delhi at Po: Uttam Nagar, District: West Delhi - 110059), was the same as the address of Mr. Ashwani Sharma, who is a partner in Jai Enterprises. • Axis Bank has exposure of Rs.1.95 crore in Balaji Impex, which was classified as NPA in May 2023. Further, MI has made payments of Rs.3.60 crore to Balaji Impex. • Similarly, MI has received payments of Rs.1.33 crore from Jai Enterprises. Axis Bank had exposure of Rs.2.23 crore in Jai Enterprises, which was classified as NPA on 19.07.2023. • Based on available information, genuineness of the above transactions could not be ascertained. The above inter-linkages are suspicious in nature. Findings on Retail Loan exposure • Many International availed Loan Against Property/ mortgaged loan of Rs.4.10 crore in April 2023 from Retail Lending segment of the Bank. • Disbursements of Rs.2.83 crores and Rs.1.14 crores were made on 28.04.2023

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				after recovery of fees/charges. An amount of Rs.6.20 lakh was deposited in the loan account on 18.07.2023. Thereafter, all EMIs remain un-serviced and no credit was received in the loan account. - As per the Encumbrance Certificate dated 19.01.2024, Axis Bank's charge has been created on the immovable property on 28.04.2023. However, mortgage charge of HSBC Bank created on 25.08.2022 was also appearing prior to Axis Bank. - According to the collections team, during the recovery visit, the said property was found to be closed/ vacant along with the seal by HSBC Bank. There was no other property constructed in that locality and mortgage property seemed to be the only property, in that area (underdeveloped) and the structure of the property also appeared to be not maintained and unused. - It may be noted that at the time of security creation, certification of vetting of original title documents was obtained from external advocate, Intellective Law Offices dated 27.04.2023, wherein the documents were found to be correct and in order. Fresh TSR was conducted on 05.07.2024 by law firm, Acuity. As per the report, the said property is free from all sorts of registered encumbrances, lien charges, mortgaged etc. - Subsequently, fresh legal audit was also conducted on 22.07.2024 by law firm, Acuity, wherein following adverse observations were observed: - Original Conveyance Deed held by the Bank is not in order, in valid document thus, the mortgage created by the Bank is not enforceable

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The Photograph & Signature of the seller are not matching with the Certified Copy (CTC) of Conveyance Deed. • Final certification - documents taken as a part of Mortgage Security created in the account of M/s Manya International indicated in accompanying audit Report is not valid and cannot be enforceable by the Bank • The above suspected that the borrowers had obtained the finance from the multiple banks by mortgage of the same property and had submitted fake/fabricated documents to Axis 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 had issued show-cause notice (SCN) to the borrower on 12.07.2024, seeking explanations on the below, along with supporting documents: • Transactions conducted with suspicious entities and related/linked parties • On comparison of stock statement and ABS for FY 2022, overstatement noted in the value of inventory by Rs.0.30 crore and understatement in the trade receivables by Rs.1.32 crore in the stock statement of March 2022. However, realization from debtor post June 2023 should have been Rs.5.27 crore, instead of credits of Rs.1.93 crore was noted in CC account during same period. Present status of inventory and receivables is being sought, since last stock statement available for June 2023.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• GST registration suspended and deactivated since 19.10.2022. Current status of the business operations. • Clarification on obtaining Retail LAP finance from multiple lenders on the same property • No response has been received from the borrower in this regard. Modus Operandi • Diversion of Funds Root Cause • Inventory/ receivables disclosed in stock statement of June 2023 was disposed off and funds realized from sale of inventory/ realization from debtors not routed through Axis Bank. Staff Accountability • Staff accountability has been identified with respect to 2 employees (credit & coverage) for lapses in monitoring process. Action Taken / Proposed • 100% provisioning will be made as per guidelines. • 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).
261		Resonance Paper Mill Private Limited	124.50	Background of the case • Resonance Paper Mill Private Limited (STOPL), incorporated in February 2015, was engaged in the manufacturing of Kraft papers. • Axis Bank is the sole lender to the company. • Axis Bank sanctioned credit facilities aggregating Rs.16.87 crore to the borrower in June 2020, including takeover of limits from Bank of Baroda.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				The CC limits were gradually enhanced by Rs.7 crore till June 2022. Resolution and Recovery Actions • The borrower's unit was shut down in April 2023, pursuant to it incurring huge losses. Subsequently, the borrower made payments of Rs.1.39 crore till December 2023 through sale of machinery. • On 02.04.2024, FD of Rs.1.24 crore available with the Bank were liquidated and the proceeds were adjusted against outstanding dues. • The account was classified as NPA on 03.04.2024. Recall notice has been issued on 16.08.2024. RFA / Fraud Status • RPMPL was classified as RFA on 01.02.2024, pursuant to sudden closure of the business unit and erosion of entire stock, while utilization of CC limits was full. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of the borrower, wherein instances of misrepresentation in stock statements submitted to the Bank and misappropriation of inventory were identified. • Subsequently, clarification on the forensic audit findings were obtained from the borrower by issuing SCNs. No response was received. • The borrower was classified as 'Fraud', based on adverse findings of forensic audit. Forensic Audit Findings Key observations from the forensic audit report are as under: • Variance in Stock Statement in March 2023 vis-à-vis Audited Balance Sheet for FY 2023

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Inventory was overstated by Rs.10.01 crore and creditors understated by Rs.5.74 crore in stock statement for March 2023, which resulted in availment of higher Drawing Power (DP). • Misappropriation of inventory and inventory proceeds • During FY 2024, the company made sales of only 4.51 lakh kg. of wastepaper for a consideration of Rs.1.05 crore, against opening inventory of 47.40 lakh kg. of wastepaper valued at Rs.10.11 crore. No inventory was purchased during the said period. • As per the ERP data, only Rs.0.15 crore was received from the sale, whereas balance receivables were adjusted against existing creditors. • During physical inspection by the forensic auditor on 07.05.2024, no inventory was found in the borrower's premises. • The company sold certain plant and machinery for a consideration of Rs.2.58 crore during FY 2024, out of which only Rs.1.39 crore was deposited to Axis Bank. • Non-reporting of contingent liabilities under ABS • The company has provided corporate guarantee to Kempt Tissues Private Limited (KTPL) against credit facilities availed by them from Axis Bank. • The company has failed to disclose this as a contingent liability in its ABS for FY 2022 and FY 2023. • Omission of contingent liability under audited financials affects the credibility and completeness of the audited financial statement Conclusion of forensic auditor: • The company was inflating its stock values in stock statements, presumably to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				secure enhanced cash credit facilities. Hence, it can be confirmed that there was misrepresentation and irregularity in the submission of the data by the borrower to the Bank. • Further, it can be opined that the borrower may have entered into the transactions to misappropriate the funds with fraudulent intentions. • Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the company and its directors Pravinbhai Mundadiya and Shaileshbhai Mundadiya on 11.07.2024, seeking explanations on the following adverse findings of forensic audit: • Variance in stock statement in March 2023 vis-à-vis Audited Balance Sheet of FY 2023. • Misappropriation of inventory and inventory proceeds. • Non-reporting of contingent liabilities under ABS. • No response has been received from the RPMPL and/or directors of the company towards the SCN issued by the Bank on 11.07.2024. Modus Operandi • Diversion of fund Root Cause • Inventory/receivables disclosed in stock statement could not be reconciled Staff Accountability • Staff accountability has been identified with respect to 1 employee (branch) for lapses in monitoring process. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been filed against the company & directors.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Full provision to be created as per guidelines.
262	Yash Builders	164.50	Background • Yash Builders (YB) is a proprietorship firm, incorporated in 2005, engaged in real estate development in Mumbai. • Axis Bank is the sole lender to the firm. • Axis Bank sanctioned Term Loan of Rs.20 crore to the borrower in July 2015, for part funding of residential cum commercial project 'Yash Signature' at Deonar, Chembur including takeover of existing TL from IIFL. Resolution and Recovery Actions • Booking of flats did not happen as per projections, leading to delay in project completion and delays in servicing Bank dues. Subsequently, the account was classified as NPA on 30.06.2018. • Recall notice has been issued to the borrower on 24.08.2018. OA has been filed with DRT on 26.04.2019. • Notice u/s 13(2) of SARFAESI has been issued to the borrower on 12.09.2018 and subsequently physical possession of two collateral properties (located at Masjid Bunder, Mumbai) has been taken. • In February 2024, during the physical possession of flats at projects 'Yash Signature' and 'Yash Heights', security guards did not allow access to the building premises. Since police protection was not available, physical possession could not be taken. RFA / Fraud Status • The borrower was classified as RFA on 13.02.2024, based on selling off of some

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				of the mortgaged flats without NOC from Axis Bank. - As per fresh TSR for 'Yash Signature' and 'Yash Heights' by independent advocate, all premises in both projects have been sold out. Opinion was obtained from an external legal counsel, MDP & Partners, on the findings of TSR, wherein 'fraud' has been concluded based on unauthorized sale of mortgaged property, non-routing of sale proceeds through the Bank and concealment of documents. - Clarification on the forensic audit findings were sought from the borrower by issuing Show Cause Notice (SCN). Satisfactory response was not received - The borrower was classified as 'Fraud', based on opinion of the independent legal counsel. - Opinion of Independent Legal Counsel Key points of the report are as under: - Unauthorized sale of the mortgaged property - The borrower has engaged in unauthorized sale transactions involving mortgaged properties i.e. Yash Builders and Yash Heights without obtaining mandatory NOC from the Bank as per terms of sanction. - The unauthorized sale/transaction indicates an intent to defraud the creditors (in the present case, the Bank) by depriving them of security interests. - Non-routing of sale proceeds through the Bank - According to clause 13(a) of the sanction letter, all cash flows including entire sale proceeds related to the project, were required to be routed through designated account with Axis Bank. However, this crucial clause was not adhered to by the borrower.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Concealment of vital documents • Despite initiation of SARFAESI proceedings against the borrower, the borrower deliberately concealed critical documents from the Bank, specifically, agreements for sale executed with third parties concerning the premises in Yash Heights and Yash Signature, which were duly mortgaged to the Bank. Conclusion of Legal Counsel: • Borrower's loan account is fit case to be classified as fraud based on aforementioned facts. • Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the Mr. Paras Sunderji Dedhia (proprietor of the firm), seeking explanations on the following adverse observations from the report of the external legal counsel: • Unauthorized sale of the mortgaged property. • Non-routing of sale proceeds through the Bank. • Concealment of vital documents. • A response from Mr. Paras Dedhia (proprietor) was received vide letter dated 05.08.2024, wherein all the allegations in the SCN were denied. However, queries from the Bank in the SCN were not addressed, nor were any supporting documents shared. Hence, the response of the borrower has not been found satisfactory. Modus Operandi • Clandestine selling off of hypothecated/mortgaged security Root Cause • Clandestine selling off of mortgaged security without NOC from the Bank Staff Accountability

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• As per mortgaged deed for ‘Yash Signature’ project, 18 unsold flats and 1 office premise was mortgaged with Axis Bank. However, number and list of mortgaged flats & office premise was not specified, which may impact enforceability of Bank’s charge. • Staff accountability has been identified with respect to 1 employees (branch) for lapses in documentation. Action Taken / Proposed • Order intimating ‘Fraud’ classification by registered post to be issued. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO).
263		Sameen Khan - Mandla Branch	11.40	Incident • On 01.05.2024, Hiren Vyasa, Circle BCU Head, MP Circle received a call from Abhishek Sahu, Assistant Manager, BRO of Mandla Branch informing about some unethical practice related to unauthorized cash withdrawals in the Branch. • Pradeep Singh, AVP, Branch Head of Bilhari Branch was deputed for physical cash verification of Mandla Branch. During surprise cash verification on 02.05.2024 by Pradeep Singh, Cash shortage of Rs.80.00 lakhs was identified initially. • During the day, Gaurav Tiwari, Senior Manager, Branch Head tried to cover the shortage by unauthorized debit to account in the name of Jila Sahakari Kendriya Bank Maryadit against cheque no. 39426 with Rs.80.00 lakhs. • When asked to produce the cheque no. 39426, Branch Head Gaurav Tiwari admitted that there is a cash shortage of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Rs.80.00 lakhs and he had debited Jila Sahakari Kendriya Bank Maryadit account with Rs.80.00 lakhs to cover the shortage. • Cluster Head and BCU visited the Branch immediately to conduct complete cash verification and identified total Cash shortage of Rs.80.23 Lakhs. • On 02.05.2024, Vivek Shrivastava, Asst. Manager & Teller gave a written confession letter addressing Branch Head Gaurav Tiwari that there is a Cash shortage of Rs.80.00 lakhs in vault and he will arrange the same by 03.05.2024. • On 03.05.2024, Branch Head Gaurav Tiwari gave a written confession letter that the responsibility of Cash shortage of Rs.40.00 lakhs lies with Teller Vivek Shrivastava and for rest of Rs.40.00 lakhs lies with him and Rohit Omprakash Dubey, Emp. Id. 37675, Senior Manager & BSM. • Branch Head Gaurav Tiwari, Teller Vivek Shrivastava and BSM Rohit Omprakash Dubey were placed under suspension on 06.05.2024. Investigation Findings • Investigation findings revealed that the Branch Head Gaurav Tiwari in association with the Teller Vivek Shrivastava and BSM Rohit Omprakash Dubey had misappropriated Cash from Vault and carried out fraudulent transactions in customers' accounts. • The aggregate amount involved in Fraud is Rs.113.99 Lakhs (Cash Shortage of Rs.80.23 lakhs and Customer complaints of Rs.33.76 lakhs). • The CCTV footage verification revealed that the Branch Head Gaurav Tiwari and Teller Vivek Shrivastava misappropriated

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the cash of nearly Rs.45.00 lakhs from vault on 18.04.2024. • In all, 22 complaints received from customers (Between the period 4th May 24 and 9th July 24) involving amount of Rs.48.41 lakhs till the date of investigation report. Out of which 4 complaints involving amount of Rs.11.83 lakhs are rejected/returned for want of additional information/evidence from customers and 2 complaints involving amount of Rs.2.82 lakhs which are received post 15.07.2024 are being investigated separately. • Investigation is completed related to remaining 16 complaints involving amount of Rs.33.76 Lakhs. • Out of 16 complaints investigated, 9 Complaints involving amount of Rs.14.01 lakhs were related to cash deposited in the Teller counter but not credited to the customer account. Counter foils duly affixing initial and cash received stamp by Teller Vivek Shrivastava are provided by customers and CCTV footage verification revealed that cash handed over by customer in Teller Counter. Hence, Bank is liable to credit the customer accounts. • 4 Complaints involving amount of Rs.9.85 lakhs were related to Digital Pre-approved personal loans and subsequent misappropriation of loan proceeds. Digital Pre-approved personal loans are applied and disbursed using customer mobile applications. Hence, the complaints are closed as fraud with customer liability. • One complaint involving amount of Rs.9.90 lakhs is related to unauthorized debit of customer account without mandate. Original Blank Cheque which was used for debiting customer account is

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				available with customer. Hence, the complaint is closed as Fraud with Bank Liability. • One Complaint is related to unauthorized debit of Rs.5.00 lakhs from customer account which was subsequently returned to customer in cash by Branch Head Gaurav Tiwari. Hence, the complaint is closed as Fraud with no amount involved. • One complaint is related to routing of fraudulent transactions in customer account related to Personal Loan Proceeds which is already investigated in another complaint. Hence the complaint is closed as Fraud with no amount involved. • An amount of Rs.15.00 lakhs was recovered from Branch Head Gaurav Tiwari during investigation and Customer complaints of Rs.9.84 lakhs were closed as Fraud with Customer Liability. Hence, the net exposure to the Bank is Rs.89.14 lakhs. • During interaction with Branch Head Gaurav Tiwari and complainants, it is understood that Teller Vivek Shrivastava is alleged to be having some family disputes related to the Extra-marital affair for which he had spent the amount mis-appropriated. • During interaction with complainants and other staff members, it is understood that Branch Head Gaurav Tiwari and BSM Rohit Omprakash Dubey are involved in Stock Trading and Gambling for which they might have spent the amount mis-appropriated. • Gaurav Tiwari was transferred to Mandla Branch in Jan 2020 and continued working at the Branch for more than 4 years. Vivek Shrivastava was transferred to Mandla Branch in December 2021 and

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Rohit Omprakash Dubey was transferred to Mandla Branch in April 2021. - Gaurav Tiwari during his prolonged stay at the Branch colluded with Vivek Shrivastava and Rohit Omprakash Dubey and was able to build good rapport with customers. They were rendering good services to the customers and gained their trust. Thus, customers trusted them, shared their confidential account credentials with staff for availing the Digital Personal Loans. - During investigation of the complaints, severe irregularities were observed on the part of the Branch Head Gaurav Tiwari, the Teller Vivek Shrivastava, who had executed unauthorized transactions from customer's account without valid debit mandate. In view of the above, staff accountability has been examined for Gaurav Tiwari and Vivek Shrivastava. - First line of defense to protect the Bank against fraud failed, as both Maker & Checker were hand in gloves in execution of the unauthorized transactions. There was complete failure of maker and checker policy of the Bank at the Branch. Modus Operandi - Misappropriation of cash by the joint cash custodians. - Collusion of maker and checker who inputted cash/transfer transactions at their will without supporting cheque/mandate of the customer. - The staff build rapport with the customers with their good services. The customers started believing them and have lot of faith and trust on the staff. The staff who involved in undertaking unauthorized transactions in their accounts misused this faith and trust.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Amounts were withdrawn/transferred from customer's accounts by just inputting cheque number without obtaining signed physical cheque from the customer. • Digital Pre-Approved Personal Loans were applied from customer's mobile application with oral requests/understanding and subsequently the funds were misappropriated through unauthorized transactions. • Cash tendered at teller counter for deposit in customer accounts not credited to customer accounts. • The vouchers/cheques were not obtained or destroyed after putting through the unauthorized entries. Root Cause • Collusion of Maker & Checker of the Branch in execution of fraudulent transactions in the customer's account resulted in perpetration of fraud. • Collusion of Joint custodians in Misappropriation of Cash from Branch Vault. Staff Accountability • Staff Accountability has been identified in respect of Gaurav Tiwari, Vivek Shrivastava and Rohit Omprakash Dubey as Malafied and 2 other staff members being negligent in executing or not reporting the disputed transactions. Learnings from the Fraud • Rotation of Staff needs to be strictly adhered to as per Bank's policy (Staff continued in the same branch for more than Four years). Action Taken / Proposed • The staff Gaurav Tiwari, Vivek Shrivastava and Rohit Omprakash Dubey were suspended from the services of the Bank.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• The errant staff have been referred to the Ethics Team for suitable action. • FIR is filed in Mandla Branch police station on 05/05/2024 vide FIR No.0293 against above employees involved in the incident. Employees involved were arrested by police and at present they are in police custody. • Amount of Rs.80.00 lakhs is credited to Jila Sahakari Kendriya Bank Maryadit account by debiting the Payment for Fraudulent /Misappropriation on 24.05.2024. • Mandla Branch is advised to make payment to the respective complainants after obtaining suitable stamped indemnity (as per the format already vetted by legal team) from them and advised to obtain a satisfaction letter from each complainant in the prescribed format. • Mandla Branch is advised to put a note to Write-off the Consolidated fraud loss amount of Rs.89.14 lakhs for approval of the competent authority as per the delegation of power through their controllers. Provisioning to be made for Rs.89.14 lakhs. • Mandla Branch is advised to lodge claim with the Insurance Company for the fraud loss amount of Rs.89.14 lakhs. • Mandla Branch is advised to continue the effort for recovery of the amount from the Staff Involved.
264		K Sera Sera Digital Cinema Limited		145.40	Background of the case • K Sera Sera Digital Cinema Pvt. Ltd. (KSSDCL), incorporated in 2009, was engaged into providing projectors and other ancillary equipment required in cinema theatre. • Axis Bank is the sole lender to the firm.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Axis Bank sanctioned term loans of Rs.4.80 crore to the company in 2015. Subsequently, CC limits of Rs.5 crore and additional term loans aggregating Rs.9.90 crore was sanctioned during 2016-2018. Resolution and Recovery Actions - The business operations were severely affected due to the COVID 19 pandemic induced lockdown. Bank dues were serviced till June 2020 by liquidation of DSRA of Rs.0.85 crore. - The account was classified as NPA on 30.12.2020. - Notice under SARFAESI was issued on 13.05.2022 and symbolic possession of the collateral securities were taken. Further progress could not be made, pursuant to litigation by SEBI in the Supreme Court against HBN Dairies and Allied Limited, previous owner of the property. Axis Bank filed an intervention application before the Court and matter is presently sub-judice. RFA / Fraud Status - Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of the borrower and instances of diversion of funds were identified. - Subsequently, clarification on the forensic audit findings were obtained from the borrower by issuing SCNS. Satisfactory response was not received. - The borrower was classified as 'Fraud', based on adverse findings of forensic audit. Forensic Audit Findings - Key observations from the forensic audit report are as under: - Loans and advances extended to the related parties - It was also observed through public domain searches that few of these group

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				entities had no/ modest business operations. - Further, as per the audited financials of K Sera Sera Cinema Facility Mgt Pvt Ltd and K Sera Sera Box Office Pvt Ltd, they had positive cash accruals as on 31.03.2023. Despite that, loans from KSSDCL were not repaid. Related party transactions - Account statement analysis of Axis Bank's CC account and current account and State Bank of India's current account highlighted that the company had made net payments of Rs.11.85 crore to related parties and group entities during the period FY 2016 to FY 2024. No explanation for such substantial payments has been shared by the borrower. - Net payments of Rs.2.02 crore, made to related entities during 04.02.2021 to 15.03.2024, were preferential transactions. Entity-wise break-up: KSS Limited - Rs.0.10 crore, K Sera Sera Box Office Pvt Ltd - Rs.0.46 crore, K Sera Sera Cinema Facility Management Pvt Ltd - Rs.0.88 crore, K Sera Sera Miniplex Limited - Rs.0.58 crore. As per the management, payments were made for statutory payment and salary payments for these entities. - Further, during the period FY 2017 to FY 2019, payment of Rs.1.20 crore and Rs.0.82 crore were made to relatives of a Director, Mr. Ashok Panchariya and Mr.Arun Panchariya respectively. - No documentary evidence were shared with respect to transactions with KSS Limited (except copy of agreement), KSS E Commerce Technology Pvt Ltd, K Sera Cinema facility Mgt Pvt Ltd, Ashok Panchariya and Arun Panchariya.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Further, KSSDCL had created a security deposit of Rs.5 crore in FY 2018, in lieu of use of assets of parent company, KSS Limited. However, the agreement was executed in 2011 and the security deposit was created abruptly in FY 2018. Further, said deposit was adjusted with entity, TIPL in 2019 and again in 2021. Observations related to collateral security offered to Axis Bank • Tirupati Infra Projects Private Limited (TIPL) had availed bank finance from Bank of India led consortium, for construction of Hotel cum Retail space project i.e. Raddisson Blu, located at D Mall, Paschim Vihar Delhi in 2009. TIPL, vide Builder Buyer agreement dated 27.01.2012, had sold 6 commercial units from the aforementioned project to HBN Dairies & Allied Ltd (HDAL) for a consideration of Rs.10.44 crore. • Thereafter, HDAL and KSSDCL had entered into an agreement for sale of the commercial units to KSSDCL on 30.12.2015. As per the agreement, KSSDL will set up a Miniplex in the units and HDAL was entitled to 50% of net profits from the same. • TIPL was admitted to NCLT in 2017 and, as per communication received from Resolution Professional (of TIPL), the abovementioned commercial units sold to KSSDCL were being considered as part of the CIRP process. • As per the books of account, KSSDCL purchased land & building i.e 6 shops for Rs.10.96 crore on 31.12.2015 from TIPL. No payment/ outflow was recorded at the time of purchase. The borrower had shared Joint Venture agreement between HDAL and KSSDCL for purchase of these assets. However, ledger account of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				HDAL were not appearing in the books of accounts. - Subsequently, adjustment entries (Journal Voucher) were passed on 01.07.2019, wherein ledger balance of TIPL of Rs.10.96 crore, was adjusted with other multiple related parties to the extent of Rs.9.06 crore (such as Micro Capitals Pvt Ltd for Rs.0.50 crore, Birla Financial Distribution Ltd. for Rs.2.26 crore, Satish Panchariya Account for Rs.0.28 crore, KSS LTD-EQUIPEMENT DEPOSIT for Rs.6.01 crore). These entries were again reversed and adjusted to the extent of Rs.6.01 crore on 01.04.2021 against K Sera Sera Ltd - Branch Division. - Basis the aforementioned transactions, it can be deduced that payment of Rs.3.04 crore were made to associate entities, Micro Capital Ltd, Birla Financial Distribution Ltd, Satish Panchariya, Jayesh Panchariya, by adjusting their balances with TIPL. - Investigation remarks: Public domain searches highlighted that Bank of India (BOI) (Consortium lead of TIPL) had filed an FIR dated 25.05.2022 against TIPL, wherein BOI had also alleged that TIPL had sold off various units of ground, first, second and fifth floor to HBN Dairies & Allied Ltd for Rs.56.50 crore and KSSDCL for Rs.10.44 crore without approval of lender banks. - Shortfall in Drawing Power as per audited financials - Investigation remarks: Comparison of figures disclosed in stock statement and ABS highlighted overstatement in trade receivables by Rs.0.66 crore and Rs.3.36 crore in the stock statements for March 2019 and March 2020 respectively. Further, trade payables were not disclosed

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				by the borrower in the stock statements. It may be further noted that the borrower had reported total receivables in the SS as Rs.11.51 crore in March 2019 and Rs.9.87 crore in March 2020. Observations on the RFA trigger • End utilization of funds • Term loan of Rs.4.80 crore sanctioned for general business purpose in 2016: Out of the total disbursement, Rs.1.81 crore were transferred to KSS Limited during the period 19.01.2016 to 07.06.2016. The borrower had shared agreement for rental of projectors/ equipment from KSS Limited. No other documentary evidence was available for review. • CC limit of Rs.2.78 crore sanctioned in 2016 and enhanced to Rs.5 crore in 2018: • The borrower had transferred Rs.1.75 crore on 16.08.2019 to its current account maintained with State Bank of India, from which net payments of Rs.1.25 crore were made to related party, K Sera Sera Box Office Private Limited. The borrower had shared an agreement with K Sera Sera Box Office Private Limited (KSSBOPL) dated January 2019, for purchase of advertisement rights from KSSBOPL. • During 14.06.2016 to 19.12.2017, net outflow of Rs.3.76 crore were made to related parties. Further, during 26.07.2018 to 31.08.2019, net outflow of Rs.1.68 crore were made to related parties. Net payments of Rs.1.27 crore and Rs.0.43 crore to Director Mr. Ashok Panchariya and Birla Financial Distribution respectively, were not disclosed in books of accounts/ABS. • TL limit of Rs.2.81 crore sanctioned in 2017 for purchase of projectors: Out of the funds disbursed, Rs.0.25 crore was transferred to related entity, Birla Gold &

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Precious Metals Pvt Ltd on 29.09.2017 and Rs.0.27 crore to KSSDCL's current account maintained with SBI. The funds transferred to current account were utilized for statutory payments as per the borrower. Balance payments were made to multiple vendors. • TL limit of Rs.6.82 crore sanctioned in 2018 for purchase of projectors: Out of the funds disbursed, Rs.0.31 crore were utilized for salary payments, Rs.0.20 crore transferred to related entity Birla Gold & Precious Metals Pvt Ltd and Rs.0.02 crore to KSSBOPL on 08.08.2018. Further, Rs.0.74 crore were utilized for working capital operations. Balance payments were either made to vendors or for purchase of foreign currency for overseas remittance. • Out of disbursed funds (from CC and TL I/II/III), overseas payment to the tune of USD 301568 were made. The borrower has not shared copy of Bill of Entry and other documents evidencing transfer to vendors of capital assets. Other observations • Unsecured loans - Interest free advances of Rs.0.47 crore in FY 2020 and Rs.3.51 crore in FY 2021 were received by the borrower from associate entity, Micro Capitals Ltd. The same were subsequently repaid to the extent of Rs.3.40 crore in FY 2022. These payments appear to be preferential in nature. • Variances in sales reported as per GST return and as per ABS – Sales for FY 2018 was Rs.13.55 crore as per GST return and Rs.20.86 crore as per. Reasons for differences not shared by the borrower. • Discrepancy between assets and liability reported in books of accounts and ABS– Assets and Liabilities reported as per ABS

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				for FY 2020 were Rs.42.49 crore and as per books of accounts was Rs.38.73 crore. Assets and Liabilities reported as per ABS for FY 2021 were Rs.36.76 crore and as per books of accounts was Rs.31.56 crore. Reasons for differences not shared by the borrower. • Maintaining current accounts with non-lending banks – KSSDCL were maintaining current account with non lending banks, such as ICICI Bank, Kotak Mahindra Bank, State Bank of India and Yes Bank. • Disposal of assets without obtaining permission from the bank – KSSDCL had sold off 28 quantity of CPU Intel Xeon and other equipment to related entity, Birla Financial Distribution Ltd for Rs.0.67 crore in FY 2019. No documentary evidence was shared for the said sale. Further, the said sale was knocked off by an adjustment entry with Tirupati Infra Projects Pvt Ltd during July 2019. • Impairment of unquoted investment – As per the audited financials, unquoted investment reduced from Rs.13.97 crore in FY 2017 to Rs.0.71 crore in FY 2018. The borrower submitted that these investments were impaired on account of Ind AS norms and debited to P&L account and pertains prior to 2015. Conclusion by the forensic auditor • On meticulous examination of financial records, transactions, and internal controls of KSSDCL has unearthed some instances / observations of vital importance which are indicative of the probabilities of funds diversion from the business and /or misrepresentation of financial data to the bank so as to avail undue financial benefits.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Loans and advances with related parties have gradually increased from Rs 2.29 crore as on 31.03.2016 to Rs 10.79 crore as on 31.03.2023. Post NPA, preferential transaction of Rs.2.02 crore have been paid to RPT for their working capital operations. • No documentary evidence shared for transactions with KSS Limited, KSS E-Commerce Technology Pvt Ltd, K Sera Cinema facility Mgt Pvt Ltd, Ashok Panchariya, Arun Panchariya. • The borrower had not provided reasons for adjusting property payables of Rs.3.04 crore during FY 2022, with o/s balance of related parties. • Shortfall in DP as per ABS for FY 2019 onwards, due to non-consideration of trade payables and advance from customers by the borrower. • No documentary evidence with respect to overseas payments made from CC and TL account. • In the absence of relevant documents/money trail /substantive and corroborative evidences, it cannot be determined with absolute certainty that KSSDCL's business had been carried out with an intention to defraud Axis Bank. In view of the specific observations as mentioned above, the presence of Fraud angle in this case cannot be ruled out. • Issuance of Show-cause notice (SCN) 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

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrower on 23.07.2024, seeking explanations on the below: • Increase in loans and advances from Rs.6.30 crore in FY 2020 to Rs.10.79 in FY 2023 • Net payments of Rs.11.85 crore to related parties/ group entities during period FY 2016 to FY 2024 • Adjustment entries in the property payables of Tirupati Infra Projects Private Limited (TIPL) • Transfers to related entities for Rs.2.02 crore post account turning NPA • Shortfall in DP and variances observed between stock statement and audited financials • overseas payments made from CC and TL account to the tune of USD 301568 • Security deposit created in FY 2018 for an agreement executed in FY 2011 • Unsecured loan obtained and repaid from Micro Capital Private Limited in FY 2022 • The borrower was permitted time till 13.08.2024 for responding to the queries. One of the directors has responded that they are unable to provide clarification on account of ongoing CIRP in parent company, KSS Ltd. They have sought time till conclusion of CIRP, so that new management can respond. However, it may be noted that our borrower company is not part of the CIRP. The response is deemed to be not satisfactory. Modus Operandi • Diversion of funds. Root Cause • Loans and advances to related entities instead of satisfying dues of secured lenders. Staff Accountability

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Staff accountability has been identified with respect to 4 employees (credit, coverage & branch) for lapses in monitoring process. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post to be issued. - Police complaint has been filed against the company & directors. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO).
265		Sunrise Cereals Private Limited	71.00	Background - Sunrise Cereal Private Limited (SCPL), incorporated in 2010, was engaged in the business of processing of rice. - Axis Bank is the sole banker to the company. - Axis Bank sanctioned credit facilities aggregating Rs.7.48 crore in June 2017, including takeover of limits from Bank of Baroda. Resolution and Recovery Actions - The rice mill suffered fire accident in September 2018, leading to liquidity constraints. The account was classified as NPA on 28.12.2018. - Notice u/s 13(2) of SARFAESI Act was issued on 08.04.2019. Subsequently, physical possession of the 2 collateral properties were taken on 07.02.2022 and 05.12.2023, respectively. - Auctions have been held for one of the properties, without successful bids. Auction for the second property is yet to be initiated. RFA / Fraud Status - SCPL was classified as RFA on 27.02.2024, pursuant to mismatch in immoveable property charged to the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Bank, noticed at the time of taking physical possession. - It was noted by Government surveyor during physical possession that, one of the properties was a vacant piece of land which was different from the one as per the Bank's records. - The above was corroborated in fresh valuation and TSR by independent advocates. - As per opinion from Law Department, the above can be construed as misrepresentation, cheating and fraud causing wrongful losses to the Bank. Hence, the borrower was classified as 'Fraud'. Internal Investigations - The account was classified as RFA on 27.02.2024, based on mismatch in immoveable property charged to the Bank, which was found out at the time of taking physical possession. - In June 2017, Axis Bank had sanctioned cash credit limit of Rs.6 crore and Term Loans of Rs.1.49 crore to the Borrower under M Power scheme for general business purpose. Mortgage of 2 collateral properties was stipulated as per sanction. - It was noted that, one of the collateral properties was replaced with property situated at Plot no.115, Khata No.66, Thana Mohaniya, Dandwas, Bhabhua, Bihar, admeasuring 2 acres, in August 2017. - The Fair Market Valuation of the said property, as per valuation by the Bank's empanelled valuer Prem Prakash Tiwary dated 21.07.2017 was Rs.4.65 crore (Land – Rs.4.60 crore and Building – Rs.0.05 crore). As per the valuation report, the property was described as land

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				and residential building, situated in a mixed class residential area and intermittent plot accessible by own vehicles as well as public transport service through pucca road. The construction on the land was described as a single-storied buildings with super built-up area of 600 sq. ft. • The account was classified as NPA by Axis Bank on 29.12.2018. The Bank subsequently issued notice u/s 13(2) of SARFAESI Act on 08.04.2019. • A second valuation of the property was carried out in April 2019. As per valuation report dated 23.04.2019 by Engineers Sanjib Shankar, FMV of the property was Rs.4.06 crore (Land – Rs.4.01 crore and Building – Rs.0.05 crore). Description and photographs were similar to the 1st valuation report. • Subsequently, application u/s 14 of SARFAESI Act was filed by the Bank with the District Magistrate for taking the physical possession of said property on 03.10.2023. The District administration had subsequently appointed a surveyor to identify the exact property for handover of physical possession to the Bank. • As per the government appointed surveyor, the property mortgaged to Axis Bank was a vacant piece of land which was different from the one as per the Bank's records and that was captured at the time of valuation in 2017 and 2019, which was a land parcel with RCC construction. (No report for the same is provided by the surveyor) • Post classification of account as RFA, fresh Valuation and TSR by independent agencies were conducted. • Valuation was conducted by Er. Brajkishor Dwivedy on 17.01.2024

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				wherein the property situated at Plot No. 115, Khata No. 66, Thana Mohaniya, admeasuring total area 2 acres was identified as a vacant land and having a fair value Rs.0.56 crore and distress value of Rs.0.45 crore. As per description and photographs, the land parcel was located in a 10% developing locality, with no road approach and no demarcation. • Subsequently, Axis Bank appointed Advocate Pawan Kumar Sah to conduct a fresh TSR for the said property. As per the TSR report dated 03.05.2024, the said property was a vacant land and owned by Mr. Rakesh Singh. The title of the said property was clear and marketable. • A legal opinion was sought from the Internal Law Department of the Bank. The below was opined by the Law Department: • It, prima facie, seems that there was an element of misrepresentation, cheating and fraud causing wrongful losses to the Bank. • Bank can proceed with the further process in consonance with the relevant RBI circulars and internal policies. • 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 19.07.2024 sharing our findings and forensic audit report and seeking explanations on the below: • One of the collateral properties was replaced with property situated at Plot no.115, Khata No.66, Thana Mohaniya,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Dandwas, Bhabhua, Bihar, admeasuring 2 acres, in August 2017. Fair Market Valuation of the said property (including land and building), as per valuation by the Bank's empaneled valuer in July 2017 was Rs.4.65 crore. • At the time of possession a surveyor identified the said property to be a vacant piece of land and the valuation of the said property was only Rs.0.56 crore. • The Borrower has deliberately misrepresented the details of the property in order to avail higher loan amount resulting in breach of trust and loss to the Bank. • Justifications for same sought from the borrower which resulted in loss to the bank. • No response on the same has been received from the borrower. Modus Operandi • Misrepresentation of collateral security. Root Cause • Misrepresentation of collateral property for availing bank finance, leading to loss to the Bank. Staff Accountability • Staff accountability has been identified with respect to 1 employees (coverage) for lapses in appraisal process. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post to be issued. • Police complaint has been filed against the company & directors. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO).

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
266	Mishra Sports	18.80	Background • Mishra Sports Wears, a proprietorship firm incorporated in July 2017, was engaged in trading of sports wear. • Axis Bank is the sole lender to the firm. • Axis Bank sanctioned cash credit limits of Rs.1.37 crore and term loans of Rs.0.43 crore in February 2023 including takeover of existing limits from Jana Small Finance Bank. Resolution and Recovery Actions • The account was classified as NPA on 20.03.2024. Recall Notice was issued to the borrower on 10.05.2024. • Notice u/s 13 (2) of SARFAESI has been issued to the borrower on 10.05.2024. Symbolic possession has been taken on 25.07.2024. Alert / Fraud Status: • A complaint was received from an employee in SBB-Ops, alleging that SBB-Sales Manager has submitted fake/fraudulent document as closure proof of current account maintained with Kotak Mahindra Bank in order to comply with disbursement condition. • Basis the aforementioned closure letter, lien of Rs.0.28 crore was removed, and the balance limits were released to the borrower. • Basis the responses provided by various stakeholders, it was construed that said document was physically delivered by borrower/his representative to the Bank. • Further, clarification was sought from the borrower by issuing SCNs. The response from the borrower was contradictory to the response from concerned Sales Manager and outsourced staff and also not in line with prevailing standard practices. • It is only the borrower who could be the beneficiary of the submission of forged

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				document and subsequent release of balance limits. Borrower has also acknowledged that the said closure letter was signed by him and thereafter kept the current account active and also transferred Rs.1.52 lac from Axis Bank's CC account. • However, apart from the above, there is no concrete evidence to prove that the document is forged by the borrower only. Further, no collusion by Axis Bank employees or outsourced staff could be established in the absence of conclusive evidence. • In view of the above, the borrower account was classified as 'Fraud', based on submission of forged closure certificate. The 'Fraud' was perpetrated by an 'Unknown' person. Internal Investigation Findings • Key points of the internal investigation findings are as under: • As per the sanction letter dated 24.02.2023, it was stipulated that current account (account no: 6013338802) maintained by the borrower with Kotak Mahindra Bank to be closed within 30 days and till such time 20% of sanctioned CC limits to be kept on hold. • It was alleged that the SBB Sales Manager, Mr. Gaurav Jain (Emp ID: 311940) has submitted fake/fraudulent document w.r.t. proof of closure of current account maintained with Kotak Mahindra Bank by the borrower. • Financial Crime Intelligence team (FCI) examined the genuineness of closure letter dated 17.04.2023 for CA no. 6013338802 maintained with Kotak Mahindra Bank. Summary of the findings of FCI, communicated vide email dated 15.07.2024, are given below:	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The current account no. 6013338802 is still active with Kotak Mahindra Bank. • The closure letter was not issued by the Kotak Mahindra Branch located at address 179, 1 CCS University Road, Mangal Pandey Nagar, Tejgarh, Meerut. • The closure letter is invalid and signatory on the letter Ms. Ankita Arora had never worked with the Kotak Mahindra Bank's branch located at the aforementioned address. • During investigation, explanation from the Sales Manager Mr. Gaurav Jain (Emp ID: 311940) (who shared the scanned copy of the letter with SBB Operations team) was obtained vide mail dated 09.07.2024 and 07.08.2024. Summary of the response is as below • The closure letter of the current account no. 6013338802 was physically provided to him by the client/his accountant. A scanned copy of the letter was further submitted to SBB Operations dept. through email dated 19.04.2023 for release of balance 20% funds as per the process. (Investigation Remarks: Copy of the email dated 19.04.2023 held on record) • Post submission of the closure letter, borrower pressurized him for release of the funds. (Investigation Remarks: No supporting documents/emails submitted) • Basis the aforementioned closure letter, lien amount of Rs.0.28 crore was removed by SBB Operations team on 19.04.2023 and the balance CC limits were released to the borrower. • Issuance of Show-cause notice (SCN) to the Borrower • Show-Cause Notice (SCN) was issued to the borrower, Mishra Sports Wears, on 22.07.2024 seeking explanations against

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the below adverse findings during investigation: • The Borrower submitted a closure certificate of the current account no. 6013338802, dated 17.04.2023 to Axis Bank. • Basis submission of the aforementioned document, lien mark was removed and the limits which were held back were released. • The closure later was found to be forged and said current account with Kotak Mahindra Bank was still active. • Response from the borrower towards SCN was received on 03.08.2023. Key points are as below. • During the process of sanction of credit facilities by Axis Bank, all the formalities were completed by Axis Bank's DSA Mr. Samar Kajmi. All the loan documents were signed by borrower in presence of DSA at borrower's residence. He never visited the Bank's Branch for execution of any loan documents. Investigation Remarks • The above matter is not under the scope of the present investigation. • Further, it is the responsibility of the Bank, who is sanctioning the credit facilities, to get the accounts closed maintained with other lenders and get the funds transferred to loan accounts of the borrower from the balance funds with other lenders. Investigation Remarks: • As per standard practice, the Bank generally follows-up with the borrower for closure of operating account in non-lending banks. However, the actual formality of closure, including arranging for the closure letter, is undertaken by the borrower.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- The said closure letter was sent to the borrower through Mr. Samar Kajmi for his acknowledgement. The letter was signed by the borrower and handed back to Mr. Samar Kajmi. Further, the borrower was told that this closure letter is only for the Bank's records. Investigation Remarks: - As a fair banking practice, no bank would allow any of its customers to close its existing account without authorization of the customer itself. Hence, Axis Bank/DSA sourcing the letter is not feasible. - Further, the above statement is contradicted by submission from the SBB Sales Manager (borrower/its representative hand delivered the letter) and DSA Mr. Samar Kajmi (no documents were handled by him during documentation process). - Post knowledge of the fact that the current account with the Kotak Mahindra Bank has not been closed, the matter was taken up by the borrower with Mr. Samar Kajmi. He responded to the borrower that there is nothing to worry about and that the borrower was allowed to continue with the current account with Kotak Mahindra Bank. Investigation Remarks: - No evidence has been provided by the borrower to support this statement. - Further, insignificant amount was maintained in the current account and no funds were transferred/diverted from Axis Bank to said current account. Investigation Remarks: - Analysis of counterparties in the statement of Axis Bank CC account no. 923030009722076 was conducted and it was noted that funds aggregating Rs.1.52

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				lakhs were debited from the said CC account and were credited to current account of Kotak Mahindra Bank during the period from 19.04.2023 (date of release of balance funds) till 18.12.2023 (Account turned NPA in March 2024). - Hence, borrower's above statement is factually incorrect. - In view of the allegations made by the borrower, an explanation was sought from the DSA executive Mr. Samar Kajmi (DSA) vide mail dated 16.08.2024. Response of DSA vide mail dated 22.08.2024 is as below: - The documents related to sanctioning and post disbursement compliance were not handled by him. The documentation was handled by Sales Manager and Relationship Officer (RO) Modus Operandi - Submission of forged document to avail the balance limits. Root Cause - Submission of forged document to avail the balance limits. Staff Accountability - No lapses on the part of the Axis Bank officials/outsourced staff was established during investigation. - Further, no collusion by Axis Bank employees / outsourced staff in submission of forged closure letter was established, based on available documents. - No process/control gaps were observed. 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) and to

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			the Serious Fraud Investigation Office (SFIO).
267	IC International	131.20	Background • IC International (ICI), incorporated in 2017, is engaged in manufacturing and trading of yarn and grey, which are used in making bed sheets, pillow covers, etc. IC is a sole proprietorship firm promoted by Mr. Divyeshkumar Ashokbhai Patel • Axis Bank is the sole lender to the firm. • Axis Bank sanctioned CC limits of Rs.5.50 crore, term loans of Rs.8.70 crore and WCTL limit (ECLGS) of Rs.0.30 crore to IC, including takeover of limits from Bank of Baroda, in August 2021. Resolution and Recovery Actions • The business operations were severely affected in FY 2023 due to market conditions, including competitive pricing by other fabric suppliers in Panipat region, resulting in loss of business and shutdown of operations. • The account was classified as NPA on 28.02.2024. • Legal action for recovery is being initiated RFA / Fraud Status • ICI was classified as RFA on 29.02.2024, pursuant to triggers, borrower facing liquidity crunch resulting in shutdown of business operations, and dispute raised by corporate guarantor on execution of the guarantee. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of the borrower, instances of diversion of funds were identified. • Further, as per opinion from independent forensic signature expert, the signatures by partners of Kia International in the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				deed of guarantee, in favor of ICI, were found to have been forged. • Subsequently, clarification on the forensic audit findings were obtained from the borrower by issuing SCNs. No response was received till date. • The borrower was classified as 'Fraud', based on adverse findings of forensic audit. Forensic Audit Findings • Key observations from the forensic audit report are as under: • Partial Cooperation by the borrower • The borrower has been partially cooperative and had shared limited data with the forensic auditor. • Data such as supporting documents of movement of goods, complete ledgers of debtors/creditors/unsecured loans, supporting documents for purchase/ sales, month wise sales and purchase registers, were not provided • Site inspection by forensic auditor • Physical inspection was conducted on 06.06.2024 and 07.06.2024 by the forensic auditor at the borrower's premises located at Sub plot no.115-120, Block 65/K, plot no.H-17, Shiv Bhakti Industries, Palsana-kadodara road, Village Saki, Surat, Gujarat-394305. • Plant was completely shut down and no operations were ongoing due to non-payment of electricity bills for couple of months. There was negligible stock present at the unit, and inventory as per books of account was Rs.0.16 crore. Machineries were stored in satisfactory condition. • Discrepancy in reconciliation for inventory • Review of audited financials highlighted drastic decline in inventory from Rs.9.45

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				crore as at 31.03.2023 to Rs.0.16 crore as at 31.03.2024 as against net sales reported at Rs.2.03 crore during FY 2024 in the books of account. Sales reported in the GST return for FY 2024 was Rs.5.74 crore, out of which Rs.3.86 crore were reported in March 2024 and no sales reported in January-February 2024. • Considering beginning inventory of Rs.9.45 crore as at 31.03.2023 (as per ABS), purchases of Rs.0.41 crore during FY 2024 (as per trial balance) and sales of Rs.5.74 crore (as per GST returns), closing inventory as at 31.03.2024 was calculated at approx. Rs.4.12 crore, as against inventory of Rs.0.16 crore disclosed in books of accounts. • The management was not able to offer any explanation for the same. • Investigation remarks: As per the last available stock statement for December 2023, inventory was valued at Rs.8.04 crore as on 31.12.2023, wherein paid stock was recorded as Rs.4.59 crore. • Comparison of stock statement with audited financials • Substantial variances were observed between stock statement (SS) vis-à-vis audited financials (ABS). Further, differences were also noted between quantity of inventories as reported in both SS and ABS. Observation relating to sales • Drastic decline was observed in the sales reported by the firm, from Rs.34.75 crore in FY 2022 (ABS) to Rs.18.36 crore in FY 2023 (ABS) and further to Rs.2.03 crore in FY 2024 (as per books of accounts). • Events resulting in collapsing of the firm • The unit was commissioned in July 2020 and it was contemplated that entire production of the firm will be supplied to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				couple of specified processing units, for final supplies to Walmart of USA. However, Walmart had continued to procure its requirement from Chinese market. Therefore, borrower failed to elicit orders/ enter into a formal engagement with Walmart. • Though the firm had customers at Panipat and Ahmedabad, optimum capacity utilization was not achieved. With lower sales and higher cost of production, including substantial wastage, the liquidity got stretched subsequently. Conclusion by the forensic auditor • Considering (a) significant variation in turnover as per GST return, (b) no plausible explanation for significant dissipation in the value of stock as at 31.03.2024, (c) purchase and sales transactions with group of inter-linked parties having either same addresses/ common directors, possibility of figures of purchase, sales, stock and profit having been adjusted/ manipulated through round tripping of transactions with a view to justify credit limits can't be ruled out. • With limited documents available, fund trail indicating siphoning of funds could not be traced. Incorrect stock statements were furnished to justify availment of working capital limits. The account cannot be concluded as not fraudulent in nature. • Key observations of forensic audit report related to allegation of forgery are as under • Allegation of submission of forged Corporate Guarantee • A complaint was received by the Bank from Kia International, regarding forgery committed by the borrower for securing

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				corporate guarantee from Kia International. • Kia International, a partnership incorporated in January 2017, is engaged in manufacturing of grey cloth through water jet machines. It has availed CC limit of Rs.3 crore and term loan facility of Rs.5.80 crore from Axis Bank in January 2020. The exposure is presently standard. • The limits availed by IC are secured by, inter alia, corporate guarantee from Kia International. Kia International has been mentioned as group concerns in the credit proposal of IC. • Opinion was sought from an independent Forensic signature expert, Helik Advisory Limited, regarding genuineness of the signatures of partners of Kia International on the Deed of Guarantee dated 24.08.2021 and accepted sanction letter (for IC International) dated 09.08.2021. • As part of the exercise, the above-mentioned disputed signatures were compared with two different sets of admitted signatures. Details of the reports from forensic experts are mentioned below: • Report dated 27.02.2024: • The disputed signatures were compared with admitted signatures on the Sanction Letter issued to Kia International dated 15.01.2020 and complaint letter from Kia international dated 28.11.2023. • Signatures of 6 partners of Kia International, Mr. Kalpesh Ashokbhai Patel, Mr. Ketan Kumar Vaghasia, Ms. Nehaben Vaghasia, Mr. Nileshbhai Vaghasia, Mr. Sunny Ramani and Mr. Ankit Kumar Modia were sent for verification • It was concluded that the disputed signatures and admitted signature, for all

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				6 partners, are of different authorship i.e. made by different persons. • Report dated 26.07.2024 • The disputed signatures were compared with admitted signature on the Supplementary Partnership Deed of Kia International dated 27.01.2020 and KYC documents of the partners for Kia International.\ • It was concluded that the disputed signatures and admitted signature, for all 6 partners, are of different authorship i.e. made by different persons. • Issuance of Show-cause notice (SCN) 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 05.08.2024, seeking explanations on the below: • Drastic fall in inventory from FY 2023 to FY 2024. • Significant variances observed between stock statement and audited financials for FY 2017 and FY 2018. • Drastic fall in sales and justification for variances observed between sales as per books of account and GST return. • Treatment and utilization of the collection from the inventory available with the borrower. • Transaction conducted with related entities and inter-linked entities. • Allegation of forgery by the Corporate guarantor, Kia International • No response has been received till date. Modus Operandi • Diversion of fund

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					Root Cause - Inventory disclosed in stock statement of December 2023 was disposed off and funds realized from sale of inventory/ realization from debtors not routed through Axis Bank Staff Accountability - Staff accountability has been identified with respect to 3 employees (credit & branch) for lapses in appraisal & monitoring process. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post to be issued. - Police complaint has been filed against the company & directors. - Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - Full provision to be created as per guidelines.
268	Supreme Transport Organization Private Limited			104.80	Background of the case - Supreme Transport Organization Private Limited (STOPL) was engaged in the business of providing logistics and transportation services in major industrial cities across India. - Axis Bank is the sole lender to the firm. - Axis Bank sanctioned term loan of Rs.12.50 crore (for purchase of a Cessna Caravan aircraft) and Invoice Discounting limits of Rs.12.40 crore to the company in March 2017. The Invoice Discounting limit was not disbursed and subsequently cancelled. Resolution and Recovery Actions - The account was classified as NPA on 30.07.2019. - Notice u/s (13/2) of SARFAESI Act has been issued on 24.08.2020. OA with DRT has been filed on 24.08.2020.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The borrower was admitted for CIRP vide NCLT order dated 08.09.2023 basis application filed by Axis Bank u/s 7 of IBC. RFA / Fraud Status • The borrower was classified as RFA on 27.12.2023, pursuant to sale of its Panvel property. mortgaged to the Bank, without NOC and during the CIRP moratorium period. • As per opinion from an independent legal counsel, the borrower's loan account is fit case to be classified as fraud based on the aforementioned transactions. The Bank's Law department has agreed with the views of external counsel. • SCN was issued to the erstwhile whole-time directors of the company. The clarifications received were not found to be satisfactory. Opportunity of personal hearing was granted to a number of erstwhile directors. Several additional documents were also shared by them. Post review of the documents, the opinion of legal counsel on classification of the account as fraud remained unchanged. • The borrower was classified as 'Fraud', based on opinion from independent legal counsel. Transaction Audit Findings • Key observations from the Transaction audit report are as under: • Non-cooperation from the borrower • The borrower has not shared any information with RP despite multiple follow-ups. • RP has filed an application u/s 19(2) of the IBC, 2016 for seeking information. However, despite the direction from Hon'ble NCLT, borrower has not shared any information with the RP and hence,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				RP has already filed a contempt petition against the suspended Directors of CD. • In the absence of requisite documents, RP has not been able to comment on the transactions under various sections of IBC viz.43, 45, 50 and 66. • Sale of mortgaged property without taking NOC from Axis Bank during the CIRP moratorium period • As per the conveyance deed dated 02.11.2023, the agreement value of the Panvel property was Rs.14 crore. The sale of the property was executed between STOPL through its director – Mr. Ammeet Agarwal (“the Seller”) and Golden Gate Developers, a partnership firm through its Partner Mr. Bhimesh Narendra Mehta (“the Buyer”). • STOPL deposited cheques amounting to Rs.7.61 crore in a/c no. 04720200000561 maintained with Bank of Baroda. On 17.11.2023, Rs.7.59 crore was transferred to BoB a/c no. 04120300056648 for the purpose of making FD. • No bank statement was furnished by the CD for the transaction after 17.11.2023. So, it is not possible to comment on the status of FDR thereafter. • Further, buyer issued a notice to STOPL on 29.11.2023 against depositing cheques worth of Rs.6 crore (remaining portion of property payment). However, cheques worth of Rs.6 crore are not in possession of RP/COC. Dispute in sale of aircraft • Axis Bank had sanctioned TL of Rs.12.50 crore to STOPL for purchase of Cessna Caravan aircraft. Borrower failed to create hypothecation charge on aircraft funded by Axis bank. • As per the article in the newspaper dated 09.05.2024, Mr. Ammeet Agarwal was

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				arrested by EOW Mumbai, for allegedly duping Netherland based individual Mr. Michael Kneefel, CEO of Air BV Track - who is into buying and selling of aircraft, of Rs.4.5 crore. • Mr. Kneefel came to know about the NCLT order in case of STOPL regarding maintain status quo of its properties. After discovering the dispute, Mr. Kneefel asked Mr. Ammeet Agarwal to return his money. However, Mr. Agarwal refused to return any money and told him that he would have to wait until the court matter is resolved. Therefore, legal representative of Mr. Kneefel filed a police complaint dated 30.11.2023, at Mumbai Police Commissioner Office. • As per aforesaid police complaint, on 20.07.2022, both companies had entered into an aircraft purchase agreement dated 20.07.2022 for USD 5.50 lakhs (equivalent to Rs.4.50 crore). On 05.08.2022, Mr. Kneefel deposited USD 5,50,000 in an escrow account with the Powell Aircraft Titles Services based in Oklahoma. • Further, USD 60,000 were transferred on 10.01.2023 to STOPL BOB account and remaining USD 4,90,000 were transferred on 07.02.2023 to Shorelight Limited (Mr. Ammeet Agarwal's uncle's company). However, no evidence was made available as a proof against such transfer. Hence, it is not possible to comment on the genuineness of these transactions. • Opinion by external legal counsel (MDP & Partners) on sale of property without NOC • Sale of one of the properties mortgaged with Axis Bank without Bank's NOC during the CIRP moratorium period:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The details about various developments under NCLT in captioned case have been captured chronologically under section 'NPA and recovery action' of the report. • Under the admission order, a moratorium under section 14 of the IBC was imposed, inter alia, against transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein. • It is important to note that the said property was mortgaged by the borrower with the Bank in lieu of the loan facility extended under the term loan agreement. • Despite of the admission order, the Borrower, on 02.11.2023, executed three Deeds of Conveyance with Golden Gates Developers in respect of the said property, the details of which are as under. • Deed of Conveyance for sale of non-agricultural open land admeasuring 2220 square metres bearing Gat No. 102 Hissa No. 2/A, situated lying and being at Village Khanavale, Taluka Panvel, District Raigad. • Deed of Conveyance for sale of non-agricultural open land admeasuring 430 square metres bearing Gat No. 103 Hissa No. 2, situated lying and being at Village Khanavale, Taluka Panvel, District Raigad. • Deed of Conveyance for sale of non-agricultural open land admeasuring 2810 square metres bearing Gat No. 103 Hissa No. 1/2/A, situated lying and being at Village Khanavale, Taluka Panvel, District. • During the CIRP moratorium, the Borrower sold the said property which was mortgaged with the Bank, without obtaining a No Objection Certificate

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				(NOC) from the Bank and/or without any authority from the RP. The said conduct is in violation of the provisions of moratorium (Section 14 of the IBC) conditions imposed by NCLT Mumbai, which prohibited the disposal of the Borrower's assets. Such an unauthorized sale, without any authority/locus standi indicates an intent to defraud creditors by depriving the Bank of their security interest. Fraudulent Sale of the Aircraft: • The arrest of Mr. Ammeet Agarwal by the EOW in relation to the Aircraft sale transaction with a Netherlands-based company, indicates a pattern of fraudulent conduct by the Borrower company's directors, aiming to divert assets and defraud external parties, including the creditors. • Ammeet Agarwal, Kamal Agarwal, and Akash Agarwal, the suspended directors of the Borrower, unauthorizedly sold the Aircraft to TREK AIR BV. The sale proceeds were transferred to a UK-based bank account belonging to Shorelight Limited, a related party of the suspended directors, bypassing the Bank entirely. Furthermore, the Borrower deliberately chose to conceal the sale transaction of the Aircraft from the Bank and/or the RP. The sale and subsequent fund transfer to a related party in the UK along with the concealment is fraudulent in nature. Concealment of vital documents: • Despite initiation of CIRP, the Borrower concealed the following critical documents from the RP and the Bank: • Purchase Agreement dated 20.07.2022 between the Borrower and TREK AIR BV for the sale of the Aircraft for a consideration of Rs.4.50 crores.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Three Conveyance Deeds dated 02.11.2023 with M/s Golden Gates Developers for sale of the said property in pursuance of the MoU. Non-cooperation with transaction auditor: - The Borrower's non-cooperation with the transaction auditor, further demonstrates fraud and an attempt to conceal the fraudulent activities/transactions and obstruct the resolution process. Such non-cooperation is a deliberate attempt to hide the true financial position and past transactions in respect of the Corporate Debtor. Conclusion by Legal Counsel: - Borrower's loan account is fit case to be classified as fraud based on aforementioned facts. - The unit was commissioned in July 2020 and it was contemplated that entire production of the firm will be supplied to couple of specified processing units, for final supplies to Walmart of USA. However, Walmart had continued to procure its requirement from Chinese market. Therefore, borrower failed to elicit orders/ enter into a formal engagement with Walmart. - Though the firm had customers at Panipat and Ahmedabad, optimum capacity utilization was not achieved. With lower sales and higher cost of production, including substantial wastage, the liquidity got stretched subsequently. - Further, an additional opinion was sought from the Legal Counsel w.r.t. the allegations made by Mr. Ammeet Agarwal on the Axis Bank for misplacing the original documents of the mortgaged property. A revised legal opinion was received on 09.07.2024 incorporating

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				additional findings. Below is the summary of additional findings: • The Legal Counsel has opined that STOPL had submitted “original copy” of the sale deed dated 04.07.2011 and Bank has created equitable mortgage on the property basis the original copy of the sale deed. • Further, it has been observed that the Bank followed-up with the borrower for submission of original sale deed vide letters dated 18.01.2018 and 23.02.2018. • Borrower vide mail dated 10.07.2020, had alleged the Bank regarding misplacement of original documents of the mortgaged property which was categorically refuted by the Bank vide its letter dated 05.08.2020 stating that the borrower has only submitted the original copy of the sale deed. • In view of the above, Legal Counsel has submitted that the allegation of the borrower regarding misplacement of original documents of the mortgage property by the Bank are baseless. • Further, the conclusion of the Legal Counsel w.r.t. fraud classification of the borrower remains same. Opinion of Axis Bank’s Law Department on Legal Opinion dated 09.07.2024: • An opinion was sought from internal Law dept. of Axis Bank on the opinion of independent Legal Counsel dated 09.07.2024. • The opinion of internal Law dept. dated 16.07.2024 was that they agree with opinion shared by independent Legal Counsel in determining the captioned borrower as fraud. • Issuance of Show-cause notice (SCN) to the Borrower

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The Bank issued Show-Cause Notice (SCN) to the borrower on 06.06.2024 seeking explanations on the following adverse findings of forensic audit: • Sale of one of the properties mortgaged with Axis Bank without Bank's NOC during the CIRP moratorium period. • Fraudulent Sale of the Aircraft. • Substantial related party transactions and not routing of sales proceeds through bank. Concealment of vital documents. • Non-cooperation with transaction auditor. • Mr. Arunkumar Agarwal, one of the suspended directors of the company, responded to SCN vide letter/email dated 15.06.2024. Summary of the response is as below: • Since December 2015, there has been an ongoing litigation with the company for dispute in management and since then he has not been involved in any of the company's matter. Further, loan from Axis Bank was availed in FY 2018 and he does not have any information regarding property and aircraft sale. • Mr. Arun Agarwal has sought an opportunity for personal hearing to present the facts of the matter. • Mr. Girish Agarwal and Mr. Vimal Agarwal, suspended directors of the company, have also responded to SCN vide letter/email dated 18.06.2024. Summary of the response is as below: • A management dispute case was filed by Mr. Girish Agarwal and Mr. Vimal Agarwal with Hon. NCLT, Mumbai in November 2022, against illegal sale of properties and fund transfer by Mr. Ammeet Agarwal and Mr. Kamal Agarwal by joining the ongoing case filed by Mr. Satishkumar Agarwal in

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				December 2015. NCLT vide order dated 5.12.2022, directed the company not to sale any of its properties. • Axis Bank was also informed on multiple occasions about serious management disputes in the company and intentions of Mr. Ammeet Agarwal and Mr. Kamal Agarwal w.r.t. to sell Panvel property and Cessna Aircraft illegally. • Mr. Girish Agarwal and Mr. Vimal Agarwal have sought an opportunity for personal hearing to present the facts of the matter. • Mr. Anand Nagarmal Agrawal, one of the suspended directors of the company, has responded to SCN vide letter/email dated 19.06.2024. Summary of the response is as below: • Since December 2015, there has been an ongoing litigation with the company regarding dispute in management and since then he has not been involved in any of the company's matter. Further, loan from Axis Bank was availed in FY 2018 and he does not have any information regarding property and aircraft sale. • Mr. Anand Agrawal has sought opportunity for personal hearing and he being a senior citizen has requested to appoint his son Mr. Ravindra Agrawal on his behalf for personal hearing. • Mr. Ammeet Agarwal, one of the suspended directors of the company, has responded to SCN vide letter/email dated 21.06.2024. Summary of the response is as below: • Sale of one of the properties mortgaged with Axis Bank without Bank's NOC during the CIRP moratorium period: • As on date of sale, Bank has been illegally holding charge over the Panvel property. Bank has colluded with the buyer of the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				property and sold the property to the borrower. Further, Bank's claim that original title deeds were not submitted to them stands contrary to the sale transaction with the buyer wherein mutations in the entries were done which was not possible without having original documents in the hands of the Bank and the buyer before sale and after sale respectively. Investigation Remarks: • Borrower's claim that Bank is colluded with the buyer of the Panvel property is not factual. • As mentioned in earlier section of this note, 3 Deeds of Conveyance dated 02.11.2023 were executed between with Golden Gates Developers and STOPL in respect of the said property. During the period from 09.08.2023 till 10.11.2023, Golden Gate Developers transferred Rs.7.86 crore to the borrower as a part payment. Out of the above sale proceeds, Mr. Ammeet Agarwal deposited Rs.7.59 crore in the in the form of a fixed deposit in favor of the "Registrar, NCLAT, New Delhi". • Further, Golden Gate Developers, buyer of the Panvel property, has filed a complaint with Panvel Police on 30.11.2023 accusing Mr. Ammeet Agarwal of defrauding them, by keeping them in dark about various ongoing litigations and resolution under CIRP • Fraudulent Sale of the Aircraft and substantial related party transactions and not routing of sales proceeds through bank: • Buying/selling of assets which have no relation with the Bank are in absolute domain and power of the company. Further, to classify such transactions as

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				‘fraud’ as the funds were routed through UK based entity instead of the Bank is frivolous. - Also, Mr. Ammeet Agarwal has secured bail in connection with EOW and court while granting bail has opined that prima facie the sale transaction of the aircraft is valid. Investigation Remarks: - As per opinion of an independent legal counsel dated 05.06.2024, the sale of aircraft and subsequent fund transfer to a related party in the UK along with the concealment has been identified as fraudulent in nature. - Concealment of vital documents: Alleged concealment of documents cannot lead to classification of the account as ‘fraud’. - Non-cooperation with transaction auditor: Non-cooperation with transaction auditor does not amount to ‘Fraud’ in terms of the RBI circular on fraud - Personal Hearing with erstwhile Directors of the company: Summary of personal hearing of Mr. Vimal Agarwal and Mr. Girish Agarwal: - The personal hearing was attended by Mr. Vimal Agarwal (suspended director of STOPL). Further, it is to be noted that Mr. Girish Agarwal had nominated Mr. Vimal Agarwal as his representative and hence, submission made by Mr. Vimal Agarwal was a joint submission for himself as well as for Mr. Girish Agarwal. - Mr. Vimal Agarwal informed that he has been in touch with Axis Bank for more than 2 years now and has been informing and supplying the relevant documents to the Bank about the wrongdoings that some of the directors are involved in like planning to sell off one of the properties mortgaged with Axis Bank.

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				• In January 2023, there was an article in newspaper by advocate, Mr. Bhalchandra H Nikte. The article was pertaining to title investigation by one of the prospective buyers with an intent to procure the said property. Mr. Vimal Agarwal contacted the said advocate and informed him that the property is mortgaged and same cannot be sold. • Mr. Ammeet Agarwal also tried to sell the aircraft which was against NCLT order directing to maintain the status quo of all the properties of the company. Mr. Vimal Agarwal filed a contempt application in the court and obtained stay on the sale of the aircraft. • Mr. Vimal Agarwal also mentioned that the intention of some of the directors was to sell off all the assets of the company and run-away from the country. He also informed that Mr. Kamal Agarwal and Mr. Ammeet Agarwal sold close to 175 trailers and other vehicles belonging to the company for around Rs.20 crore • Upon enquiring about the control on the management of the company, Mr. Vimal Agarwal informed that control of the company was with Mr. Kamal Agarwal since its inception. However, there was difference of opinion on many issues between Mr. Kamal Agarwal, who is the chairperson of the company, and other shareholders/directors. Mr. Vimal Agarwal informed that discussions were held with Mr. Kamal Agarwal with regards to mismanagement in the company by his sons Mr. Ammeet Agarwal and Mr. Akash Agarwal. Further, Mr. Vimal Agarwal informed that they have been trying to discuss and negotiate with Mr. Kamal Agarwal for

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				last 3 years to about various issues, but to no avail • Mr. Vimal Agarwal informed that he has done everything that was under his control to safeguard Bank's interest. He further added that he was in fact a whistle-blower in many instances to intimate the Bank about the wrongdoing that company was upto. • Mr. Vimal Agarwal also informed that he was removed from the directorship of the company during last year, although same has not been reflected in MCA records as the company is under NCLT since 2015. • Mr. Vimal Agarwal contested that since he had offered personal guarantee against the loan sanctioned by Axis Bank, he intimated the Bank about various wrongdoing of the company time and again. • The Council expressed that the Bank would take Mr. Vimal Agarwal's representation on record and it will form part of the submission. However, the Bank would follow the guidelines laid down by RBI w.r.t. reporting of directors of the fraud account. Post Fraud reporting and filing of LEA complaint as per RBI guidelines, it will be upto the investigative agencies to identify role of the particular director in wrongdoings of the company/management. Summary of personal hearing of Mr. Arunkumar Agarwal: • Mr. Arunkumar Agarwal informed that was Board of Director of the Company t 2015. However, post 2015, there we dispute amongst the directors of t company. • The Council asked Mr. Arun Agarwal to provide submission w.r.t. any email communication or any documents which

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				proves that he was not involved in the decision making of selling off of the property and aircraft. He was advised to submit his response by 26.07.2024. Summary of response from Mr. Arun Agarwal dated 25.07.2024: • Response from Mr. Arun Agarwal was received on 25.07.2024. He informed that he has been in litigation with the company since December 2015 vide case No. CP/88(MB) of 2015, as the control of the company was given to the other group (holding 52% shares). • He was not party to any loan availed by borrower from Axis Bank in 2017-18. Hence, Mr. Arun Agarwal requested for removal of his name as a perpetrator from the fraud classification of the company. Summary of personal hearing of Mr. Anand Agarwal and Mr. Ravindra Agarwal: • The personal hearing was attended by Mr. Anand Kumar Agarwal (suspended director of STOPL) and his son Mr. Ravindra Agarwal. Mr. Ravindra Agarwal was representing Mr. Anand Agarwal on his behalf. • Mr. Ravindra Agarwal informed that multiple communications were sent to various Banks including Axis Bank starting from 2015 till 2017 regarding the dispute in the management. Mr. Ravindra Agarwal further informed that during March 2016, management dispute was highlighted in ROC and MCA records of the Company. • Despite aforementioned, Axis Bank sanctioned loan of Rs.25 crore which is a fraud by Axis Bank itself against them. An FIR has been filed in Goregaon Police Station against few directors of the company and 5 employees of the Axis Bank for facilitating the loan to the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				company despite highlighting issues to the Bank. Mr. Ravindra Agarwal also informed that it is because of their intimation, Bank disbursed only Rs.12.5 crore of total Rs.25 crore sanctioned amount to the company. • Mr. Ravindra Agarwal confirmed that he will share following documents in next couple of days. • FIR copy filed with Goregaon Police Station, • ROC record of 2016 (highlighting management dispute in the Company), • Mail communication from him to the Bank from year 2015 till 2017. • Mr. Ravindra Agarwal informed that the operational mismanagement dispute has been ongoing since 2015 and in November 2015, a case was filed in NCLT. He further advised that operational mismanagement dispute was for following 3 reasons: • Mr. Ammeet Agarwal and Mr. Akash Agarwal were made directors of the company in 2015, without consensus/knowledge of other directors and without following due process of law. • Change in object clause of the company without having minimum 75% consensus of the existing directors/board resolution. • Increase in authorized capital of the company from Rs.10 crore to Rs.20 crore. • Mr. Ravindra Agarwal also informed that they have filed a separate application in NCLT for not inviting him and his father Mr. Anand Agarwal for any of the Board meetings of the company since 2015. • Mr. Ravindra Agarwal confirmed that there is no personal guarantee offered by him, Mr. Anand Agarwal and Mr. Arun Agarwal against Axis Bank loan. Mr. Ravindra Agarwal further informed that

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the council may consider his response as the response of his cousin Mr. Arun Agarwal, who is not keeping well. • Mr. Ravindra Agarwal provided supporting documents vide mail dated 30.07.2024. An additional opinion was sought from the independent legal counsel, MDP & Partners, on the documents provided by Mr. Ravindra Agarwal. Summary of the opinion received from received from Legal Counsel on 21.08.2024 is as below: • Mr. Ravi Agarwal did inform Axis Bank of the internal disputes and allegations against Ammeet Agarwal. However, there was no order from NCLT or any competent authority prohibiting Axis Bank from sanctioning the loan. Further, there was also no order passed, suggesting that the Board Resolution passed in Board Meeting dated 21.12.2015 was fabricated. • Hence, Axis Bank acted within its rights to proceed with sanctioning and disbursing the loan to STOPL. • The conclusion of the Legal Counsel w.r.t. fraud classification of the borrower remains same. • Further, w.r.t. reporting of Mr. Ravindra Agarwal is concerned the same should be done after thorough investigation with respect to his role/involvement in the various breaches of the moratorium imposed vide the Admission Order. Modus Operandi • Clandestine selling of mortgage property by the borrower Root Cause • Clandestine selling of mortgage property by the borrower • Staff Accountability

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Staff accountability has been identified with respect to 3 employees (coverage & branch) for lapses in monitoring process. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post to be issued. - Police complaint has been filed against the company & directors. - Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO).
269		8 Individual personal loan borrowers - Multiple Branches of Delhi/NCR	11.70	Background of the case - Personal Loans amounting to Rs. 1,17 crore was sanctioned to 8 customers between March 2023 to September 2023. These loans were pertaining to multiple branches of Delhi/NCR region. - During on-boarding, 2 out of 8 cases had been sampled and were reported as positive. Balance 6 cases had been screened where no apparent anomalies were noted. - All the cases were sourced by Retail Officers under Sales Managers. KYC and documentation had been done as per process. All the customers had initially opened SB accounts in Axis where salary credit of 7-8 months were noted, post which loans were disbursed to them. - The borrowers had paid between 2-10 EMIs and defaulted subsequently with eventually becoming NPA in March 2024. - Post NPA and during recovery when the Collection team could not contact the delinquent borrowers (8 borrowers) , the case was referred to FCI for further investigation. - During investigation FCI observed that all the 8 customers were working for

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Mphasis Ltd. , which was a fake set-up company of the original Mphasis Ltd. Internal Investigations • Key findings of Internal Investigation are as under: • During recovery none of the 8 borrowers were either traceable at their address or contactable over phone. • Further all of them had common employment address of Mphasis Ltd. which was located at a co-working space and was found to be vacant upon visit. • Upon verification, it was noted that the suspect had occupied the space with the company name (Mphasis Ltd) board for 9 months and had subsequently vacated without paying rent. • No TDS was seen against the employees other than for FY 2023, indicating that they were fresh joiners. • Upon verification of the PAN details of the company, it was noted that the same was issued in 1999 and belongs to Mphasis Ltd (original company). whereas the corresponding TAN (of the instant company) was issued in 2018. This indicates prima-facie that the fraudsters had forged the PAN of the genuine entity i.e. Mphasis Limited and got a fictitious TAN in name of same sounding fake set-up company. • Email domain of the fake set-up company was verified and was found to be registered in May 2018 with an expiry of May 2028, whereas the email domain of the original company was registered in 1998. • During investigation it was established that a set-up company was created for availing personal loan for different borrowers.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Based on above-mentioned facts & findings, the incident was classified as “Fraud” perpetrated by the borrowers along with some unknown, by way of establishing a set up company to avail the personal loans. - Issuance of Show Cause Notice to the Borrower and Co-borrower - The Bank issued show-cause notice to the borrowers, seeking explanations on the adverse findings of internal investigation. However, the borrowers did not respond to the same. Modus Operandi - The fraudsters established a fly-by-night setup company by impersonating a genuine entity (Mphasis). Subsequently, fraudsters created fake salary profiles and defrauded Bank by fraudulently availing personal loans. Root Cause - Impersonation of a genuine entity (Mphasis) and creating fake salary profiles for fraudulently availing personal loans. Staff Accountability - In the PL cases, the BLAZE system scans the documents and highlights triggers if any. In case of no triggers the case gets approved by the system. In the extant cases since no triggers were generated the cases got approved by underwriting. Further FCU check was positive (2 cases were sampled). The loan was sanctioned as per process with no anomalies in the KYC, the office set-up, mail confirmation of employer was positive the loans got sanctioned. Hence, lapses of the employees could not be established. Action Taken / Proposed - Police complaint/FIR has been filed

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Fraud has been reported to RBI through the Fraud Monitoring Return (FMR). • Fraud has been reported to the Serious Fraud Investigation Office (SFIO). • 100% provisioning to be done as per guidelines. Process Gaps / Recommendations • Further, Employment Verification (EV) framework has been implemented for Personal Loan cases where EPFO based employee verification (EV1) and TDS based EV (EV2 for EV1 failure cases) and official email ID verification through OTP is to be carried out (EV3). Automated checks in form of EV 1-3 are being implemented in Fin 1. Till such time, FCI has implemented the following two step-verification: • EV 1 and EV 2 are being checked manually (through Pehchan login) (Implemented since March 2024) • Cases with no match for EV1-3 (Govt. hospitals, schools etc.), FCI has put in additional controls in form of residential check/ official address verification and mandatory bank-statements verification in all cases. (Implemented July 2024).
270		Shantai Enterprises	80.2	Background of the case • Shantai Enterprises (SE) is a Pune-based partnership firm engaged in manufacturing and processing of milk products. Key partners of SE are Mr. Hanumant Masku Jambale and Mr. Gorakh Masku Jambale. • Axis Bank is the sole lender to the firm. • Axis Bank sanctioned OD limits of Rs.5.20 crore and term loans of Rs.0.71 to SE, including takeover of limits from HDFC Bank, in August 2022. The OD limit was enhanced to Rs.7.20 crore in August 2023. Term Loans have been repaid in July 2023.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Resolution and Recovery Actions - As per Collection officials, the borrower had suffered loss of business due to competition from Amul Dairy, leading to shutting down of its plant on late 2023. - The account was classified as NPA on 05.03.2024. - An OA has been filed with DRT, Pune on 28.06.2024. Notice u/s 13(2) of SARFAESI was issued on 11.03.2024. Symbolic possession of the properties was taken on 18.06.2024. Application u/s 14 of SARFAESI has been filed on 05.07.2024. RFA / Fraud Status - SE was classified as RFA on 15.03.2024, pursuant to triggers, suspected diversion of funds since no business activity observed in the factory premises during inspection by Bank officials. - Axis Bank appointed Sarath & Associates to conduct forensic audit of the borrower, wherein instances of diversion of funds were identified. - Clarification on the adverse findings were sought from the borrower by issuing show-cause notice. No response was received within permitted time. - The borrower was classified as 'Fraud', based on adverse findings of forensic audit. - Provision of Rs.3.40 crore was held against the exposure as on 30.06.2024. Forensic Audit Findings - Key observations from the forensic audit report are as under: - Partial cooperation from Borrower - The borrower shared documents such as account statements, audited financials, income tax returns of the partners, manual register for milk purchase, etc.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• However, books of accounts were in the custody of the firm's chartered accountant and the same were not provided for review, despite multiple requests. • Fund trail analysis and potential diversion of funds through unauthorized transfers • As per the account statement analysis of the OD account, transfers of Rs.1.09 crore were made to the partner, Mr. Hanumant Jamble, indicating substantial movement of funds out of the business. • Further, review of audited financials for the period FY 2021 to FY 2023 revealed net withdrawal of Rs.0.69 crore from the partners' capital account. • Management response –Mr. Hanumant Jamble had stated that he acted as a commission agent in the firm, in addition to being a partner. He used to collect milk from various vendors/ farmers and supply it to SE, against which amounts were transferred to his personal bank account. He thereafter used to make vendor payments from his personal account. • Auditor's comments – This lack of transparency raises questions on the legitimacy and business purpose of these transactions and indicates potential diversion and misuse of funds. • Investigation remarks: As per the renewal and enhancement credit proposal dated 23.08.2023, it was noted that share capital has been withdrawn since it reduced from Rs.1.59 crore in FY 2021 to Rs.1.15 crore in FY 2022. However, Mr. Hanumant Jamble had since infused Rs.0.50 crore in FY 2023. It was stipulated that capital and USL to be maintained at Rs.2.52 crore in FY 2023. • As per transaction analysis, payments of Rs.1.14 crore and receipts of Rs.0.03 crore were observed from Mr. Hanumant

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Jamble. Infusion of Rs.0.50 crore cannot be traced from transaction analysis. However, provisional financials of SE for FY 2023 highlighted partner's capital as on 31.03.2023 as Rs.2.52 crore. ITR for FY 2023 filed on 27.10.2023 available for review, highlighted capital's balance at Rs.1.51 crore as on 31.03.2023. • Intermingling of business activities and potential income misreporting • Based on FY 2023 income tax return of partner, Mr. Hanumant Jambale and other available documents, it was noted that he was also operating a separate milk business in his own name. Collections of Rs.6.28 crore from Nature Delight Dairy & Dairy Products Private Limited were received by Mr. Jambale in his personal capacity. • Mr. Jambale's wife, Ms. Sonali Jambale owns another milk business, Meera Milk and Agro products, which was also operating in the same premises as SE. Moreover, Ms. Sonali Jambale's income tax return for FY 2023, reported a profit of Rs.0.14 crore. • Analysis of borrower's OD accounts highlighted receipt and payments of Rs.7.67 crore and Rs.3.97 crore respectively, from Meera Milk & Agro Products. • Management response – Meera Milk and Agro products is owned by Mr. Hanumant Jambale's wife, Ms. Sonali Jambale, which is in the same premises of Shantai Enterprise. Shantai Enterprises used to purchase and sell milk from/ to Meera Milk, therefore, transactions were appearing in the bank statement. Such transactions were internal in nature. • Auditor's comments – The aforementioned raises serious concerns

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				about commingling of funds, tax compliance and conflict of interest. • Investigation remarks - As per transaction analysis of SE, payments of Rs.1.14 crore and receipts of Rs.0.03 crore were observed to/ from Mr. Hanumant Jamble during 09.09.2022 to 06.11.2023 • Observations from physical inspection • Physical inspection of the unit located at Argo Post, Vasunde, Dound, Pune was conducted by the forensic auditor on 23.07.2024. The following were observed: • Milk processing plant was found to be non-operational along with computer systems with missing hard disk. Further, no stock of milk/ milk products were noted during the inspection. • Further, two unit were observed to be located within the same compound, i.e. SE and Meera Milk & Agro Products, which was operated by Ms. Sonali Jamble, wife of Mr. Hanumant Jamble and guarantor of the facilities availed by Shantai Enterprises. • It was noted that the borrower were maintaining the details of milk receipts and milk sold in a manually maintained account register only. • Management response - No documents were currently available as there were no operations in the Milk Plant from February 2024 since the electricity was cut off by the MSEB. Accordingly, the operations were closed. • Inventory overstatement in audited financials • The borrower had reported an inventory value of Rs.0.41 crore as on 31.03.2023. However, the plant's total capacity of 50000 liters. Considering the average milk cost of Rs.37 per liters, the inventory

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				value of Rs.0.41 crore would highlight a capacity of approx. 1,12,445.9 liters, which is approximately, twice the total capacity of the plant. • The reported inventory value significantly exceeds the plant's storage capacity, suggesting a potential overvaluation of inventory in audited financials. • Management response - These statements were prepared and shared by the CA firm responsible for auditing M/s Shantai's accounts. • Working was requested from the CA firm, but CA firm was unable to share the same, purportedly due to the data crash in their server. Conclusion by the Forensic auditor • Based on the analysis of financial statements and supporting documentation, the forensic audit reveals a pattern of financial irregularities indicative of potential fund diversion and misuse of the Axis Bank limits. • The significant volume of unexplained transfers to Mr. Hanumant Jamble's personal accounts, combined with the lack of transparency and supporting documentation, strongly suggests that borrowed funds were not utilized for their intended business purposes. • Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued a show-cause notice (SCN) to the borrower on 20.08.2024, seeking explanations on the below mentioned adverse findings of forensic audit, along with supporting documents: • Transfers of Rs.1.09 crore to the partner's account. • Absence of inventory and inventory records during the physical inspection.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Details and present position of the inventory and receivables and recoverability. • Different businesses operated by partner, Mr. Hanumant Jambale. • Transactions conducted by the firm with Meera Milk & Agro Products and their operations in the same premises. • Underlying nature and purpose of transactions conducted with the entities represented as debtors as on 31.03.2022. • Misrepresentation of inventory reported as on 31.03.2023. • No response has been received from the borrower till date. Modus Operandi • Diversion of funds Root Cause • Diversion of funds to partners' personal accounts Staff Accountability • Staff accountability has been identified with respect to 2 employees (credit & coverage) for lapses in appraisal & monitoring process 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). • Full provision to be created as per guidelines.
271		Parbati Ghanashyam Rice Mills Private Limited		40.3	Background of the case • Parbati Ghanashyam Rice Mills Private Limited (PGRMPL) is engaged in processing and trading of rice. • PGRMPL was sanctioned Cash Credit limits of Rs.2.60 crore by way of takeover

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				from Bank of India (BOI), and fresh limits of Rs.4.45 crore in Jan 2022. - ECLGS limits of Rs.0.39 crore and Rs.0.42 crore were taken over from BOI in February 2022 and March 2022 respectively. Resolution and Recovery Actions - The account was classified as NPA on 20.07.2023, pursuant to non-renewal of the account, as security documentation was incomplete. - Proceedings u/s 138 of the NI Act was initiated against the borrower on 03.01.2024. - Legal Notice for handing over of original security documents was sent to the borrower and BOI on 04.03.2024. - An Original Application (OA) was filed on 29.04.2024 with DRT. RFA / Fraud Status - PGRMPL was classified as RFA on 15.03.2024, pursuant to double utilization of funds from both previous and current financiers. - Axis Bank appointed J Gupta & Co LLP to conduct forensic audit of the borrower. However, the forensic audit report was inconclusive due to non-cooperation from the borrower. - Based on internal review of documents available, availment of double financing from Axis Bank and BOI by deliberate misrepresentation was identified. - Clarification on the investigation findings were sought from the borrower by issuing show-cause notice. No response was received. - The borrower was classified as 'Fraud', based on adverse findings of internal investigation. Forensic Audit Findings

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Key observations from the 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. Financial statement analysis: • The P&L Statement for FY 2022 contains a significant amount in the “Other Expenses” head and includes expenses such as repairs & maintenance, staff mess expenses, labour charges, loading & unloading charges, Insurance expenses, etc. which are suspicious in nature. • No explanation as to why a newly incorporated company having newly purchased assets incurs repairs & maintenance expenses ranging from Rs. 2 lakh to Rs. 14 lakh. Further, electricity expenses accounted for nearly 45% of total other expenses. Since, it is directly related to production, there should be separate head for the expenditure. • The loading & unloading charges show significant variances, accounting from 27.8% of total other expenses in FY 2021 to 1% in FY 2022. The reason for the same could not be ascertained. • The Cost of Goods Sold (COGS) to Sales Ratio of the company is nearly 83% for every financial year. The reason for the same could not be ascertained as to why gross margin has not improved even after scaling up of business. End use of funds: • Multiple transactions occurring within the same day in these individual accounts appear suspicious, and the frequency of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				these transactions notably increased towards the end of the year in the bank statements of Bank of India. These transactions indicate a possible diversion of funds from the borrower's account to the above-mentioned individuals. • However, despite follow up with the borrower through emails, the auditor did not receive an explanation regarding whether these individuals are debtors, creditors, or related parties of the company. • Analysis of Bank statement of Axis Bank: • Upon reviewing the bank statements of Axis Bank from February 2022 to July 2023, it was noted that there was a credit of Rs.0.37 crore from Tapas Kumar Lekha, the details of same was not available. Revenue and receivables analysis: • As per the financial statements of the company, significant amount of sales were reflected. However, no material number of transactions related to sales or realization from debtors was noted in the bank statements. • The opening balance of debtors in FY 2021 was Rs.1.07 crore. During FY 2021, sales amounted to Rs.13.36 crore and closing debtors balance was Rs.0.53 crore. Hence, balance amount of Rs. Rs. 13.89 crore should have been realized from debtors or by sales. But such value of sales or realization from debtors did not get reconciled with the bank statements. • Due to lack of cooperation from the borrower, debtors list or detailed stock statements were not available for review. Payables analysis: • As per the bank statements of the company, amount of Rs.0.19 crore was paid in FY 2022 and Rs.0.34 crore in FY

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				2023 to individual parties. However, due to lack of information / creditors' list, the auditor was unable to comment if the payments made were in normal course of business. Related party transactions: • It was noted that the directors of the company also served as the directors of Patra Plumbing Private Limited (PPPL). There were some transactions i.e. net payments of Rs.0.30 crore in FY 2023 with PPPL. • The transactions could not be traced further and there could be a potential diversion of funds. However, the same could not be established due to absence of books of accounts. • 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. • Based on available documents, it can be noted that there is a possible diversion of funds. However, in the absence of access to the books of accounts and lack of co-operation from the borrower, the auditor was unable to comment on the genuineness and accuracy of the transactions. Internal Investigation Findings • Key points of the internal investigation findings are as under: • Takeover from Bank of India (BOI): • The borrower had approached Axis Bank in the year 2022 for takeover of limits from Bank of India. • Borrower was sanctioned CC limit of Rs.2.60 crore on 20.01.2022 and ECLGS of Rs.0.39 crore and Rs.0.42 crore on 26.02.2022 and 11.03.2022, respectively, by way of takeover from BOI. The above

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				facilities were secured by way of hypothecation on current assets and EM on collateral properties situated at district Kendrapara. • An undated Credit Information Report (CIR) and List of Documents (LOD) dated 01.02.2022 from BOI were held on record. • Disbursement in cash credit limit was made through DD of Rs. 2.59 crore, which was submitted to BOI on 14.03.2022. It was noted that acknowledgment of receipt of DD from BOI was not available on records. Photocopy of the DD was also not held on record. • Subsequently, disbursement in the ECLGS 1 & 2 accounts were made by way of 2 DDs aggregating Rs. 0.72 crore, which were submitted to BOI on 27.09.2022. The acknowledgement of the receipt of these 2 DDs from BOI was held on record. Photocopies of the DDs are also evidenced. • It was noted that, on 02.11.2022 Axis Bank (Bharat Banking) sent an email to BOI, intimating them of delay in completion of takeover formalities for the CC and ECLGS facilities. Further, Axis Bank also requested for issuance of NDC and vacating of charges on the collateral properties. • After multiple follow ups, BOI reverted on 21.11.2024 stating that they did not receive intimation regarding takeover of CC and that the DD received in March 2022 did not fully cover the foreclosure amount. BOI confirmed that the ECLGS accounts were closed on 11.10.2022 post appropriation of DDs submitted by Axis Bank in September 2022. Since total outstanding in CC a/c was not fully

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				repaid, freeze was not marked in the account. During this period of 7 months, the borrower utilised the funds in the CC account to the extent of approx. Rs. 2 crore without informing BOI. - As submitted by Bharat Banking officials, subsequent follow-ups were done with BOI from November 2022 – December 2022, on which BOI reverted seeking time to get the borrower to deposit the additional utilized amount in their account, post which the takeover process would be completed from their end. - Investigation Remarks: Details of follow up made by Axis Bank officials with BOI, if any, during March 2022 till October 2022 are not available for review. - Post follow-ups by Axis Bank seeking an update on the takeover, BOI replied on 26.05.2023 providing the below updates: - The DD received on 14.03.2022 for Rs.2.59 crore was deposited in the CC account of the borrower in BOI. However, since no letter of intimation of takeover were submitted to BOI, they were not sure that the purpose of DD was for take-over of credit facilities. Hence, the CC A/c of the customer was not dropped down/frozen by BOI. Post credit of the proceeds of the said DD in the CC A/c, there was still outstanding balance of Rs.0.12 crore in the account. - The DD's received on 27.09.2022 for takeover of ECLGS accounts along with intimation of takeover of facilities were appropriated in accounts maintained with BOI and these accounts were duly closed. - The CC a/c with BOI was marked as freeze in September 2022, post intimation of takeover by Axis Bank on 27.09.2022. - However, in the interim period, the borrower defrauded and utilized the funds

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				in the CC account resulting in issues in takeover completion. They have directed the borrower to deposit the utilized amount. - Investigation Remarks: Bank statement of BOI was not available for review. Hence the extent of utilisation by the borrower from the BOI account could not be identified. - BOI sought additional time for releasing of title deeds to Axis Bank. - In June 2023, BOI vide an email updated Axis Bank that despite of following up with the borrower, there was denial on its part to pay the overdues in CC. Also, BOI would be proceeding with legal action against the borrower as the account had turned NPA. BOI also confirmed that the security documents would not be released to Axis Bank without the overdues in the BOI's account being cleared. - It is evident, based on available documents, that the borrower has availed double financing from Axis Bank and BOI intentionally. It can be concluded that the Borrower has deliberately misrepresented to the Bank resulting in breach of trust and loss to the Bank. - Issuance of Show-cause notice (SCN) to the Borrower - The Bank issued Show-Cause Notice (SCN) to the borrower on 20.08.2024, seeking explanations against aforementioned internal investigation findings. - No response has been received from the borrower in this regard. Modus Operandi - Diversion of funds. Root Cause - Non closure of existing account (Balance transfer) by borrower and non -

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				submission of security documents for creation of mortgage. Staff Accountability - As per existing process, PO/DD for remittance of funds to the peer bank should be accompanied by a letter informing that the proceeds are towards takeover of the facilities from them. Also, acknowledgement from the peer bank to be obtained on the same day. In the present case, intimation letter and acknowledgement from BOI during takeover of CC limit was not done as per extant guidelines. (Responsibility BB - Sales Manager/Area Sales Manager) - As per SOP, No Dues letter / account closure statement along with title documents are to be collected from the peer bank within 15 days from the date of disbursement. In the present case, no follow-up was evidenced post expiry of 15-day period. Follow-up with existing lender started only after a gap of 7 months. (Responsibility of BB/RBO - Sales Manager/Area Sales Manager and Area Operations Manager/Regional Operations Manager) - Though the incident had come to light in November 2022, the account was classified as RFA only in March 2024. Hence, there is delay in classification of account as RFA. (Responsibility of RBO - Area Operations Manager/Regional Operations Manager) Action Taken / Proposed - Order intimating 'Fraud' classification by registered post to be issued. - Police complaint has been filed against the company & directors. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			to the Serious Fraud Investigation Office (SFIO). Full provision to be created as per guidelines.
272	Whiz Enterprise Private Limited - Branch – Springfields, Mumbai – Misappropriation of funds and criminal breach	80.1	Background - Whiz Enterprise Private Limited (WEPL), incorporated in 2004, is engaged in the business of developing infrastructure facilities and providing business support, office amenities and renting/ leasing of houses and apartment buildings. - WEPL was sanctioned Lease-rental Discounting (LRD) limit of Rs.10.35 crore by Axis Bank’ SEG segment in July 2015. - The LRD facility was backed by rentals from lessee, IDBI Bank for a premises located in Oshiwara, Andheri West. In case of non-payment of lease rental by lessee, the borrower has to pay the requisite amount to the Bank. - The said premises have been mortgaged to Axis Bank as collateral security (collateral cover of ~150%). - Repayment Schedule: In 120 ballooning monthly installments. 58 installments aggregating Rs.2.34 crore has been serviced. Resolution and Recovery Actions - IDBI Bank had stopped crediting lease rentals into the escrow account since June 2020. Subsequently, the account turned NPA on 28.09.2020. - The matter was immediately taken up with borrower and lessee (IDBI Bank). Multiple communications were sent to IDBI Bank to resolve the issue. However, there was no response. - The Bank subsequently initiated DRT & SARFAESI action against the borrower. However, there is a moratorium on DRT/SARFEASI post admission into NCLT in 2023. - The Bank also filed intervention application before DRT seeking

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				direction to IDBI Bank for routing rental payment. - The borrower was admitted to NCLT in 2023, however the process has been stayed by NCLAT based on petition filed by directors. RFA / Fraud Status - WEPL was classified as RFA by Axis Bank on 19.03.2024, based on verbal tip from an IDBI Bank official that rent was being deposited in another account. - Axis Bank appointed VCAN & Co to conduct forensic audit of the borrower, wherein instances of diversion of funds were identified. - Clarification on the adverse findings were sought by issuing a show-cause notice. A personal hearing was requested by the IRP appointed under the CIRP process. The personal hearing scheduled on 27.09.2024 was not attended by the IRP. - The borrower was classified as 'Fraud', based on adverse findings of the forensic audit report - Entire exposure has been prudentially written off as on 30.06.2024. Forensic Audit/ Internal Investigation findings Key observations from the forensic audit report are as under: - Non Cooperation by the borrower - No documents and information have been shared by the company with the forensic auditor, despite multiple requests made vide emails and letters during the period, 24.04.2024 to 14.07.2024. - Data was also requested from the IRP, Mr. Raghunath Bhandari appointed for the borrower. However, IRP vide letter dated 20.05.2024, had expressed inability to provide any details/ documents. - Violation of the terms and conditions of the sanction regarding rent receivable - WEPL had availed TL limit of Rs.10.35 crore on 06.07.2015, against lease rent

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				receivable from IDBI Bank Ltd for premises located at Plot No: B/10, Village Oshiwara, Opp Citi Mall, Andheri West, Mumbai-400053. The loan was secured with rent receivables from IDBI Bank Ltd as the primary security. - o However, it has been noted that the rent receivables since June 2020 were not being deposited in the designated escrow account maintained with Axis Bank. - o Physical inspection by the forensic auditor on 30.05.2024 highlighted that IDBI Bank's branch continues to operate from the premises under review. It may be noted that the lease agreements executed between IDBI Bank Ltd and mortgagors, Whiz Enterprises Private Limited, Lakshmi Business Center and Narendra A Rajani were executed on 29.12.2014, for a period of 9 years. Further, as per the information received from IDBI Bank, that they have been regularly paying the rental payments for the said premises, despite the redirection of these payments from the stipulated escrow account. - o Despite IDBI Bank making regular rent payments, Whiz Enterprises had failed to deposit these funds into the escrow account maintained with Axis Bank Limited. This diversion of funds constitutes a breach of the loan agreement. - o When queried about the details of the account where rent payments were deposited, the company's management has not provided any information or explanation, which suggests deliberate concealment and misappropriation of funds. - o Internal investigation findings basis the available documents are mentioned in the next section. • Violation of terms and conditions of sanction regarding undertaking corporate guarantee	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o WEPL has extended corporate guarantee for a business loan facility of Rs.152 crore obtained by associate/ group entity, M/s Seya Industries Limited from Think Hard India Private Limited. The Corporate Guarantee deed was executed on 27.07.2020. The said corporate guarantee was extended without obtaining permission from Axis Bank. Further, WEPL had also not filed charge creation on the MCA website for the said guarantee. - o The corporate guarantee undertaken by the borrower, WEPL was invoked by Think Hard India Private Limited on 15.09.2022, pursuant to default by Seya Industries Limited. Subsequently, Think Hard India Private Limited had filed an application under Section 7 of IBC, 2016 and NCLT had passed an order for commencement of CIRP on 25.08.2023. However, the order had been stayed by NCLAT on 25.09.2023. - o As per the sanction letter dated 06.07.2015, it was stipulated that the borrower shall not without bank's prior permission in writing, undertake guarantee obligations on behalf of any other borrower/ firm/ concern/ company or any other third party, except in the ordinary course of business. - o WEPL had not informed Axis Bank about this significant financial obligation. The failure to disclose the issuance of the Corporate Guarantee to Think Hard India Pvt. Ltd. is a violation of trust and a breach of the terms agreed with Axis Bank. This concealment further exposed the borrower's intent to engage in financial activities without the bank's knowledge, compromising Axis Bank's security interests. - o Investigation remarks: The borrower had not filed audited financials post FY 2019. Therefore, any corporate guarantee disclosed by the borrower could not be verified. • Presentation of loans in the audited financials

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o From the abovementioned, it was observed that loans were not presented correctly in the audited financials. However, no response has been received from the borrower. o Investigation remarks: As per MCA data, total charges registered against the borrower amounts to Rs.50.35 crore. Apart from Axis Bank's loan facility of Rs.10.35 crore, the borrower also availed facility from Karur Vyasa Bank against which charge of Rs.40 crore is created in 2019. • Conclusion by the forensic auditor o Based on these observations, it is evident that Whiz Enterprises Pvt. Ltd. has engaged in actions that constitute fraud under RBI guidelines. The deliberate diversion of rent receivables, failure to disclose significant financial obligations, and non-compliance with loan terms all demonstrate a clear intent to defraud Axis Bank Limited. These actions have materially affected the bank's ability to recover the loan and have undermined the security of the loan agreement. o The above forensic report has been conducted independently without direct support or cooperation from the management of M/s Whiz Enterprises Private Limited. The findings and conclusions are based on the information provided by Axis Bank Limited and sourced from online platforms. Despite attempts to solicit details and documents from the company, no cooperation or response was received from the management. It is essential to note that should additional information or documents become available in the future that necessitate revisions or modifications to this report, such updates will be incorporated accordingly. Key observations from the internal investigation: • Letters issued to IDBI Bank Ltd by the Lessors dated 09.07.2015 (PR-6):

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o Three letters dated 09.07.2015, vide reference number, WEPL/IDBI/15/01, NAR/IDBI/12/01 and LBC/IDBI/12/01 were issued to IDBI Bank Ltd by WEPL, Narendra Rajani and Lakshmi Business Center, for deposit of monthly rent payable in favour of Axis Bank account number, 915020035191147, under lease agreement dated 29.12.2014. This arrangement shall be deemed to be full discharge of the contractual obligations by IDBI Bank Ltd in terms of said agreement. - o It was also mentioned that above instructions shall remain in force for the period mentioned under the said agreement, including renewals thereof, unless accompanied by a confirmation letter in writing. - o IDBI Bank had accordingly acknowledged the said letters. • Undertaking issued by Whiz Enterprise Private Limited, M/s Lakshmi Business Centre and Narendra Rajani issued to Axis Bank dated 09.07.2015, wherein following were specified: - o A Undertaking to be submitted that it will not assign the lease rentals at any point time to anybody else, during the currency of the loan. - o Undertaking stated that no modification would be done in lease agreement without bank's approval. - o Undertaking to be submitted that, the borrower will not create any other charge on the lease rentals/ property charged with our bank. - o An undertaking to be submitted, to bring to the notice of the Bank, any dispute between the lessor and the lessee." • Letters issued to IDBI Bank Ltd by the Axis Bank dated 29.07.2015 - o Post sanction, Axis Bank had issued a letter to IDBI Bank Ltd on 29.07.2015, requesting remittance of monthly rent and compensation payable through RTGS/ NEFT to escrow account maintained with Axis Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o The letter was received/ acknowledged by IDBI Bank on 30.07.2015 with their stamp. • Axis Bank's letter dated 23.08.2019 issued to IDBI Bank Ltd: o The letter was in respect of non-receipt of rent receivables from IDBI Bank Ltd in Axis Bank's designated escrow account. Axis Bank had informed IDBI Bank Ltd that the rent deposition was not in order leading to continuous irregularity in the account. o Response from IDBI Bank, if any was not available for review. • Credit proposal dated 18.11.2019 for review of term loan of Rs.10.35 crore: o It was noted that, rent from October 2019 were paid with a delay, i.e. till 12.11.2019. o After several communication with IDBI Bank, it was contended by IDBI Bank that they will not deposit rent to the designated escrow account as there is no tripartite agreement with IDBI Bank, although PR-6 has been signed. o It was also mentioned that the borrower had informed that IDBI Bank was utilizing the rent discounted for repayment of home loan availed by WEPL and rent was being routed through HDFC Bank account. • Axis Bank's letter dated 01.09.2020 issued to IDBI Bank Ltd: o Axis Bank had requested IDBI Bank to comply with the PR-6 (Letter of demand by Lessee and payment of monthly receivable from Lessee) and the payment instruction issued to IDBI Bank on 29.07.2015, and deposit the lease rentals payable to the borrower in the escrow account in Axis Bank. o The letter also stated that as part of Standard documents, the Bank does not execute tripartite agreements with the borrower and lessee but gets the letter of demand submitted by the borrower which is acknowledged and unconditionally accepted by the Lessee.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				In the present case, acknowledgement from IDBI Bank was held on record. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued show-cause notice (SCN) to the borrower on 09.08.2024, seeking explanations on the following forensic audit/investigation finding: - o Non routing of rent receivables from Axis Bank - o Undertaking corporate guarantee without obtaining NOC from Axis Bank. - o Clarification on representation of secured lending in the audited financials - o Clarification on other charges appearing for the borrower in the MCA website. • Response dated 05.09.2024, has been received from the IRP of the borrower, Mr. Raghunath Bhandari, on 09.09.2024, requesting for personal hearing and additional documents from Axis Bank. Documents requested in the letter are captured below: - o Complete forensic audit report - o Annexures to the forensic auditor. - o Copy of the documents referred in the forensic auditor. - o Physical inspection report. - o Document basis which Axis Bank concludes that lease rentals were being paid by IDBI Bank Limited. - o Copy of policy framed by Axis Bank in respect of classification of accounts as “fraud”. • Axis Bank had earlier obtained an external legal opinion dated 06.10.2023 from MDP & Associates, Advocates & Solicitors, wherein the following was stated: “In light of the judicial precedents above and basis the views espoused by various fora in relation to classification of accounts as fraud/ willful defaulter/ NPA/ non- cooperative during an ongoing moratorium under section 14 and 96 of the Code, it is abundantly clear that there is no bar on the classification of accounts of the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				corporate debtor/ director/guarantor/mortgagor as fraud/willful defaulter/ NPA/ non cooperative during an ongoing moratorium under section 14 or under section 96 of the code. - As per the legal opinion obtained on 18.09.2024, Bank has to provide the IRP the personal hearing, as he has assumed the management of the borrower as well as its financials activities, which are under scrutiny in the SCN. Further, Bank has to share the annexures to the forensic audit report with the IRP. - Accordingly, annexures to the forensic audit report were shared with the IRP on 20.09.2024 and personal hearing in the said matter was scheduled on 27.09.2024. - IRP vide email dated 25.09.2024 had requested for a future date of hearing with a 2 weeks-notice. Response to IRP was sent on 26.09.2024 informing that reasonable time and opportunity has been provided for representation, under extant guidelines, and no more extension is acceptable. - Accordingly, personal hearing was scheduled on 27.09.2024, which was not attended by the IRP. Modus Operandi - Diversion of funds Root Cause - Rent receivables not routed through designated escrow account with the Bank Staff Accountability - No staff lapses identified. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint has been filed against the company & directors. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• A representation has been issued to MD & CEO of IDBI Bank on the matter. Observations from MD & CEO • Comments from MD & CEO ○ Four years have gone by. Why can't rents be deposited now or why don't we force IDBI Bank to exit? • Response ○ The Bank has initiated SARFAESI action to take the possession of property and filed application before DRT seeking direction to IDBI Bank for routing rental payment. However, as the company is admitted to NCLT, presently there is a moratorium and stay on our Legal action and repayment of our rentals. This has derailed the resolution efforts of this case. ○ As a result, our attempts to obtain possession over the mortgaged property did not materialize, which would have forced IDBI to exit. They are also looking for new premises to get rid of these issues. Post classification of the account as fraud, we have filed a complaint with EOW. The possibility of investigation by EOW is likely to exert additional pressure on IDBI Bank to co-operate with us and divulge the destination account for rental payment. Such details will help us in pursuing reversal of these fraudulent transactions under NCLT.
273		Soumadeep Ghosh - Kalyan Branch - Availed home loan by submitting fake NOC and sharing the Home loan proceeds amongst themselves (buyer (borrower) And seller.	60.4	Background • Axis Bank had sanctioned a Home Loan (HL) of Rs6.90 crore (o/s Rs.6.04 crore) to Soumyadeep Ghosh in December 2020 for purchase of a residential property in Bandra (West), Mumbai. The loan is secured by the said property and charge is created in favour of Axis Bank. • The aforesaid HL account went in to delinquency and later became NPA on 08.11.2023. Subsequently as part of the legal action SARFAESI has been initiated.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- The borrower is also promoter of the company named M/s Novatech Projects (I) Pvt. Ltd. (NPIPL) which was classified as RFA. Based on this, the home loan availed by Soumadeep Ghosh in personal capacity was also classified as RFA on 17.04.2024. Internal Investigations Key findings of Internal/forensic Investigation are as under: - Pursuant to this Bank had appointed forensic auditor for NPIPL who identified adverse observation in the home loan account wherein an amount of Rs.4.78 crore was received back from seller (Gaurav Vadhera) on 15.03.2021 via multiple transactions in Soumadeep Ghosh's saving bank account maintained with SVC Bank. - This money was further utilized to reduce the cash credit liability availed by the borrower from SVC Bank. Hence the forensic auditor observed this as a diversion of funds in the Home Loan amount. - On further investigation, it was observed that an MOU has been executed between borrower and the seller wherein it was agreed to mutually share the home loan proceeds amongst themselves for business purpose. This has clearly indicated that the application was made without any intention to purchase a residential property and that the funds have been diverted for purpose other than what it was sanctioned for. - It was also confirmed by the Chairman of the housing society, that they had not issued any NOC with respect to the sale of flat or mortgage creation in favor of Axis Bank. Hence, it was found that the Society NOC submitted by the borrower, Soumadeep Ghosh was fake / fabricated. - Hence, the borrower had availed loan on the basis of fabricated NOC, which is fraudulent activity.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- On the basis of the above, Bank has filed an FIR basis which both the seller and borrower have been arrested. - Based on above-mentioned facts & findings, the incident was classified as “Fraud” perpetrated by the borrower Soumyadeep Ghosh. Issuance of Show Cause Notice to the Borrower - The Bank issued show-cause notice to the borrower, seeking explanations on the adverse findings of forensic investigation. However, the borrower did not respond to the same. Modus Operandi - Borrower and seller have executed an MOU which states to share the home loan proceeds for business purpose. Further the Borrower had submitted a fake NOC from the Society for purchase of the property and for availing home loan. Root Cause - Borrower had submitted a fake NOC from the Society for purchase of the property and for availing home loan. Further the loan proceeds were diverted and utilized for clearing of cash credit dues of NPII maintained with other bank, indicating diversion of funds. Staff Accountability - Since the loan was processed as per policy and process, no staff lapses have been identified. Action Taken / Proposed - Order intimating ‘Fraud’ classification registered post to be issued. - Police complaint has been filed in the matter. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and the Serious Fraud Investigation Office (SFIO). - Full provision has been made as per guidelines. Process Gaps / Recommendations

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• The following control measure has been proposed by FCI (to be explored consultation with Risk and Product (Timeline awaited) • For resale cases and above a certain threshold loan limit, mandatory verification of NOC issued by society to be done before on-boarding.
274	Giant Enterprise - Calicut RAC - LAP availed by submitting fake partnership deed	13.9	Background • A Loan Against Property (LAP) of Rs.1.42 crore (o/s Rs.1.39 crore) was sanctioned in March 2023 to partnership firm Giant Enterprise having two partners Abdul Nazar and Subin Backer. The loan was secured by a commercial property (market value: Rs.2.03 crore) of Abdul Nazar on which charge has been created in favour of Axis Bank. The case was sourced by Retail Officer under Sales Manager. • During on-boarding, the case had been sampled and was reported as positive. The account became NPA in March 2024, with a total of 8 EMIs amounting to Rs.1.50 lacs being paid. • Post NPA and during recovery follow-up, two out of three partners (Nithin Premraj & Hareesan) of the firm disputed that no loan has been availed by the partnership firm Giant Enterprises. The case was sent for investigation. Internal Investigations Key findings of Internal Investigation are as under: • During investigation, It was observed that the 3rd partner (Subin Backer) along with his accomplice Abdul Nazar availed the loan (LAP) by forming a fake partnership deed of Giant Enterprises and by misusing the documents of the original firm. • It was also observed that the PAN of Giant Enterprise (original firm) was issued in February 2014 however the partnership deed (basis which loan was availed) was executed in December 2022.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Further, the bank statement of Federal bank which was submitted for availing the loan had 3 partners (M Subin Backer, Nithin Premraj and Hareesan) and had no mention of Abdul Nazar as a partner. • The latest GST records of the firm also showed the above stated 3 as partners which was not matching with details of new partnership deed submitted for availing loan. • Investigation further noted a civil suit dated 23.06.2023 filed by the partners Nithin, Premraja & Hareesan against Subin Backer and others stating that Subin and Abdul had created a bogus partnership deed on 13.12.2022 in the name and address of Giant Enterprise for availing the loan. • Based on above-mentioned facts & findings, the incident was classified as “Fraud” perpetrated by the partners Subin Backer and Abdul Nazar. Issuance of Show Cause Notice to the Borrower • The Bank issued show-cause notice to the borrowers, seeking explanations on the adverse findings of forensic investigation. However, the borrowers did not respond to the same. Modus Operandi • The borrowers had created a fake partnership deed in the name Giant Enterprises and had submitted the same along with the original KYC documents and financials of Giant Enterprises for availing loan against property. Root Cause • Submission of fake partnership deed of Giant Enterprises for availing loan Staff Accountability • Staff accountability has been identified with respect to 3 employees (Underwriting, Branch & FCI appointed vendor) for lapses during onboarding/screening and in monitoring process. 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 filed in the matter. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). Process Gaps / Recommendations - The following control measures has be proposed by FCI (to be explored consultation with Risk and Product (Timeline awaited) - o Updating of Loan Origination System (LOS) for auto rejection of cases where PAN card issuance /GST registration date is prior to date of registration of firm. - o Beyond a certain threshold loan limit mandatory profile check of partners with those appearing in statutory filings, such as GST, ITR along with legal search check for disputes among partners.
275		L&T SUCG JV - Funds fraudulently debited from customer's account - Lajpat Nagar Branch - Cheating & Forgery	89.4	Background - Complaint was raised by customer, L&T SUCG JV (a joint venture between Larsen & Toubro Limited and Shanghai Urban construction (Group) Corporation) alleging fraudulent debit transactions aggregating to Rs.8.94 crore in their account during the period 11th July 2024 to 30th Aug 2024. Findings - The said current account of L&T SUCG JV was opened on 10th Jan 2008 with Lajpat Nagar branch, Sol Id – 126, New Delhi under scheme code CABCA (Current Account – Business Classic Account) Suspected Staff Involvement - Review of customer (L&T SUCG JV) account access logs revealed that Mr. Ashish Khandelwal, Assistant

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Manager/ teller at Adhchini branch had accessed customer's account 68 times through different bank applications (Saksham, Finacle, Fin-inquiry) during the period when the fraudulent mobile and email id updation, corporate internet banking access and FD closure were made; first such access being on [5th June 2024], which was two days before the mobile and email id change request was received. - As per CCTV footage of 5th June 2024, around 8.00 PM, Ashish was seen conversing with a customer Mr. Nitin Dongare a vegetable and fruit dealer having account with Adhchini branch. - Furthermore, as per the CCTV footage, Ashish made calls/video calls to certain parties and took photos of the account details on days he accessed it. Upon enquiring with Ashish about his unauthorised access to customer's account, he was not forthcoming and was evasive. - Since his activities appear suspicious, he has been placed under suspension, and his details have been shared with EOW team. - Customer Nitin Dongare's involvement is suspected in this case as: - he is from Osmanabad (as per his address in the bank records/ KYC documents) and the CIB access form was submitted at Osmanabad branch. - he is a dealer of vegetables and fruits and most of the fraudulent transfers were to accounts of customers dealing in vegetables and fruits. - Osmanabad branch identified the person who had submitted the CIB request form as one Mr. Ram Gade and found that he holds an account 918010019658387 with the Osmanabad branch, opened digitally on 26th Mar 2018 with student as occupation and his age was 19 years. No major transactions have been seen in his account.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Due to ongoing police investigations and confidentiality, no interaction has been initiated with suspect customers Mr. Nitin Dongare and Mr. Ram Gade. Details of both have been shared with EOW. Modus Operandi - Third party mobile number/ email id updated in the customer's account and obtained Corporate Internet Banking (CIB) access with forged signatures and fake documents and thereafter transactions aggregating to Rs. 8.94 crore fraudulently debited from customer's account Root Cause Existing controls compromised /not followed - Failure to verify the signature of the customer on the request form and to conduct proper due diligence while processing the request. - Failure to verify the KYC documents of the authorised signatory submitted along with request form, with their original documents - Unauthorized sharing of customer details by bank staff with third party Control gaps - Processing of requests from non-base branch without confirmations from base branch/RM - Identity of the person submitting the forms was not obtained/ascertained. - Due diligence process for verification of request received from third party not laid down in the bank's guidelines - No DTM Alerts were generated for L&T SUCG JV account in which no customer induced transactions were made since Oct 2023 and suddenly from July 2024, huge number of debit transactions were made in the account in a span of 2 months. Staff Accountabilit - Lapses observed against 9 officials in processing the mobile number/ email id request, CIB access, FD closure request

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				with mismatch in customers signature and without conducting proper due diligence and for unauthorised access and sharing of customer information to third party. Action Taken / Proposed - Ashish Khandelwal, Adhchini branch who has unauthorizedly shared customer information to third party placed under suspension. - Provisioning of loss amount of Rs.8.94 crore has been made. - Letter sent to other banks wherein the disputed amount was transferred to mark lien in the respective accounts. - Debit freeze marked in the internal Axis Bank accounts that received transfers from victim account, with current available balance of Rs.0.71 crore. - Staff side actions are being initiated for identified lapses against 9 staffs (7 Gross negligent/ 2 Negligent) - Respective business team to examine restoring the funds (Rs.8.94 crore) to the account of the customer L&T – SUCG JV A/c no 126010200025081. - CRES team to suitably examine claiming insurance of fraud loss amount (Rs.8.94 crore). - Police complaint has been filed and FIR registered with EOW, Delhi Process Improvement / Suggestions Immediate measures to be taken Process Gap: - Restricting updation of Email id, Mobile number, Authorized Signatory, Mode of Operation, CIB User Id Addition/Deletion at Home Branch only. Action taken: - Non Home branch cases will be rejected by COBC/CCPH and will be asked to be routed from Home Branch only. - Branch Heads/Operations Heads are instructed to exercise due diligence and

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				ensure that the aforesaid requests are accepted/processed only by/through home (base) branch with the following additional due diligence. a. The instructions for carrying out modifications in Corporate Internet Banking (CIB), mobile number, Email, authorized signatory(ies) and mode of operation in respect of accounts of other non-individuals (ONIs) should be obtained in writing duly signed by the customer by way of a Customer Request Form (CRF)/CIB Form or on the bank's standardized format or request letter (as applicable) with complete details along with the relevant information / documents as per extant guidelines. b. In cases where a person other than the customer (third party) has approached the branch with the aforesaid modification requests, the branch should carry out enhance due diligence and the request should be supported by – - Authorization request on a letter head duly signed by the customer, providing the details such as nature of the request, details of the third party and signature, duly attested by the customer along with the related KYC documents(s) of the third party or - Obtaining a cancelled cheque (without signature) of the said account or - Seeking copy of mobile bill/related evidence for carrying out changes in mobile details. c. The signature of the customer on the Customer Request Form (CRF)/CIB Form or on the bank's standardized format or request letter, should be tallied with the specimen and in accordance with the mode of operation available as per the bank's records. The exercise of signature verification should be meticulously carried out applying the 4-EYE principle, where

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				both the maker and the checker independently verify the signature(s) with the specimen available including the mode of operation. The signature should normally be checked for consistency, comparing the flow, strokes, curves etc. d. The photocopies of the KYC documents should not be certified without physical verification of the originals and comparing the same with the self-attested copies submitted by the customer to confirm its authenticity and set aside, any shadow of doubt of any fabrication / interpolation of documents e. The original/photocopies of the document accepted for KYC purposes should be clear and readable. Further, the authenticity of the KYC documents may also be validated through the relevant websites (wherever available) 2. Centralized calling (to the Authorized Signatory maintained in the Finacle) for WBCG clients Action taken: - Centralized Calling by COBC/CCPH Team# to authorized signatory prior processing the CRF for demographic changes in Finacle/CIB and CIB access request. - The authorized signatory to whom call has to be made should be other than the person whose credentials are to be changed. - If authorized signatory is not answering the calls, try 3-4 times and then raise the referral to the RM to get the confirmation. The confirmation should be documented on email from the RM <i>#We will be installing Recorded Lines for this Call Back to clients so that we have audit logs going forward</i> 3. Email-id and mobile to be maintained is the same as maintained in Finacle

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Action taken: • Ensure that the email id and mobile to be maintained is the same as maintained in Finacle. • Instance wherein the email id / mobile number is different in CRF/ CIB request vis-à-vis Finacle, such request should be processed basis the justification from the company through Branch/ RM 4. Enhance the scope of verification at COBC/ CCPH (for signatures & MOP) Action taken: • Signatures & MOP to be mandatorily verified at COBC and CCPH staff (Staff should spend good 3-4 minutes to verify the signatures. Many times, the flow looks matching, hence the signatures need to be matched perfectly on the pages. In case of any doubt, case to be rejected). • In case there is Board Resolution, please ensure that it is signed by 2 directors or Company secretary and the signatures are verified from the Finacle system. 5. Verification of Board Resolution and Letter Heads with existing records (Subsequent change requests & CIB access) Action taken: • For subsequent modifications in ETB accounts, COBC/ CCPH to check the Board resolution in Finacle vis-a-vis the request. • Check the letter head style, spellings, logo, color, stamp. It should exactly match with previous letter head - in case of mismatch, request to be rejected. 6. Email Domain Check Action Taken: • Instances wherein the user requested to replace the existing email (corporate domain id with generic domain id),

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			processing of such request should be restricted. - WBCG/Corporates- Need to ensure the email ids are company domain ids. (In case of Gmail/ yahoo/ outlook etc., request should be rejected/ ask for the justification why non domain email ids are to be maintained. 7. Confirmation from Corporate RMs/ additional due diligence for Bearer of the request Action taken: - Mandatory confirmation from Corporate RMs while processing the customer request with potential red flags (e.g. simultaneous change of both mobile and email) - Basic details to be verified/additional documents to be sought (KYC document/ authorization letter on Letter head/ signature attestation/ cancelled cheques (without signatures) etc.) 8. Restrict the CIB access for non-authorized signatories
276	H I Metal Industries - Branch – Raj Nagar, Ghaziabad - Misappropriation of funds and criminal breach of trust	232.5	Background - H I Metal Industries (HIMI), based in Ghaziabad, was engaged in trading and manufacturing of ingots, rods, pipes, wires etc. - HIMI was enjoying credit facilities of Rs.9.14 crore from ICICI Bank. Axis Bank's SBB segment sanctioned limits of Rs.15 crore in March 2022 for takeover of ICICI Bank's limits with enhancement. In response, ICICI Bank enhanced their limits to Rs.24.22 crore in May 2022, to prevent the takeover. - Axis Bank's SEG segment sanctioned limits of Rs.24 crore for takeover of existing limits in June 2022. It was subsequently decided that the exposure should be parked in SBB segment, since they had initiated contact with HIMI, based on exception permitted by CRO.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Accordingly, SBB segment sanctioned credit facilities of Rs.25 crore in August 2022, including takeover of limits from ICICI Bank. - Subsequently, SEG segment also sanctioned limits of Rs.28.66 crore to HIMI's group entity, Global Steel Trading Co. (GSTC) in February 2023. Resolution and Recovery Actions - The group incurred losses due to fluctuations in metal prices, leading to slowdown in operations since Q2 FY 2024. - SEG, SBB and underwriting officials were in regular touch with the promoters since August 2023 for reduction in exposure/exit of Axis Bank. The borrower requested the Bank for enhancement in the limits or revival of operations, which were not approved. Efforts by the borrower for takeover of the Bank's exposure by another lender was also not successful. - In subsequent discussions, it was decided that dues of GSTC (SEG segment exposure) will be cleared first, followed by dues of HIMI (SBB segment exposure). - Dues of approx. Rs.20 crore in GSTC were cleared through sale of collateral in Q3 FY 2024. The borrower subsequently backed out of the plan of repayment in HIMI. - No inventory was observed during site inspection during January 2024. Multiple follow-ups were made with promoter for repayment of overdue amount and seeking co-operation in conducting stock audit. - The borrower requested for restructuring of the limits, which were not taken up by the Bank, basis no visibility of revival in business. - The account was classified as NPA in February 2024. - The Bank has swiftly initiated SARFAESI action and obtained symbolic possession of collateral

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				property. Distress value of the charged properties are around Rs.15.68 crore. RFA / Fraud Status • Borrower was classified as RFA on 28.02.2024, basis High value debit transactions towards related parties through CC account. • Axis Bank appointed ATK & Associates to conduct forensic audit of the borrower. The borrower did not cooperate in the forensic audit and did not submit the requisite information. • During the physical inspection of the borrower's premises, the auditor did not observe any inventory and no operations were seen. The borrower did not route funds equivalent to inventory reported in last available stock statement through accounts maintained in the Bank. • The forensic audit report was received on 19.09.2024, wherein instances of misappropriation of funds and inventory were identified. • Clarification on the adverse findings were sought from the borrower by issuing show-cause notice. However, no response has been received from the borrower. • The borrower was classified as 'Fraud', based on adverse observation in forensic audit report. • Provisioning of Rs.16.28 crore has been held against the exposure as on 30.09.2024. Forensic Audit Observations Key points of the report are as under: • Non-Cooperation from the Borrower: - o The borrower has not provided necessary documents for the audit and shown an overall reluctance to engage with the auditors. - o Such behavior is indicative of potential attempts to obscure or withhold critical information, further compounding concerns about the organization's financial practices. • Transactions with related parties:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o During the review period of the audit from August 2022 till April 2024, the borrower transferred Rs.83.05 crore to related parties Global Steel Trading (Rs.58.19 crore) and Continental Steel (Rs.24.86 crore), out of total debits of Rs.155.46 crore in CC account maintained in Axis Bank. - o Rs.1.81 crore was transferred to partners - Mr. Huzer Akhtar and Mr. Izhar Akhtar. - o Further, funds of Rs.16.74 crore have been received from the related parties - Global Steel Trading (Rs.12.39 crore), Continental Steel (Rs.3.36 crore) and Global Metals Pvt Ltd (Rs.0.98 crore), out of total credits of Rs.139.46 crore in CC account maintained in Axis Bank. - o Hence, net payment/debits towards related entities - Rs.66.46 crore. - o The purpose of such transactions could not be ascertained, since the Borrower did not provide access to its books of accounts. Investigation Remarks on RFA Trigger: High value debit transaction towards related parties from CC account of the borrower. - o As per the analysis of Bank documents, it can be observed that the borrower has made net payments of Rs.24.51 crore from its CC account towards related parties i.e. Global Steel Trading Co, Continental Steel and towards its partners Mr. Izhar Akhtar and Mr. Huzer Akhtar. - o As per the credit document, the borrower was purchasing raw material from Global Steel Trading Co. and Continental Steel till March 2021. Further, related parties such as Global Steel Trading Co., Continental Steel and Global Metals Pvt Ltd are in similar line of business as that of the borrower. - o No underlying documents were available to ascertain the genuineness of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the transactions done by the borrower with related parties. - Physical Inspection of the Borrower's unit: - Auditor visited the borrower's factory/premises on 22.08.2024 for verification of inventory. During the visit, it was observed that the premises were locked and no inventory and operational activity was seen. Further, access to other areas i.e. manufacturing area and godown was not made available during the visit. - At the time of visit it was also identified that H I Metal Industries and M/S. Global Metals Private Limited are running from the same premises and name Board of both the firms were displayed at the front and back side of the gate of the factory premises. - As per the stock statement submitted by the borrower for October 2023, an inventory value of Rs.16.50 crore was reported. However, during a site visit to the borrower's factory, no inventory was found on the premises, and it was told that the factory has been non-operational for over six months. This further calls into question the accuracy of the borrower's financial reporting and overall business operations and shows an intent to misappropriate funds and inventory. Investigation Remarks: - Post October 2023 till February 2024, the borrower credited funds of Rs.1.87 crore and debited funds of Rs.3 crore through CC account. Hence, there was net debit of Rs.1.13 crore during period from October 2023 till February 2024. - Therefore, it can be concluded that the borrower has misappropriated the inventory and/or sale proceeds have been diverted. - Drastic increase in sales on Y-o-Y basis: - Sales of the firm increased from Rs.13.51 crore in FY 2021 to Rs.49.54 crore in FY 2022 to Rs.130.09 crore in FY 2023 (as per GST filing). However

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				there was no major capex observed which may increase the production capacity of the unit. - o Further, it has to be noted that sales of firm started increasing from July 2022, during the time the borrower was sanctioned credit facilities from Axis Bank. - o This raises suspicion about the borrower that he may have intentionally increased the turnover of the firm to create the strong position of the firm in the eyes of the lender. - o Further, the firm was established in August 2020. In a very short span of time of less than 3 years achieving a turnover of Rs.130 crore seems little dicey. - o However, the borrower has neither shared the sales register nor any proper list of debtor ageing and ledger of the debtors with the lender hence, it seems that the turnover shown in the record is not on account of genuine sales. • Conclusion of forensic audit: - o The borrower's continued non-cooperation despite multiple opportunities, there is reason to believe that there may be an intent to misappropriate funds and inventory. - o However, it is not possible give any conclusive and concrete opinion due to non-cooperation. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 21.09.2024 seeking explanations on the following adverse findings of forensic audit: - o Transactions with related parties - o No inventory observed during physical inspection - o Misreporting during sanction of credit facilities - o Drastic increase in sales on Y-o-Y basis

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- No response has been received from the firm and/or partners of the firm towards SCN as on till date. - Modus Operandi Diversion of funds - Root Cause Inventory disclosed in stock statement disposed off and/or proceeds not routed through Axis Bank. Staff Accountability - In the present case, limits of Rs.24 crore was sanctioned by SEG segment. It was subsequently decided that the exposure should be parked in SBB segment, since they had initiated contact with group. - Subsequently, limits of Rs.25 crore was sanctioned by SBB segment, in compliance with Bank's internal guidelines. A number of deviations were permitted (viz. business vintage norms not met, Low RAM rating), which were approved as per delegation matrix for SBB segment. - As per SBB policy, maximum LTV of 80% has been stipulated for industrial property as collateral, with permitted deviation of 10%. LTV in the present case was 122%, which was significantly higher than permissible level. One time exception for the LTV guidelines was permitted by CRO, in view of the exposure being already sanctioned by SEG segment, in compliance with their guidelines. - In view of aforementioned, sanction of the exposure may be treated as a fair banking risk. - Post sanction of limits, inspection of the borrower's premises was not conducted as per policy guidelines. Accordingly, staff lapses have been attributed to concerned employees in coverage & operations. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			- Police complaint has been filed in the matter. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - Full provision has been made as per guidelines.
277	Sowbhagya Agencies - Branch – Ponnani - Wilful falsification, destruction, alteration, mutation of any book, electronic record, paper, writing, valuable security or account with intent to defraud	45.7	Background - Sowbhagya Agencies (SA) was engaged in wholesale distributorship of FMCG products of Hindustan Unilever in Malappuram, Kerala. - Mr. Manoharan and his wife, Ms. Baby Manoharan are equal partners in the firm - Axis Bank is the sole lender to the firm. - Axis Bank sanctioned cash credit limit of Rs.4.45 crore and ECLGS limits of Rs.0.28 crore in February 2022, including takeover of limits from ICICI Bank. Resolution and Recovery Actions - The account was classified as NPA on 29.12.2023. Recovery of Rs.0.20 crore has been made post NPA classification through own sources of the borrower. - Distress value of the collateral security was Rs.5.84 crore, against total loan exposure of Rs.7.49 crore (including exposure to group entity Allied Traders of Rs.3.04 crore and excluding ECLGS). SARFAESI action has been initiated in January 2024. RFA / Fraud Status - The borrower was classified as RFA on 02.04.2024, based on non-submission of stock statement by borrower for 123 days and suspicion of diversion of funds. - Axis Bank appointed SPR & Co. to conduct forensic audit of the borrower, wherein instances of misrepresentation in stock statement and misappropriation of inventory were identified.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Clarification on the adverse findings were sought from the borrower by issuing show-cause notice. Response submitted by the borrower was not found to be satisfactory. • The borrower was classified as 'Fraud', based on adverse findings of the forensic audit report. • Provisioning of Rs.3.20 crore has been held against the exposure as on 30.09.2024. Forensic Audit Observations Key points of the report are as under: • Non-cooperation from the borrower: - o Borrower did not cooperate during the forensic audit process. Hence, auditor could not access books of the accounts of the borrower to verify the underlying transactions. • Possible diversion of funds: - o Net payments of Rs.0.87 crore were made to related party, Allied Traders, during FY 2023 and FY 2024 from CC account. - o Payment of approximately Rs.1.31 crore were made to other financial institution viz. Tata Capital Financial Services Limited, Bajaj Finance Limited, Poonawalla Fincorp Limited and Kotak Mahindra Bank, during FY 2023 and FY 2024 from CC account. - o Due to non-submission of requisite documents by the borrower, nature and purpose of these payments could not be ascertained. Management Response: - o Payments to related party Allied Traders was done from OD & loan account maintained with Axis Bank. There is no irregularity in effective net payment of Rs.0.87 crore to Allied Traders. - o The borrower had availed funds from other financial institutions as well. For smooth conduct of the business, payments to these Fis were necessary. Since the borrower operated only one CC account, payment to Fis were made from the same. Therefore, there is no

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank	
				irregularity in payments of Rs.0.48 crore towards other financial institutions. Investigation Remarks: - o The borrower has not submitted any supporting documents to verify if the transactions with Allied Traders were done at arm's length and genuine. Hence, its claim of the transactions not being irregular is not acceptable. - o Further, borrower has utilized the CC account of Axis Bank for payments towards clearing outstanding with other financial institutions. As per credit proposal, borrower had availed various types of loans viz. commercial vehicle loan, business loan etc. from multiple financial institutions. - o Since, Axis Bank was the sole lender to the borrower, payments made from CC account of Axis Bank towards other financial institutions might have been done towards repayment of loan availed. • Misrepresentation in financial statement: - o There was overstatement of inventory and debtors, understatement of creditors in stock statement of March 2022 for availment of higher drawing power. - o Further, same value of inventory, creditors and debtors were reported in all the quarterly stock statements submitted from March 2022 till September 2023. Management Response: - o Taking accurate stock position in each month/quarter was not possible and practicable in view of the nature of the business. So, declaration for stock and book debts statements are approximate figures and may vary from actuals. - o The observation pertaining to same values of inventory, creditors and debtors across all stock statements cannot be considered serious in nature. Investigation Remarks: - o Response not found to be satisfactory • Physical verification on inventory:	

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o During physical visit at borrower's premises by the forensic auditor on 03.06.2024, it was observed that business unit was closed. Further, auditor was informed by the family member of the promoter that the business has been closed for more than 3 months. Hence, auditor was not able to access the commercial business place to evidence the existence of inventory and fixed assets. - o Both partners were not available at the location during the visit. Management Response: - o Due to acute financial crisis the business had to be closed down. Hence, on the day of the visit of the forensic auditor, the unit might have been found closed. Investigation Remarks: - o Borrower has confirmed that the unit has been closed down. Further, borrower has not provided any clarification on the position of the inventory vide response to SCN. - o Further, as per last stock statement submitted for September 2023, stock of Rs.2.80 crore was reported by the borrower. However, post September 2023 till date, borrower has credited only Rs.0.22 crore in CC and TL account of the Bank. - o Borrower has routed only minimal funds through Axis Bank accounts post September 2023. Further, it has not evidenced any inventory during the physical inspection by the forensic auditor. - o Therefore, it can be concluded that the borrower has misappropriated the inventory • Conclusion of forensic audit: - o Instances of diversion and misutilization of funds by the borrower have been observed. Further, instances of falsification of stock and book debts statement submitted to the bank were also observed.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Issuance of Show-cause notice (SCN) to the Borrower - The Bank issued Show-Cause Notice (SCN) to the borrower on 12.09.2024 seeking explanations on the following adverse findings of forensic audit: - o Payments to related party and other financial institutions - o Misrepresentation in financial statement - o No inventory observed during physical inspection. - Borrower has responded to SCN vide letter dated 02.10.2024. The response has found not to be satisfactory. Modus Operandi - Misrepresentation in stock statement to avail higher D Root Cause - Misrepresentation in stock statement to avail higher DP Staff Accountability - Post sanction of limits, inspection of the borrower's premises was not conducted as per policy guidelines. Accordingly, staff lapses have been attributed to concerned employees in coverage & operations. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post to be issued. - Police complaint has been filed in the matter. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - Full provision has been made as per guidelines.
278		K7 Traders (KT) - Branch – Tenkasi, Tamil Nadu - Misappropriation of funds and criminal breach of trust	42.3	Background - K7 Traders (KT), based in Tamil Nadu, was engaged into trading and distributorship rice, sugar and pulses. - Axis Bank is the sole lender to the firm. Axis Bank's SBB segment sanctioned CC limit of Rs.3.5 crore and ECLGS facility of Rs.0.45 crore to the borrower

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				on 23.12.2021, including takeover of limits from Karur Vysya Bank. Additional ECLGS limits of Rs.0.40 crore was sanctioned subsequently in 2022. - SBB segment also has exposure of around Rs.5.67 crore in 2 group entities – K7 Agency and APK Enterprises. These exposures have also slipped into NPA in 2023. Resolution and Recovery Action - The account was classified as NPA on 28.02.2023. - The 3 exposures are backed by a collateral security (residential-cum-commercial property) of MV – Rs.8.51 crore/DV – Rs.6.28 crore. - Post NPA classification, the Bank has swiftly initiated SARFAESI action and obtained physical possession of the collateral property. RFA / Fraud Status - Axis Bank classified the borrower as RFA on 02.04.2024, based on Stock statement pending for 306 days, business shutdown and suspected diversion of funds. - Axis Bank appointed SPR & Co. to conduct forensic audit. The forensic audit report was received on 24.09.2024, wherein diversion of funds and manipulation of stocks and debtors statements were highlighted. - Clarification on the adverse findings were sought from the borrower by issuing show-cause notice. However, no response has been received from the borrower. - The borrower was classified as 'Fraud', based on adverse observation in forensic audit report. - Provisioning of Rs.3.81 crore has been held against the exposure as on 30.09.2024. Forensic Audit Observations Key points of the report are as under: - Non-cooperation from Borrower

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				O Since the appointment of the forensic auditor, neither the partners of the firm has been reachable nor was any cooperation received from them during the course of audit. O During field visit at the residence and official premises of the borrower, the auditor observed that the businesses operated by Mr. Kesavan were K7 Traders, K7 Agency and APK Enterprises, which were all conducted from the same rented premises located at 18124 Eighth Street Surandai, PO: Surandai, District: Tirunelveli, State: Tamil Nadu, Pin – 627859. O The said premises had been demolished approximately six months ago. No inventory was found at the premises. O Investigation Remarks: ▪ As per the last Stock Statement submitted by the borrower for March 2023, the inventory reported was Rs.1.20 crore. ▪ Post March 2023, no funds have been routed through Axis Bank CC account till date. ▪ Therefore, it can be concluded that the borrower has misappropriated the inventory and/or sale proceeds have been diverted. • Related Party Transactions O APK Enterprises and K7 Agency are connected entities of borrower, K7 Traders, which is owned and managed by Mr. Kesavan P. Based on review of the Axis Bank CC Statement, net transfer of funds amounting to Rs.4.45 crore to APK Enterprises and K7 Agency have been observed during the audit period. O However, on account of Borrower's being non-responsive, non-cooperation and non-traceable in providing access to the Books of accounts, the audit could not verify the business rationale for such payments. It could not be determined if the amounts were

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				transferred at arm's length price to the related parties. • Payments to various individuals - o Review of loan sanction letter indicates that the cash credit facility and term loan were provided to support the working capital requirements of the borrower entity. However, multiple payments made to various individuals were observed, which suggest a misutilization of funds and violations of the intended end-use of these loans. - o Due to the borrower's lack of response and cooperation in providing the necessary books of accounts for verification, the audit was unable to determine the nature and purpose of the diversion of funds. • Excess drawing power availed by borrower - o The examination of the stock statements across various quarters from 31.12.2021 to 31.03.2023 revealed that the borrower consistently reported equal sales and purchase figures. Despite this, the closing stock balance reported in each quarter remained relatively stable, with a variance not exceeding Rs. 9 lac. - o This consistent closing stock, given the parity in sales and purchases, suggests that the stock was not effectively moving and may have been aged beyond 90 days. This stability indicates potential inflation of stock values, which enabled the borrower to avail excess Drawing Power. - o Review of debtor statements for the period from 31.12.2021 to 31.03.2023 revealed a recurring pattern of similar parties and transaction values. Discrepancies are noted between the debtors' balance in the stock statements and the debtor statements for the quarter ending 30.09.2022.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o Furthermore, duplicate entries of parties in the statements have been identified. The debtor statements also included related entities such as K7 Agency and Family Concerns, as well as balances reported for K7 Traders, indicating potential conflicts of interest and related-party transactions. The repetition of similar values and transactions among these entities suggests that the debtor figures may have been falsified, resulting in an inflated Book Debts value and excess drawing power. • Conclusion by forensic auditor: o The forensics audit has revealed instances of fund diversion and misutilization of funds and have identified instances of falsification of stock and book debts statement submitted to the bank. o Borrower has not cooperated with the forensic audit and has failed to provide the necessary books of accounts, documents, or explanations to substantiate our findings. This lack of cooperation raises concerns about a possible intent to defraud the bank. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 25.09.2024 seeking explanations on the following adverse findings of forensic audit: o Diversion of funds to related parties APK Enterprises and K7 Agency to the extent of Rs.4.45 Crores. o Misapplication of funds towards payment to various Individuals to the extent of Rs.0.44 Crores o The inaccuracies and falsifications in stock statements and debtor records indicate that the borrower has exceeded their drawing power • No response has been received from the firm and/or partners of the firm towards SCN as on till date. Modus Operandi

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Diversion of funds Root Cause • Inventory disclosed in stock statement disposed off and/or proceeds not routed through Axis Bank. Staff Accountability • Post sanction of limits, inspection of the borrower's premises was not conducted as per policy guidelines. • There was significant delay in sharing of documents with forensic auditor despite regular follow-ups, resulting in delay in conclusion of forensic audit. • Accordingly, staff lapses have been attributed to concerned employees in coverage, underwriting & operations. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO) • Full provision has been made as per guidelines.
279	Novatech Projects (I) Private Limited - Branch – CBB Kolka Wilful falsification, destruction, alteration, mutilations of any book, electronic record, paper, writing, valuable security or account with intent to defraud ta	98.7	Background • Novatech Projects (I) Private Limited (NPIPL) is a Thane based EPC contractor catering to clients in diverse industries. • NPIPL availed credit facilities from a Consortium led by SVC Co-operative Bank (total lenders: 4). The other lenders are Standard Chartered Bank (SCB), Axis Bank and Bank of Baroda (BOB). • Axis Bank sanctioned Supply Chain Finance (SCF) limit of Rs.2.50 crore in June 2018. SCF limits were since closed in FY 2022. • Subsequently, working capital limit of Rs.12 crore were sanctioned in December 2018 and ECLGS limits of Rs.0.25 crore in October 2020.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Resolution and Recovery Actions • NPIPL's operations were adversely impacted during COVID 19 lockdown, leading to substantial increase in working capital cycle. As the company was unable to fulfil its orders timely, HPCL and other parties stopped awarding fresh orders to it. There were several instances of LCs devolvement with lenders. • The account was classified as NPA by Axis Bank on 29.12.2023. • Notice u/s 13(2) of SARFAESI was issued on 31.07.2024. RFA / Fraud Status • NPIPL was classified as RFA on 04.03.2024, based on police complaint and FIR filed against the following promoters and directors, for availing home loan from Axis Bank by providing forged documents & siphoning off loan proceeds – Soumadeep Sukumar Ghosh (Loan Applicant), Madhuri Sukumar Ghosh, Rajdeep Sukumar Ghosh & Sukumar Kalipada Ghosh (Co-borrowers). • Lead Bank SVC appointed J Gupta & Co. LLP to conduct forensic audit of the borrower. The borrower did not cooperate in the forensic audit exercise and the audit was conducted based on information provided by the lenders. • Clarification on the adverse findings were sought from the borrower by issuing show-cause notices. Responses submitted by the borrower was not found to be satisfactory. • During personal hearing and subsequent mail interaction, the borrower provided response on some of the findings, which was also not satisfactory, as per our discussion with the forensic auditors. • The borrower was classified as 'Fraud', based on adverse observations in forensic audit report and internal investigation. • 100% provisioning was held against the exposure as on 30.09.2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Forensic Audit Observations Key observations from the forensic audit report are as under • Non-cooperation from the Borrower: - o 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. • Related party transactions: - o Mismatches have been identified in the financial statements of NPIPL in respect of related party transactions. The amounts differ from the corresponding figures of the previous year. - o Certain transactions with related parties amounting to net credits of Rs. 2.61 crore were observed while analyzing bank statements of the Consortium lenders. However, repayment of advances to or from related parties or any other related party transactions could not be analyzed due to inadequate information. Borrower Response on SCN: The mismatches shown by the auditor are due to difference in interest not been given or taken. It indicates that the company has given more advances. • Siphoning of funds - o The borrower was non-cooperative and did not provide access to books of accounts, thereby preventing the identification of any potential misappropriation of funds. - o The absence of accounts raises significant concerns, suggestive of potentially fraudulent activities, where the same asset or project is funded by multiple sources simultaneously. - o Borrower Response on SCN: The borrower was unable to provide the documents due to delay in completion of projects which led to financial crisis and cost overrun.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Discrepancies in Stock statements / Debtors schedule: - o On review of stock statements, it was noted that the WIP has been utilised more than the billing to debtors. Similarly, the raw material consumed is in excess of the addition to the WIP. This has resulted in the siphoning of funds amounting to Rs.93.82 crore. Borrower Response on SCN: The mismatch highlighted in raw material and debtors was due to price fluctuation at the time of actual utilization vis-à-vis project submission. - o Analysis of stock statements for the period April 2019 to March 2024 indicate that the stock rates per unit were consistent throughout, which is not realistic. - o Upto 31.10.2023, the unpaid debtors above 365 days was Rs. 19.13 crore which were reduced to Rs. 4.81 crore in November 2023 and further to Rs. 2.51 crore in December 2023. The manner in which the debtors were reduced is not known. Also, there were no repayment of loans to lenders. - o Borrower response during personal hearing dated 04.09.2024: The reason for lower debtors compared to earlier period is that the borrower has written off few debtors. No further explanation or supporting documents were provided by the borrower. - o There was a difference of Rs. 0.65 crore in the WIP closing balance of June 2023 and opening balance of July 2023. Similarly, there was a difference of Rs. 0.15 crore in the WIP closing balance of December 2023 and opening balance of January 2024. - o The actual receipts from customers were verified against the recoveries shown in the stock statements and discrepancies in the amount of receipts were identified based on the limited analysis of bank statements. Further, debtor balances

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				could not be reconciled due to lack of requested documents from the borrower. - o While analysing month wise work in progress in stock statements, it was found that original order value of some of the projects were changed and discrepancy was also found in percentage of completion of some projects. Further, percentage completion of one of the project (no. 1423) was 27% in August 2023. However, there was no information of this project from September 2023 onwards. - o There were no operations in January 2024 as per stock statement. - o Significant difference was noted in the Bank Overdraft figures as per stock statement and audited financial statements as on 31.03.2020, 31.03.2021 and 31.03.2022. - o There has been apparent overstatement of inventory and trade receivables in the stock statements to justify the bank borrowings and to avoid the account being classified as NPA. - o DP arrived at based on Stock statements submitted by the borrower for the period March 2020 to March 2023 was compared with the DP calculated by the forensic auditor - o It was noted that the DP as per Stock statement was higher for all financial years during the review period. Further noted that the total of outstanding balances in all Bank accounts under Consortium exceeded the DP calculated by the forensic auditor for March 2020, March 2021 and March 2022. • RFA by Axis Bank: - o In November 2023, Axis Bank filed a FIR with the Deputy Commissioner of Police (Crime) Thane, Maharashtra regarding Home Loan to Soumadeep Sukumar Ghosh, jointly with Madhuri Sukumar Ghosh, Rajdeep G.Ghosh and Sukumar Kalipada Ghosh, all directors of the borrower Company for cheating against Axis Bank by fraudulently

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				providing forged/fabricated document to the Bank. - o The property was purchased from Mr. Gaurav Vadhera and Mr. Pranav Vadhera (seller). Home loan of Rs. 6.90 crore was availed from Axis Bank for the said purchase in December 2020 and the loan amount was disbursed to the account of Mr. Gaurav Vadhera in two tranches (Rs. 2.60 crore on 07.01.2021 and Rs. 4.30 crore on 02.03.2021). However, the possession of the flat (Mortgaged property) was still in the possession of the seller. - o Based on verbal interaction and confirmation by Mr. Gaurav Vadhera and Mr. Pranav Vadhera (seller), it transpired that the disbursed amount received from the Bank was transferred to the loan applicant Mr. Soumadeep Sukumar Ghosh. On review of SB account of Mr. Soumadeep Ghosh maintained with SVC Bank, it was noted that an amount of Rs. 4.78 crore was received back in the said account of the promoter from Mr. Gaurav Vadhera (Seller) on 15.03.2021 via multiple transactions. - o The said transaction of property between Mr. Soumadeep Sukumar Ghosh and Mr. Gaurav Vadhera and Mr. Pranav Vadhera wherein loan was disbursed seems to be done only to siphon money and thereby causing unlawful gain to the borrower and seller and wrongful loss to the Bank. - o Despite the regular follow-up by the bank officials, the above-mentioned customer failed to make the payment and deliberately avoided the calls of the officials of the complainant Bank. - o Borrower Response on SCN: This is not related to NPIPLs operational activity as the loan was taken in individual capacity of the Director wherein the seller/agent had submitted fraudulent NOC. Hon'ble High Court has already granted him bail on the same.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o Investigation remarks: The above matter was investigated by Axis Bank and 4 promoter-directors of NPIPL were classified as 'Fraud' in their individual capacity on 10.10.2024. The fraud has been duly reported to RBI through FMR. • Double Financing of Invoices: o On review of the data available, trade and transaction data and underlying documents and as informed by SCB they had come across an incident about double funding against the same Invoice. o The borrower had availed financing under Domestic Invoice funding from SCB while the contract with the counterparty Technimont Pvt. Ltd. (TPL) was based on an underlying letter of credit, wherein invoice backed by LC was discounted through Kotak Mahindra Bank and BOB. Borrower Response on SCN: The bills raised are distributed amongst the member Banks. Hence, no double financing. Further, the bill raised against TPL has been discounted from SCB while the counter party may again discount it under any LC if it is drawn from any other Bank. The same is in usual course of business. Further, the bills are now settled. Borrower Response through email dated 05.09.2024 subsequent to second Personal Hearing dated 04.09.2024: • NPIPL's client Tecnimont made payment by RTGS and they had various other internal methods of making payments as per the credit lines available since they were executing a large Contract of Rs. 1500 crore from IOCL - DUMAD Refinery. • SCB discounted the bills only after confirmation received from Tecnimont and the LC received from Tecnimont of Kotak Mahindra Bank was also

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				discounted at SCB counters. The borrower questioned SCB as to why they discounted the bills and the LC both when the Bank was the same. • Conclusion by forensic auditor: 0 Though there are adverse observations noted in the forensic audit report, however, the same could not be established due to lack of documents. The account has been flagged for suspicious activities and warrants a thorough investigation to determine the underlying issues. Internal Investigations Findings • Related party transactions Borrower Response on SCN: The above funds were raised by the Promoters of NPIPL after COVID as per the request of the Bankers to reduce the working capital stress. Hence promoters raised unsecured funds and later converted into the Capital of the Company on the request of bankers. There are no funds which have been diverted. <i>Investigation Remarks: On review of audited financials of the company for FY 2021 and FY 2022, it is observed that there is capital infusion by Rs.12.23 crore during FY 2022. However, no explanation on payments made to promoter/directors on the same day of receipt of funds from them.</i> Issuance of Show-cause notice (SCN) to the Borrower • Lead bank SVC Bank, on behalf of the consortium, issued Show-Cause Notice (SCN) to the borrower on 26.07.2024 sharing the findings and forensic audit report and seeking explanations on the adverse findings, in compliance with RBI Master Direction (MD) dated 15.07.2024. • Responses from the borrower was received on 17.08.2024 which were not satisfactory. <i>(Responses have been</i>

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				<i>captured in previous section of this report)</i> Further, Axis Bank issued SCN to the borrower on 12.08.2024 seeking explanations on internal investigation findings on significant volume of related party transactions and suspicious fund movements. Response of the borrower through email dated 05.09.2024 have been captured in previous section of this report). Personal Hearing held on 28.08.2024 and 04.09.2024: The lead bank, SVC, scheduled a personal hearing with promoter of the company, Mr. Soumadeep Ghosh, on 28.08.2024. Representatives from all consortium lenders, including Axis Bank, were present in the hearing. However, Mr. Ghosh did not appear personally and was represented by his advocate, without prior intimation. The same was not acceptable to the lenders. The advocate requested for another personal hearing to be scheduled. A final opportunity for personal hearing was given to the borrower on 04.09.2024. Details of the discussion of the 2nd personal hearing with Mr. Soumadeep Ghosh is given below: Double financing of Invoice: The borrower initially responded that the LC was discounted by the party Technimont and not by NPIPL. However, the SCB officials showed the application (via screen share) given by NPIPL to Kotak Mahindra Bank for discounting the bills under LC for crediting the payment to BOB account. Mr. Ghosh then confirmed that the funds were utilised for SCB payment. He informed that the company's customers give LC and asks them to discount for receiving the payment and this was one of the methods used by Technimont to pay NPIPL. He further advised that these invoices are already settled.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				SCB officials stressed that the question is restricted to double financing against same invoice. Mr. Ghosh clarified that there is no diversion of funds done by NPIPL and the funds have been used for settling of bills only in a FIFO manner. Mr. Ghosh said that he will get back with the transactions by 05.09.2024. Non-cooperation with Forensic Auditor: The borrower was questioned as to why no support was given to the forensic auditor for conducting audit, on which no satisfactory response was provided by the borrower. Balance Confirmation from Debtors: The consortium questioned the borrower on the status of debtor payments and inventory since no payments have been received post January 2024. The borrower replied that he has not billed to his customers since the work is not complete and hence no payment has been received. The consortium asked the borrower to get counterparty letters confirming the same and submit the letters to the lenders. Suspicious Transactions as per stock statement for January 2024: As per stock statement of January 2024, new debtors were mentioned, such as Bajoria Exim, Vinayak Vibhuti Metal Craft, Shavias, Margo Metal Industries etc. Such transactions were not in line with the regular business activity. Mr Ghosh informed that some materials were sold to these parties and there are creditors as well in this regard. The Consortium noted that these transactions appeared to be book transactions as neither the money has been paid to creditors nor any realization received in NPIPL's account. The borrower was asked to provide details of bank account to check if any funds have been received from these parties. Further, the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrower was asked to provide the supporting ledgers of one counterparty mentioned in the stock statement - Grasim Industries. Post personal hearing, the lenders discussed and agreed that the explanation given by the borrower on double financing is not acceptable. It was decided that once the reverts / documents from Mr. Ghosh are received, the same shall be reviewed and final decision will be communicated. Response received from the borrower on 05.09.2024: Based on the discussions in the 2nd personal hearing, the borrower provided response vide email dated 05.09.2024, the details of which are captured in previous section of this report. The partial data submitted by the borrower subsequent to the second personal hearing was shared with the Forensic auditor for review. The draft supplementary Forensic audit report from the Forensic auditor was received on 29.10.2024 wherein adverse observations were noted. The final supplementary Forensic audit report is awaited. Modus Operandi • Misrepresentation in stock statements for availing higher DP. Root Cause • Misrepresentation in stock statements for availing higher DP. Staff Accountability • Axis Bank initially sanctioned SCF limits of Rs.2.50 crore in 2018. Subsequently, WC limits of Rs.12 crore were sanctioned under Consortium led by SVC Co-op Bank. Sanction and disbursal of the limits were done in compliance with the Bank's guidelines. • Security creation formalities have been completed. Regular account monitoring activities were conducted by the Consortium through periodic inspection and stock audits.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• The borrower was facing liquidity issues due to low operating level and elongated WC cycle since 2020. Large payments got stuck with debtors due to mismatch in delivery schedule. This had led to frequent devolvement of LCs. • Outstanding under Axis Bank's SCF limit of Rs.2.50 crore was gradually reduced, and the limit was closed in FY 2022. • Further, a plan for reduction in CC/LC limit by Rs.2.00 crore (reducing Rs.25 lac each month starting from April 2023) was negotiated with the borrower. However, the same was not successful. • Post NPA, SARFAESI action has been initiated by the Consortium. • No sanction or monitoring related staff lapses were identified. Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Full provision has been created.
280	Renu Dialani and Vinay Kumar Bhatia - RAC Faridabad - Availed home loan on defective title deed	20.4	Background • A home loan of Rs 2.04 crore was sanctioned to Renu Dialani and Vinay Kumar Bhatia (borrower/co-borrower) in September 2020 from RAC Faridabad. • The property was sold to them by a person named Raj Kumar Wadhwa, who provided a conveyance deed listing the previous owner as Madan Lal Wadhwa and claimed himself as son of Madan Lal Wadhwa. • The account became NPA in February 2023 due to non-payment of EMI, with a principal outstanding of Rs.1.99 crore. Post NPA and during recovery follow-up, when collection team visited the property, they observed that it was

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				owned by Madan Lal Wadhwa, who had only 2 daughters. Internal Investigations Key findings of Internal Investigation are as under: • During investigation it was observed that the actual owner of the property is Madan Lal Wadhwa, who is having physical possession of the property and has no son (Madan Lal Wadhwa has only 2 daughters). • Further, while reviewing the latest CERSAI reports, it was noted that three home loans from three different banks have been availed on the same property. The first loan was availed from IDFC Bank on 18.09.2020, with Vinay Kumar Bhatia as the main applicant and Renu Dialani as co-borrower. The second loan is from Axis Bank on 21.09.2020, with Renu Dialani as main applicant and Vinay Kumar Bhatia as co-borrower. The third loan is from Kangra Co-operative Bank on 04.02.2021 where the loan has been availed by one Mohit Nayyar (third person) • PAN verification of the seller with the issuing authorities (IT department) revealed that an impersonator, representing himself as Raj Kumar Wadhwa and claiming to be son of Madan Lal Wadhwa has created a defective property title through a fake transfer deed (bearing forged signatures of actual owner) and registered it at the SRO Faridabad in December 2019 . • Hence, this shows that multiple title deeds have been created for the same property for availing multiple loans. Further, this also indicates that the loan availed from Axis Bank is on defective title deed, which is a fraudulent transaction. • Post NPA, when the bank's team visited the borrower's residence for recovery, it was noted that the borrower/co-borrower Renu Dialani and her husband Vinay Kumar Bhatia were absconding.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The KYC documents of both the borrowers were found to be in order whereas the KYC documents of the seller Raj Kumar Wadhwa was fabricated. Thus, it indicated that the seller Raj Kumar Wadhwa has impersonated his identity. • Based on above-mentioned facts & findings, the incident was classified as “Fraud” perpetrated by borrowers Renu Dialani and Vinay Kumar Bhatia and Raj Kumar Wadhwa (unknown impersonated seller, whose identity could not be established during the investigation). Issuance of Show Cause Notice to the Borrower • The Bank issued show-cause notice to the borrowers, seeking explanations on the adverse findings of the investigation. However, the borrower did not respond to the same Modus Operandi • Loan availed by the borrowers on defective title deed. Root Cause • Borrower and Seller fabricated property documents and availed multiple funding Staff Accountability • Lapses have been identified on the part of one staff as negligent (Sales Manager, who failed in due-diligence at the time of sourcing). • Lapses have also been identified on the part of DSA (Sourcing Agent) and Verifying Agency who carried the seller verification. Recommendations have been made for issuance of advisory and appropriate penalties as per SLA. Action Taken / Proposed • Order intimating ‘Fraud’ classification by registered post to be issued. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			to the Serious Fraud Investigation Office (SFIO). Full provision has been made as per guidelines.
281	BIN (Bank Identification Number) attack on various Axis Bank Credit Cards from overseas soil.	27.6	Background - During internal card transaction monitoring activity, an attempted BIN (Bank Identification Number) attack was identified across 108 Axis Bank credit cards between 16th and 23rd July 2024. - In BIN attack, the fraudster has first 6 digit of the card number (typically known as BIN) and reconstruct the remaining 10 digits of the card number along with the expiry dates through various permutations and combinations using computer software. - This attack was from two merchant codes of Amazon Web Services from USA and Australia, via unsecured (i.e., no OTP, no PINs) cross border transactions, and 565 transactions were attempted, across 108 cards, in a short period of time, using these reconstructed card numbers and expiry dates. - Of these, 299 got through, across 96 credit cards, for a total amount of Rs 240.79 Lakh. Further, out of these 299 transactions, 18 transactions were 0 value transactions. Hence effectively there were 281 transactions aggregating to INR 240.79 Lakh across 96 cards. - The said amount is being reversed proactively, to the affected cards, and the cards are being reissued. - Since there was no two-factor authentication required, the amount is fully recoverable by the card issuing Bank. - The above incident has already been reported on DAKSH Portal of the RBI. - Further the incident also has been updated to the Board of Directors on 7th Aug 2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Brief about BIN (Banking Identification Number) Attack: • The first six digits on a credit card constitute the Bank Identification Number, which is known as the BIN number. A BIN identifies the institution that issues the credit or debit card. • The use of the BIN numbers by the fraudster in scams is known as BIN Attack Fraud. The fraudster obtains a BIN and uses software to generate the remaining numbers. They, then test the numbers using small transactions through online retailers until they find a valid and active card number. • it is abundantly clear that this enumeration attack was a “Brute Force attack” using card number and Expiry Date identifiers. • Common signs of a BIN attack: - o Multiple low-value transactions that are unusual related to the business. - o Multiple declines. - o Unusually high volumes of international cards. - o Large quantity of transactions being processed or attempted in a short period of time. - o Card numbers being used repeatedly with variations in the security features. - o Unusual transaction times. Investigation Findings • During internal card transaction monitoring, an attempted BIN attack was identified across 108 Axis Bank credit cards between 16th and 23rd July 2024. • it was abundantly clear that this enumeration attack was a “Brute Force attack” using card number and Expiry Date identifiers. • Given India’s two-factor (OTP, PIN) authorization regime, such attacks usually originate from the overseas land. Additionally, this type of transactions does not require the CVV (the 3-digit

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				code on the card), hence the transactions are successfully processed. • In the instant case, this attack was from a merchant, Amazon Web Series through their 2 MIDs i.e., 185119000762203 and LZ6AIVASTE5D2X1, from USA and Australia, via unsecured (ie: no OTP, no PIN) cross border transactions. • There were 9 BINs across 108 cards. Mostly they were Axis Bank Rewards Credit Card and Axis Bank Shoppers Stop Credit Card, followed by other Axis Bank Credit Cards. • There were 565 transactions attempted across 108 cards, in a short period of time, using these reconstructed card numbers and expiry dates. The amount was aggregating to Rs. 275.50 Lakh. • The above amount included the transactions which could not pass through due to various rules placed in the credit card transaction monitoring system to prevent the suspicious transaction. • Of these, 281 transactions got through, across 96 credit cards, aggregating to an amount of INR 240.79 Lakh. All this amount has been reversed in the respective customer's card proactively through chargeback, and the cards are being reissued to them. • Since there was no two-factor authentication required, the amount is fully recoverable by the card issuing Bank. • The existing control placed in the systems worked as transactions were declined basis the RTD rules (Real Time Decline) viz., card not present transaction on suspected / fraudulent MID and count of transaction within the time frame. This led to a prevention of potential exposure of Rs 34.71 Lakh vide 266 transactions. • During investigation, the date of issuance of the impacted 108 cards was analysed. It was observed that only 2

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				cards were found to be issued in the year 2024, and none of the cards were issued in the month of July 2024 i.e., month during which the BIN attack took place. • Remaining all cards were issued prior to year 2024. • Furthermore, there was no instance reported with respect to data breaches/compromise in the Bank as a part of Data Leakage Policy (DLP). • Upon identification of the instant case related to BIN attack, the same was reported to RBI by the Bank through DAKSH portal on 24-07-2024. Modus Operandi • The card numbers were tested with an account status inquiry with zero value transaction to determine if a targeted card is active. The attack originated in USA and Australia and started by testing transactions on cards predominantly pertained to 9 BIN's, with 565 non two factor authentication – card not present transactions being attempted on 108 cards from 2 identified MID's between 16th and 23rd July 2024. Root Cause • The fraudster used “Brute Force Attack” methodology to reconstruct the complete card number based on the identification of the BIN number and performed the international transaction wherein no two factor authentication was required, nor was it required CVV number, printed on the card. Learnings from the Fraud • ASI (Account Status Inquiry) to fraud relationship – The attacker post guessing the Card number and Card Expiry dates most likely validated the information through this service. • Randomize card numbers / expiry date: We understand that cards system providers (TSYS or Vision+) do not have a ready solution for this as the partner has not received such a demand

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			from any Bank globally. While the Bank is in the process of deliberating and discussing the solution around the challenges faced in card number randomization. Action Taken / Proposed • The Bank had taken up with the regulator / IBA / Network operators exploring the possibility to mandate CVV (Three-digit number on the back side of the card) for cross border transaction viz., cards issued in India. With this, the reconstruction of card number may become difficult for the fraudsters. • Based on the instant BIN attack incident, an additional RTD scenario has been introduced to further strengthen the monitoring of the card transactions. • The MIDs, where these transactions had emanated from, have been blocked for further transactions on the Bank's system. These MIDs also have been reported to the network (Visa) for further course of action at their end, via the USA and Australia acquiring bank/s. Additionally, these MIDs are added to Axis' transaction monitoring system to ensure any further unsecured e-commerce cross border transactions are declined. • Police complaint has been lodged in the matter. • Charge Back has been credited in all impacted credit cards. • Out of 108 cards impacted credit cards, 104 cards have been replaced. Out of remaining 4 cards, 2 cards are closed due to customers deceased and another 2 cards have been cancelled by the customer themselves, hence cannot be replaced.
282	Kurush Patel (Impersonated) - Impersonated account opened for routing of fraudulent collection of funds	33.8	Background • A Burgundy Savings Bank (SB) account is being maintained in the name of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Kurush Patel at Sarthana Branch, Surat, since 15-06-2024. • The above-mentioned account was sourced by the staff, Undhad Krina, Deputy Manager-Sales. • On 03-09-2024, Undhad Krina was arrested by the Police in a case related to aforesaid account found to be impersonated by the third party. • FIR has been lodged by the victim customer, Kurush Rustamji Patel, alleging unscrupulous persons for opening of a Bank account with forged KYC documents in his name. • It was observed that after the account opening, an aggregate amount of Rs. 3,38,09,490/- was credited in the account vide 3 outward clearing cheques drawn on IDBI Bank by the drawer, Nirmalaben Laljibhai Patel. This amount was immediately withdrawn from the account through RTGS mode and cash withdrawals. • Apparently, the said amount was received against the sale of land of the victim Kurush Rustamji Patel fraudulently. However, the sale deed was not materialized Investigation Findings • The account of Kurush Patel (impersonated) was opened through TAB application wherein the live photograph of the customers was captured along with image of the fake Voter ID and PAN card of the customer Kurush Patel. • Along with, a self-signed personalized cheque drawn on RBL bank was provided by the customer towards the initial funding. Apparently, the account in RBL Bank was also an impersonated account. Further, the live photograph of the customer was matching the KYC documents. • The customer had also provided self-declaration regarding the communication address being different from the voter ID and his specimen

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				signature being different from the PAN. (The specimen was matching with the signature on initial funding cheque) • After account opening, in July 2024, an amount of Rs.3,38,09,490/- vide 3 clearing cheques was credited in the account followed by the immediate withdrawals through RTGS and cash. • Transaction alert was generated in the account with respect to above high value credits received in the account however, since the account was Burgundy account, as per the extent process, the account was not marked freeze instead, the alert was referred to Branch for further due diligence. • The impersonated customer personally visited Branch and confirmed that the credits are pertaining to the proceeds of the land sale. Basis customer confirmation, the alert was closed in the system by the Branch. • In August 2024, Sarthana Branch received a notice from the Police seeking account related information pertaining to the instant impersonated account. • Subsequently in September 2024, the Police arrested account sourcing staff, Undhad Krina. Through discreet inquiry it was transpired that aforesaid account was impersonated by an unknown person/s by way of fabricating the KYC documents of the victim, Kurush Rustamji Patel • Victim, Kurush Rustamji Patel had filed FIR against group of persons alleging misuse of his KYC document to open a bank account and routing the funds received through unauthorised sale of his land. It is noteworthy that no sale deed has been executed / registered with the Sub Registrar office in the instant matter however, an attempt was made so. • Further it was transpired that the account sourcing staff, Undhad Krina had sourced the account from hotel Tapi in Kamrej, Surat. Police has arrested so far

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				9 persons including the staff of Axis Bank. It has been learnt that the bail application of Undhad Krina has been rejected, and she is still in the Police custody. • Upon transpiring the account impersonation, the KYC and onboarding of the aforesaid account were examined whereby it was observed that: a. Photograph and signature on the PAN card were not matching the respective Income Tax records. b. The Voter ID details could not be found on National Voter Service Portal. c. While initiating the AOF in the system, the communication address was mentioned as per Voter ID whereas the customer had provided self-declaration for the communication address being different from Voter ID. The Geo Coordinates captured was pertaining to the declared communication address. Fresh field verification during investigation at the declared communication address was found negative as the customer Kurush Patel was not residing at the address. d. The Branch Head declaration uploaded in the system with respect to customer's signature done in his presence, was found pertaining to another customer. e. The AOF was queried by CPU seeking clarification about communication address to be registered as per declaration or Voter ID. The Branch Operations Head, Prashant Kania basis confirmation from Undhad Krina further confirmed to CPU about the communication address to be registered as per Voter ID. f. The AOF was authorised by the Branch Head, Robin Modi, Senior Manager, Emp No 53465 g. The above indicates that proper field verification at the communication address registered in the account was not ensured at the time of onboarding.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- During investigation, field verification at the address as per Voter ID card was not conducted since the victim customer has already lodged FIR alleging misuse of his KYC documents. Further, the address on Voter ID card was same as mentioned in the FIR lodged by the victim customer. - The Branch Head, Robin Modi had authorised the above account opening in the system wherein the anomaly was observed with respect to the field verification. - Lapses have been observed on the part of account sourcing staff, Undhad Krina for failing to conduct field verification at the address as per Voter ID and attaching the Branch Head declaration pertaining to another customer with the instant AOF. - Lapses have also been observed on Prashant Kania, Manager and Branch Operations Head, failing to ensure that proper field verification is done by the sourcing staff, Undhad Krina, before responding to CPU and documentary evidences are not obtained from the customer regarding the large value credits received in the account at the time of transaction alert generated in the newly opened account. - Basis the above findings, it is apparent that the account was impersonated by unknow person/s for routing the fraudulent collection of funds. - In the instant case, so far there is no claim received by the Bank for the amount involved. However, claim may be received in future since matter is being investigated by the Police. Hence, 100 % provision is being recommended for the amount involved in the instant matter. Modus Operandi - The fraudster/miscreant impersonated the victim customer by way of forgery/fabrication on the KYC

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				documents viz. Voter ID card and PAN card of the victim customer. - The Savings Bank account was opened with the Bank based on the forged/fabricated documents to route fraudulent collection of the funds. Root Cause - Although the KYC documents were forged/fabricated to appear genuine/original, failure to conduct the proper field verification / due diligence at the time of account opening allowed onboarding of the fraudulent account and routing of fraudulent funds. Staff Accountability - Staff accountability has been identified in respect of the account sourcing staff, Undhad Krina – Deputy Manager Sales, being gross negligent in terms of failing to conduct proper field verification at the time of onboarding. - Staff accountability has been identified in respect of the Senior Manager and Branch Head, Robin Modi being gross negligent in terms of failing to ensure that field verification at the communication address registered in the account is done at the time of account opening and lacking the supervisory oversight in terms of high value transactions in the newly opened account. - Staff accountability has been identified in respect of the Manager and Operations Head, Prasant Kania being gross negligent in terms of failing to ensure that field verification at the communication address registered in the account is done at the time of account opening before responding to CPU and in terms of performing due diligence while responding to transaction alert generated in the newly opened account. Action Taken / Being initiate - AML team is recommended to file STR in the impersonated account of Kurush Patel.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Sarthana, Surat Branch is advised to suspend the CIF ID of impersonated Kurush Patel. • The contact details of impersonated Kurush Patel are being shared with Hunter Team for inclusion in their negative list. • Police complaint has been filed in the matter. • F & A team is advised to make 100 % provision for the net amount of exposure to the Bank i.e. 3,38,09,490.00 • Staff lapses has been referred to Ethics. • CPU has started capturing and uploading screen shot of voter ID validation window in system under Others/Annexures folder in scrutiny work step, W.E.F 05-11-2024.
283	Furnace Fabrica (India) Limited - (FFIL) [Branch – Vashi, Mumbai] - Manipulation of books of accounts or through fictitious accounts	121.8	Background • Furnace Fabrica (India) Limited (FFIL), incorporated in 1985, is a Mumbai based company engaged in providing EPC (Engineering, Procurement and Construction) services. • FFIL availed credit facilities of Rs.223.90 crore from a Consortium led by State Bank of India. The other lenders are Axis Bank, EXIM Bank and Standard Chartered Bank. Axis Bank's share was approx. 9.59% as per NPA status note. • Axis Bank sanctioned working capital limits of Rs.35 crore in 2009. The limits were reduced to Rs.26 crore in September 2021. • The company's operations were adversely affected in FY 2019/FY 2020 due to fluctuations in metal and oil prices. FFIL was further impacted due to COVID pandemic, leading to liquidity stress and irregularities in the account. • Bank guarantee issued by Axis Bank was invoked on 29.06.2022 and FFIL was classified as an NPA by Axis Bank on 27.09.2022. • FFIL was admitted for CIRP vide order dated 01.11.2023 from NCLT. Total claims admitted from 5 financial

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				creditors is Rs.186.44 crore, including Rs.14.13 crore from Axis Bank RFA / Fraud Status • SBI appointed J Bansal & Co. LLP on 16.03.2024 to conduct forensic audit of the borrower. However, due to non-cooperation from the borrower, the forensic audit report submitted on 30.09.2023 was inconclusive. It was decided in JLM that, since the forensic audit report is inconclusive, the account shall not be marked as Fraud. • However, SBI reported the account as RFA on 29.12.2023. Other lenders agreed to take a final call on the matter post closure of the transaction audit, which was initiated by the Resolution Professional on 18.12.2023. • The transaction audit report was received on 10.09.2024, wherein fraudulent transactions, under IBC Code, were identified. • SBI informed the JLM that classification of the account as Fraud was being recommended to their competent authority. • Based on above, Axis Bank classified the borrower as RFA on 17.09.2024. • The Resolution Professional appointed SAPR & Co. as the transaction auditor of the company, under CIRP. The key findings highlighted that adjustment entries were passed in the books of accounts towards undertaking fraudulent and preferential transactions. • Clarification on the adverse findings were sought from the borrower and Directors by issuing show-cause notice. However, the letters were undelivered to the addresses in the Bank's record. No response has been received till date. • The borrower was classified as 'Fraud', based on adverse findings of transaction audit report and Fraud classification by Lead Bank. • 100% provision was held against fund-based principal outstanding as on 30.09.2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Transaction Audit Findings Key observations from the transaction audit report are as under: Section 66 – Fraudulent or Wrongful trading • Transaction with HPCL – Mittal Energy Ltd. (Client) - o Entity, HPCL-Mittal Energy Ltd (HMEL) has been identified as a related party of FFIL due to common directorship. - o During the period 01.04.2021 to 31.03.2023, significant entries have been passed in the account of HMEL. Detail of the transactions are as follows: ▪ Sales of Rs. 8.79 crore have been made by FFIL to HMEL, whereas net collections were observed for only Rs.3.83 crore. ▪ Further, adjustments of Rs.1.51 crore were made in HMEL's account against 19 ledgers. The narration for such adjustment was stated as <i>"Payments have been made by 'HPCL- Mittal Energy Ltd. (Client)' on behalf of FFIL Punjab"</i>. ▪ The above transactions resulted in a closing receivable balance of HMEL at Rs.2.56 crore. - o The above adjustment transactions of Rs.1.51 crore have been considered u/s 66 of IBC 2016, due to no substantial receipts against sales and transfer of balances across multiple ledgers. It cannot be ascertained if such amount have been actually paid or are only accounted in the books of account. • Transaction with Grasim Industries Limited (Client) - o During the period, 01.04.2021 to 31.03.2023, significant transactions have been conducted in the ledger account of Grasim Industries Limited (GIL): ▪ Sales of Rs.4.71 crore have been made by FFIL to GIL, wherein no collections were observed in the books of account. ▪ Further, adjustments of Rs.5.55 crore were made in GIL's account against 20 ledgers. The narration for such

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				adjustment was stated as <i>"Payments have been made by "Grasim Industries Limited (Client)" on behalf of FFIL Gujarat"</i>. ▪ The above transactions resulted in a closing receivable balance of GIL at Rs.0.80 crore. o The above adjustment transactions of Rs.5.55 crore have been considered u/s 66 of IBC 2016, due to no substantial receipts against sales and transfer of balances across multiple ledgers. It cannot be ascertained if such amount have been actually paid or are only accounted in the books of account. • Transaction with Oriental carbon & chemical Limited (Client) o During the period, 01.04.2021 to 31.03.2023, significant transactions have been conducted in the ledger account of Oriental carbon & chemical Limited - (OCCL): ▪ Sales of Rs.4.78 crore have been made by FFIL to OCCL, wherein net receipts of Rs.0.13 crore were observed in the books of account. ▪ Further, adjustments of Rs.3.58 crore were made in OCCL's account against 41 ledgers and adjustment of Rs.0.49 crore was made against the FFIL's internal account known as "Head Office". The narration for such adjustment was stated as <i>"Payments have been made by "Oriental carbon & chemical Limited - (Client)" on behalf of FFIL Haryana"</i>. ▪ The above transactions resulted in a closing receivable balance of OCCL at Rs.0.01 crore. o The above transactions of Rs.4.07 crore have been considered u/s 66 of IBC 2016, due to no substantial receipts against sales and transfer of balances across multiple ledgers. It cannot be ascertained if such amount have been actually paid or are only accounted in the books of account. • Transaction with RV Industries

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o During the period, 25.04.2021 to 31.10.2023, significant transactions have been conducted in the ledger account of RV Industries - (RVI): ▪ Opening receivable balance of RVI for Rs.2.37 crore have been adjusted with prior period expenses of Rs.3.87 crore, without any stock/ purchase movement. This adjustment had converted receivable balance of RVI to payable balance of Rs.1.65 crore on 25.12.2021. ▪ This payable balance was further adjusted in FY 2022 and FY 2024 with entities, Ramky Infrastructure Limited and FFIL's internal ledger (Telagana Branch) by Rs.0.12 crore and Rs.0.22 crore respectively. ▪ Further, scrutiny had revealed that payable balance of RVI had been adjusted against receivable balance from entity, Ramagundan Fertilizers and Chemicals Ltd ▪ The above transactions resulted in a net payable balance of RVI at Rs.1.32 crore - o These adjustment transaction of Rs.3.87 crore were classified under Section 66 of the IBC 2016 due to lack of supporting documentation and approvals for the write-off (prior period expense), reversal/ adjustment of different parties. • Sale of Lanjigarh Land - o Books of account review highlighted that during the period 01.04.2022 to 01.11.2023, Director of FFIL, Abdul Reheman Basheeruddin had sold off asset, "<i>Lanjigarh-Land</i>" in his personal capacity to unknown party, Mamata Mahapatra for Rs.0.20 crore. - o Review of asset schedule for FY 2023 highlighted that, the land and building was sold for less than the written down value of the asset (WDV), resulting in a total loss of Rs.0.35 crore. - o Further, sale price as per the sale deed was Rs.0.21 crore, however, sales collection recorder in books of account was for Rs.0.20 crore. - o Based on the above, these transactions of Rs.0.21 crore were classified u/s 66 of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the IBC 2016, as sale of land consideration in personal capacity and sales transaction was not fully recorded in the books of Account. Further, due to lack of documentary evidences it cannot be ascertained whether the sale transaction was carried out correct valuation or the land has any charge. • Reduction in Ownership of Furnace Fabrica India Ltd in Furnace Fabrica International Ltd o FFIL had invested in an entity, Furnace Fabrica International Limited. FFIL owned 10,00,000 equity shares of Furnace Fabrica International Limited for Rs.10 each as at 31.03.2022. o However, during FY 2023, Furnace Fabrica International Limited had issued fresh equity of 40,00,000 equity shares of Rs.10 each to Mr Sashikiran Prasad. This had resulted in reduction of ownership of FFIL in Furnace Fabrica International Limited from 100% to 20%. o As per the representation shared by RP, these shares were issued without the necessary notices being served for passing any resolutions. In the view of this, these transactions were classified under section 66 of IBC,2016 o It may be noted that Mr. Shashikaran Prasad holds 12% of total paid up equity capital of FFIL. • No corresponding assets against Vehicle loan o Review of books of accounts highlighted that FFIL had accounted for a car loan with the ledger name, “Car Loan 9600” under its Kerala Branch with an opening balance of Rs.0.04 crore, during the period 01.04.2021 to 01.11.2023. However, the said car was not reflecting in the assets side of the borrower’s Kerala Branch books. Further, EMI payments were being made by Head office. o In the absence of the complete details, existence of the car cannot be ascertained.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Sales of Plant & Machinery - o Review of books of accounts during the period, 01.04.2021 to 01.11.2023, highlighted that FFIL sold plant & machinery of Rs.4.07 crore to entity, "Purab Crane Services" on 06.07.2021 and 11.08.2021. - o However, no depreciation was accounted for the said asset during the above period. Further, no profit or loss on sale have been accounted in the books of accounts. - o Due to lack of documentary evidences it cannot be ascertained whether the Plant & machinery was sold at correct valuation. • Sale of stock on value less than Cost - o Review of inventory during the period, 01.04.2021 to 28.07.2023 highlighted, that stock were being sold at a value below the cost. The key observations are outlined as follows: ▪ Karbon Steelmart Pvt. Ltd – It was noted that FFIL had purchased Fabricated Structure from "Karbon Steelmart Pvt. Ltd.-Gujarat" in the range of Rs.72,000 to Rs.97,000 (Average price- Rs.86,909) and sales were made to "Karbon Steelmart Pvt. Ltd.- Client" at a selling rate of Rs.60,000. Further, scrutiny highlighted that total quantity purchased was of 180 and sale was of 338 quantity, which resulted in a net loss of Rs.0.91 crore. ▪ Siddhi Enterprise - – It was noted that FFIL had purchased CS PIPE–350NB X SCH40 from "Siddhi Enterprise" at the rate of 50 plus freight charges and sales were made to "Siddhi Enterprise – Surendra Sharma" at a selling rate of Rs.50. Further, scrutiny highlighted that total quantity purchased was of 23,250 on 10.08.2021 was after the sale of 23,814 quantity on 03.05.2021, which resulted in a net loss of Rs.23,000, due to non-inclusion of freight charges. - o These transactions have been classified under section 66 of Insolvency and

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Bankruptcy Code, 2016 since the sale was made at undervalued price. • Transaction with Rajendra Metals Supply Corporation o During the period 01.04.2022 to 01.11.2023, various adjustment entries were made in the account, Rajendra Metals Supply Corporation (RMSC). RMSC had an opening balance of Rs.0.25 crore, multiple inter- branch transfers were made between FFIL's Gujarat branch, Kandla branch and the HO o Above transactions resulted in a receivable balance of Rs.0.80 crore in RMSC was further transferred to "R V industries" for adjusting the outstanding balance. o Due to lack of documentary evidences, it is not ascertainable whether the settlement transactions of Rs.0.80 crore have actually been paid by "Rajendra Metals Supply Corporation. • Stock sold without having corresponding inventory o Review of books of accounts highlighted that as per the stock report of HO, Outward supplies of 129 items were made, despite there being no corresponding inward supply or opening stock for these items. This discrepancy resulted in an overstated outward supply and led to a negative closing stock of Rs.19.30 crore. o The above transaction was classified u/s 66 of IBC 2016 since 129 item have outward supplies without any inward supply in the books of accounts leads to negative inventory in the books. • Transaction with Parties o Review of ledgers during the period 01.04.2022 to 01.11.2023 highlighted, receivable balances of Rs.36.47 crore from 6 parties, from where payment and receipt were being made without any narration or substantial evidence justifying the same. o Moreover, the payments made were not received back till the end of FY 2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				However, there were still outstanding receivable balance of Rs. 36.47 crore from the parties. Details are as follows: Section 43 – Preferential transaction • Transactions with National Aluminum Company Limited o During the period from 01.11.2022 to 01.11.2023, significant transactions were conducted with National Aluminum Company Limited (NACL). o Books of accounts review highlighted adjustment entries of Rs.7.14 crore, wherein NACL's account have been credited against entity, Zetwork Manufacturing Business Limited. The adjustment entry had a narration "Payments have been made by National Aluminum Company Limited - (Client) on behalf of FFIL Odisha". o Above transactions of Rs.7.14 crore were considered as Preferential transactions u/s 43 of IBC due to non-receipt of funds from NACL and giving preference to Zetwork Manufacturing Business Limited. Inflow/ outflow of actual funds cannot be traced owing to lack of documentary evidence. • Transaction with Ramagundan Fertilizers and Chemicals Ltd. o During the period from 01.11.2022 to 01.11.2023, significant transactions were conducted with Ramagundam Fertilizers and Chemicals Ltd (RFCL). o Books of accounts review highlighted adjustment entries of Rs.4.12 crore, including adjustment of Rs.3.98 crore made to RFCL's receivable balance with 8 parties and FFIL's internal account known as "Head Office", resulting in net payable balance of Rs.1.02 crore. The narration for these transaction were "Payments made directly from Ramagundam Fertilizers and Chemicals Ltd on behalf of FFIL Telangana Branch". o Above transactions of Rs.3.98 crore are classified as preferential in nature, since no funds have been received from RFCL and instead preference has been given to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				8 parties. However, due to insufficient documentary evidence, it cannot be ascertained if the settlement had actually occurred or these are only book entries. Discussions of Transaction Audit Report in JLM • A JLM was convened on 05.09.2024 to discuss the transaction audit report dated 22.06.2024. Following were the key points discussed: - o Transaction audit report contains two types of PUF transactions amounting to Rs.88.93 crore. Preferential transaction under Section 43 – Rs.11.12 crore, preferential transactions under Section 66 – Rs.77.81 crore. - o SBI informed all the lenders that they have put up the transaction audit report to its Fraud Identification Committee for review of the account and their committee vide its meeting dated 12.08.2024 have identified the borrower as fraud and advised to issue SCN to the borrower. Subsequently, SBI had issued the SCN to the company, its ex-promoter on 22.08.2024. - o SBI advised all the lenders to take up the matter individually. - o Status with other banks: As per the CRILC, SBI had classified the borrower as fraud on 14.10.2024. Apart from Axis Bank, EXIM Bank had classified the borrower as RFA on 25.07.2024. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower and Directors on 06.11.2024, seeking explanations against aforementioned transaction audit findings. • The letters were undelivered to the available addresses with the bank. No response has been received from the borrower till date. Modus Operandi • Manipulation of accounts Root Cause

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Passing adjustment entries in books towards undertaking fraudulent and preferential transactions. Staff Accountability • FFIL was a provider of EPC services for Sulphuric Acid and Ore Processing plants, with reputed clientele. Axis Bank sanctioned working capital limits of Rs.35 crore to FFIL in November 2009, under a Consortium led by SBI. Axis Bank's share in Consortium was 9.59%. • The conduct of the account was reported satisfactory till 2015. In 2016, the company faced stagnant sales and stretched liquidity, due to centration of orderbook in Vedanta group. This led to Axis Bank restricting limits to Rs.12 crore. • Limits were restored back in 2017, pursuant to growth in topline and improvement in financial position, reflected by satisfactory credit rating from CRISIL and India Rating. Subsequently, Axis Bank maintained exposure at existing level, in spite of SBI/Standard Chartered Bank enhancing their limits and introduction of EXIM Bank, due to concerns over stretched receivables and withheld retention money. • The company's operations were adversely affected in FY 2019/FY 2020 due to fluctuations in metal and oil prices. Operations were further impacted due to COVID pandemic, resulting in liquidity stress and irregularities in the account. In order to reduce exposure, BG margins were increased and BG utilization was restricted at existing level during FY 2020, subsequently in September 2021, the limits were reduced from Rs.35 crore to Rs.26 crore. • Regular monitoring of account were undertaken as part of the Consortium. The status of the account and various risk factors were periodically put up to competent authorities and remedial

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			steps have been taken to reduce exposure from peak level of Rs.30+ crore to Rs.15.57 crore presently. - Presently, resolution under CIRP is being pursued and transaction audit has been conducted. The findings pertained to manipulation in books of account, which are classified as fraudulent/preferential as per IBC Code. These could not have been detected under normal monitoring activity by the lenders. Based on available credit documents, no sanction and monitoring related lapses were identified. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint is being filed against the borrower. - Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - Full provision has been created.
284	Global Steel Trading Co - Raj Nagar, Ghaziabad branch - Misappropriation of funds and criminal breach of trust	68.8	Background - Global Steel Trading Co. (GSTC), based in Ghaziabad, was engaged in wholesale trading of ferrous & non-ferrous material. - Axis Bank is the sole lender to the firm. Axis Bank sanctioned credit facilities of Rs.28.66 crore to GSTC in February 2023, including takeover of limits of Rs.22.66 crore from State Bank of India (SBI). - SBB segment has sanctioned credit facilities of Rs.25 crore to GSTC's group entity, HI Metal Industries (HIMI) in August 2022. Resolution and Recovery Actions - The group incurred losses due to fluctuations in metal prices, leading to slowdown in operations since Q2 FY 2024. - SEG, SBB and underwriting officials were in regular touch with the promoters

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				since for reduction in exposure/exit of Axis Bank. • The borrower subsequently cleared dues of approx. Rs.20 crore in CC account during Q3 FY 2024, against release of collateral properties. However, plan for clearing balance dues of about Rs.7 crore did not materialize. • Post NPA classification in February 2024, the Bank has swiftly initiated SARFAESI and DRT action. Distress value of collateral property is around Rs.4.12 crore. RFA / Fraud Status • Borrower was classified as RFA on 09.04.2024, based on RFA classification of the group entity HI Metal Industries and nil stock observed during visit. • Axis Bank appointed ATK & Associates to conduct forensic audit of the borrower. The borrower did not cooperate in the forensic audit and did not submit the requisite information. • The forensic audit report was received on 11.10.2024, wherein instances of misappropriation of funds and inventory were identified. • Clarification on the forensic audit findings were sought from the borrower by issuing show-cause notice. However, no response has been received from the borrower. • The borrower was classified as 'Fraud', based on adverse observation in forensic audit report. • Provision of Rs.5.88 crore was held against the exposure as on 30.09.2024. Forensic Audit Observations Key points of the report are as under: • Non-cooperation from Borrower - o The borrower has not provided necessary documents for the audit and shown an overall reluctance to engage with the auditors. - o Such behavior is indicative of potential attempts to obscure or withhold critical information, further compounding

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				concerns about the organization's financial practices. • Physical visit for inventory verification ○ Forensic auditor visited borrower's registered premises on 01.10.2024 for verification of the inventory. During the visit, it was observed that the premises was being run by M/S. MTH Enterprises (GST No - 09ATYPS9924L1ZA). ○ It was informed by the borrower that registered property of Global Steel which was mortgaged with the Axis Bank at the time of sanction of the limits was later released by the Bank post reduction in the limits and subsequently have been sold to third party. ○ Since the registered factory premises have been sold out then it raises concerns about whereabouts of the inventory and status of the business operations. ○ As per the stock statement submitted by the borrower for October 2023, an inventory value of Rs.9.80 crore was reported. However, during a site visit for assessment of inventory at borrower's registered address, no inventory was found. This further calls into question the accuracy of the borrower's financial reporting and overall business operations and shows an intent to misappropriate funds and inventory. ○ Internal Investigation Remarks: ▪ Post October 2023 (last submitted stock statement by borrower) till February 2024 (classification of borrower as NPA), funds of Rs.10.52 crore were credited into CC and current account maintained in Axis Bank. ▪ Out of above, funds of Rs.1.81 crore were credited from related party H I Metal Industries (HIMI). Further, funds of Rs.7.50 crore were transferred from HDFC Bank against LAP (Loan against Property) facility availed by GSTC. These were as per exposure

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				reduction of Rs.20 crore negotiated with GSTC against release of collateral properties and not part of operating cash flows of GSTC. ▪ Hence, it can be established that sales proceeds of only Rs.1.21 crore appears to have been routed through Axis Bank post October 2023, against inventory of Rs.9.80 crore disclosed as at 31.10.2023. ▪ Therefore, it can be concluded that the borrower has misappropriated the inventory and/or sale proceeds have been diverted. • Transaction with related parties - o During review period, out of total debits of Rs.60.65 crore from CC account of Axis Bank, debits of Rs.10.78 crore were towards related parties. However, there were credits of Rs.34.37 crore from related parties into CC account as well. - o The purpose of such transactions could not be ascertained and it was unable to verify if the transactions were genuine and were done at arm's length since Borrower did not provide access to its books of accounts. • Misreporting of creditors and debtors through stock statements - o Inventory: Level of inventory increased from Rs.7.91 crore in March 2022 (as per ABS of FY 2022) to Rs.22.13 crore in March 2023 (as per SS of March 2023). Further, inventory levels fallen down considerably from Rs.22.13 crore in March 2023 to Rs.9.18 crore in October 2023. - o Creditors: Borrower has reported same amount of creditors of Rs.0.07 crore from February 2023 till April 2023 and Rs.0.03 crore from May 2023 till October 2023. - o Debtors: Borrower reported same amount of debtors (ageing >90days) of Rs.0.35 crore from March 2023 till October 2023 except for month of July 2023 wherein debtors of Rs.3.32 crore were reported.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o In view of the above, it can be inferred that the reported numbers for inventory, creditors and debtors were not correct and were submitted for compliance purpose only. o Conclusion by forensic auditor: o The borrower's continued non-cooperation despite multiple opportunities, there is reason to believe that there may be an intent to misappropriate funds and inventory. o However it is not possible give any conclusive and concrete opinion due to non-cooperation. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 11.10.2024 seeking explanations on the following adverse findings of forensic audit: o No inventory observed during physical inspection o Transactions with related parties o Misreporting of creditors and debtors through stock statement • No response has been received from the firm towards SCN as on till date. Modus Operandi • Diversion of funds. Root Cause • Inventory disclosed in stock statement disposed off and/or proceeds not routed through Axis Bank. Staff Accountability • A group company of the borrower was already sanctioned limits of Rs.25 crore by SBB segment. Subsequently, SEG segment sanctioned limits of GSTC, considering the following rationale: satisfactory conduct of the account with existing lender, long experience of promoters and strong customer base, and security cover of more than 100%. • Bank's internal guidelines for takeover and disbursement were adhered to. In view of aforementioned, the exposure may be treated as a fair banking risk.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- During course of post sanction monitoring of account, slowdown in routing of transaction was noticed in Q2 FY 2024. The company's facilities were promptly inspected and low activity level was observed. - SEG and underwriting officials were in regular touch with the promoters since for reduction in exposure/exit of Axis Bank. The borrower subsequently cleared dues of approx. Rs.20 crore in CC account during Q3 FY 2024, against release of collateral properties. - Post NPA classification in February 2024, the Bank has swiftly initiated SARFAESI and DRT action. Distress value of collateral property is around Rs.4.12 crore. - No sanction or monitoring related lapses were identified Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint has been filed against the borrower. - Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - Full provision created as per guidelines
285		Kalaimahal Educational Trust [Branch – Mayiladuthurai, Tamil Nadu] - Misappropriation of funds and criminal breach of trust	52.0	Background - Kalaimahal Educational Trust (KET) manages 12 schools in and around Nagapattinam, Tamil Nadu. - Axis Bank's SBB segment sanctioned credit facilities of Rs.6.50 crore to KET in February 2020, including takeover of limits from HDFC Bank. Subsequently, ECLGS limits were permitted in August 2020. - Axis Bank is the sole lending Bank. Resolution and Recovery Actions - Fee collection was affected in FY 2021 pursuant COVID-19 pandemic. Routing of collections through Axis Bank accounts dropped in FY 2021 and completely stopped in FY 2022. Turnover was being routed through c/a

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				in IOB. The account was subsequently classified as NPA in August 2022. • SBB segment also sanctioned limits of Rs.6.35 crore to group entity, Sri Kalaimahal Educational Trust. The said exposure also turned NPA at the same time and has since been classified as RFA. • There were a total 5 collateral properties extended for limits sanctioned to the 2 group entities, out of which a vacant plot was released against payment of Rs.2 crore in May 2023. Residual principal o/s in Kalaimahal Educational Trust and Sri Kalaimahal Educational Trust is Rs.9.94 crore. • DSV of the other 4 properties are Rs.12.83 crore. However, 3 of the properties are operating schools. Order for physical possession under SARFAESI is still pending from court and enforcing them is expected to be challenging. • Further, debit freeze has been marked in all accounts pursuant to IT Demand Notice for Rs.1.13 crore. This amount is to be paid from any future recovery by the Bank. RFA / Fraud Status • Axis Bank classified the borrower as RFA on 28.05.2024, based on borrower account frozen due to statutory reason. • Axis Bank appointed SPR & Co. to conduct forensic audit. Borrower did not cooperate in the forensic audit and did not submit the requisite information. Key forensic audit findings are as below: - o During the physical inspection of the borrower's premises by the auditor, it was noted that the schools are running actively. However, proportionate funds have not been routed through Axis Bank accounts deliberately, leading to classification of account as NPA. - o Payments of Rs.1.22 crore were made to various individuals, which suggest

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				misutilization of funds and violations of intended end-use of loans. - o Payments amounting to Rs.1.29 crore were made to financial institutions viz. HDFC Bank, HYK Capital, Incred Financial Services, Sri Amman Finance and Ganesh Finance during the FY 2020 & FY 2021. • On 09.01.2024, Axis Bank received a notice issued by Income Tax Department, intimating that a sum of Rs.1.13 crore is due from the borrower on account of Income Tax/penalties/interest/fines for various assessment years. Through external sources, it has been learnt that as the group is a trust, it is subjected to income tax exemptions. However, reason for issuance of said notice is utilization of revenue generated from trust activities for other purposes. • Clarification on the forensic audit findings were sought from the borrower by issuing show-cause notice. However, no response has been received from the borrower. • The borrower was classified as 'Fraud', based on adverse observation in forensic audit report. • Provisioning of Rs.4.02 crore has been held against the exposure as on 30.09.2024. Forensic Audit Observations Key points of the report are as under: • Non-cooperation from Borrower - o Since the appointment of the forensic auditor, the borrower did not provide access to the books of account and other documents sought by the auditor. No-cooperation has been received from the borrower in this regard. • Sole Banking Arrangement – Non-routing of funds through Axis Bank - o As per pre-disbursement conditions in the Sanction Letter dated 17.02.2020, it was noted that the banking method is Sole Banking Arrangement. However, during review of financial statements for

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				FY 2020 & FY 2021, it is noted that the borrower had maintained bank accounts in other banks also. - o Further, the borrower has submitted a letter dated 16.03.2022 to the bank confirming that all the transactions would be routed through Axis Bank and would maintain sole banking with Axis Bank. However, in absence of financial statements for FY 2022, the auditor was unable to comment on the closure of other bank accounts by the borrower. - o Further, during the physical visit to the premises of the borrower on 04.09.2024 by the auditor, it was noted that the schools are running actively. However, proportionate funds have not been routed through Axis Bank accounts deliberately, leading to non-repayment of credit facilities and classification of account as NPA on 29.08.2022. • Transfer of Funds to Chit Funds - o On review of the financial statements for the FY 2020, the auditor noted that the borrower had an unsecured loan amounting to Rs.0.36 crore in the name of Sri Alaya Chit Funds as on 31.03.2020. - o The examination of the OD account statements revealed multiple repayments to Sri Alaya Chit Funds during the FY 2021 amounting to Rs.0.17 crore. Further, it is pertinent to note that the balance of unsecured loan has become nil as on 31.03.2021. - o Transfer of Funds to Other Individuals - o On review of OD account statements, payments aggregating Rs.1.22 crore during the FY 2020, FY 2021 & FY 2022 made in multiple tranches to 25 individuals have been observed. - o Out of said Rs.1.22 crore, payments of Rs.1.13 crore were made during the FY 2021. • Transfer of Funds to Related Parties - o On review of sanction letter, it is noted that Mr. Kudiyrasu N S and Mrs. Umarani K are the co-

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				applicants/guarantor for the loan facility granted by Axis Bank. - o Based on review of the OD Statement of the Borrower, it is noted that multiple transfers have been made Mr. Kudiyarasu, who appears to be an employee in one of the schools, amounting to a net payment of Rs.0.07 crore during the audit period. • Conclusion by forensic auditor: - o The forensics audit has revealed instances of payments where the “End Use” could not be linked towards working capital purposes. In absence of information furnished by the borrower, and type of transactions noticed during the review, the auditor has categorised them to be in the nature of “fund diversion” and/or “misutilization of funds” on account of end use violation. - o Additionally, the borrower has not cooperated with the forensic audit and has failed to provide the necessary books of accounts, documents, or explanations to substantiate our findings. Hence in the absence of any data and information we are unable to comment on the genuineness of the borrower and its subsequent repayments or diversion of funds to various parties. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 24.10.2024 sharing adverse findings of the forensic audit report and seeking explanations on the below: - o On the observation of running of schools actively by the borrower and non-routing of proportionate funds through Axis Bank accounts, leading to non-repayment of credit facilities and classification of account as NPA. - o Diversion of Funds to Other Financial Institutions to the extent of INR 40.43 Lakhs.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o Misapplication of funds towards payment to various Individuals to the extent of INR 1.22 Crores. - o Misapplication of funds towards payment against unsecured loans (Sri Alaya Chit Funds) to the extent of INR 16.93 Lakhs. - o Diversion of Funds to Related Parties to the extent of INR 6.75 Lakhs. - o On the reasons of issuance of demand notice of Rs.1.13 crore by the Income Tax Department on account of Income Tax/penalties/interest/fines for various assessment years and present status of the matter. • No response has been received from the borrower in this regard till date. Modus Operandi • Diversion of funds. Root Cause • Diversion of funds. Staff Accountability • Appraisal and monitoring related lapses have been assigned to 3 bank employees (Coverage, credit & branch) Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed against the borrower. • Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Full provision created as per guidelines
286		Nigam Krishna Singh [Branch – Jamtara, Jharkhand] - Misappropriation of funds and criminal breach of trust	42.9	Background • Nigam Krishna Singh (NKS), a sole proprietorship firm based in Jharkhand, is an enlisted vendor of Food Corporation of India (FCI). • NKS was sanctioned of OD limits of Rs.3.11 crore in September 2021 by SEG segment. The said limit was closed in April 2023. • NKS subsequently availed OD limit of Rs.4.30 crore and BG limit of Rs.0.60 crore from ICICI Bank. It approached

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Axis Bank in for takeover of said limits with enhancement, citing service issues. • NKS was sanctioned CC limit of Rs.4.95 crore and BG of Rs.0.80 crore, by way of takeover from ICICI Bank, by Bharat Banking segment on 24.09.2023. • However, the takeover process could not be completed, since the borrower has utilized limits from both lenders. ICICI Bank has not shared the title documents and NDC with our Bank • A lien has been marked against the CC account. Legal action for recovery of dues is being initiated • The account is presently a ‘standard’ asset with Axis Bank. The borrower serviced interest dues till 31.08.2024. RFA / Fraud Status • NKS was classified as RFA on 18.05.2024, based on double utilization of funds, from both previous and current financiers i.e. ICICI Bank and Axis Bank. • Internal investigation revealed that the borrower has availed double financing from Axis Bank and ICICI Bank intentionally. • The takeover failure was aided by delay in marking freeze by ICICI Bank in their account post takeover intimation by our Bank. Multiple follow ups have been conducted with ICICI Bank on the matter, without any resolution. • Clarification on the adverse findings were sought from the borrower by issuing show-cause notice. No response was received. • The borrower was classified as ‘Fraud’, based on adverse findings of internal investigation • The account is presently a ‘standard’ asset with Axis Bank. The borrower is servicing interest with delay. Last servicing of interest dues was as on 30.09.2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• A provision of Rs.0.43 crore was held against the exposure as on 30.09.2024. Internal Investigation findings Key observations from the internal investigation are as under: • Takeover from ICICI Bank (ICICI): - o Nigam Krishna Singh (NKS) had availed OD limit of Rs.4.30 crore and BG limit of Rs.0.60 crore from ICICI Bank. It approached Axis Bank in 2023 for takeover of said limits with enhancement. The borrower's letter dated 22.09.2023 to Axis Bank, requesting for takeover of facilities is held on record. - o NKS was sanctioned CC limit of Rs.4.95 crore and BG of Rs.0.80 crore, by way of takeover from ICICI Bank, by Bharat Banking segment on 24.09.2023. The above facilities were secured by way of hypothecation on current assets and EM/ RM on immovable collateral properties valued at Rs.7.84 crore. - o Axis Bank had issued a request letter to ICICI Bank dated 18.09.2023, for sharing the Credit Information report (CIR) and List of Documents (LOD). However, owing to no response from ICICI Bank, waiver was approved by Zonal Operational Manager and Zonal Sales Manager on 28.09.2023. - o Thereafter, Axis Bank had submitted DD of Rs.4.29 crore (dated 09.10.2023) along with intimation letter for takeover of limits with ICICI Bank vide letter dated 30.09.2023, requesting for handover of security documents and issuance of No Dues Certificate. The same was acknowledged by ICICI Bank on 13.10.2023. The DD of Rs.4.29 crore was issued on 09.10.2023 and was encashed on or after 13.10.2023 by ICICI Bank. - o ICICI Bank vide email dated 16.10.2023, requested Axis Bank for sharing Credit Information Report (CIR) for further processing of the DD. Axis Bank responded on 16.10.2023, that request letter for CIR dated 18.09.2023 was already shared with ICICI Bank vide

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				DTDC courier (date of delivery: 28.09.2023). - o Subsequently, Axis Bank followed-up with ICICI Bank for marking freeze in their account and complete the takeover formalities through multiple emails from 20.10.2023 to 08.01.2024. - o ICICI Bank informed Axis Bank on 08.01.2024, that they are unable to initiate the process since the customer is yet to pay the outstanding dues. Axis Bank had responded on the same day, pointing out that the formalities of submission of DD for takeover amount, along with takeover intimation letter was submitted to ICICI Bank, as per laid down process. It was further pointed out that the borrower has been utilizing limits from both banks due to delay in marking freeze in their account by ICICI Bank. ICICI Bank was requested to close their account at the earliest and share security documents and NDC with Axis Bank. - o Axis Bank subsequently requested ICICI Bank to repay the funds disbursed by Axis Bank towards takeover vide email dated 11.01.2024. Thereafter multiple emails were exchanged between both the banks during the period from January 2024 to October 2024. - o Further, the matter has been escalated to MD&CEO and other senior management of ICICI Bank since May 2024 and several emails (dated 31.05.2024, 06.06.2024, 31.08.2024, 23.09.2024, 01.10.2024) have been issued requesting for intervention in repayment of the takeover proceeds to Axis Bank. However, ICICI Bank neither refunded the takeover amount, nor shared security documents/NDC with Axis Bank. - o Axis Bank had informed the borrower vide email dated 15.02.2024 to resolve the matter at the earliest. The borrower promised to repay the entire dues of Axis Bank by 31.05.2024, via letter dated 08.05.2024. In view of no subsequent action, Axis Bank classified the borrower as RFA on 18.05.2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o ICICI Bank informed Axis Bank, vide email dated 07.08.2024, that they have issued a legal notice to the borrower on 24.07.2024. As per the legal notice, the borrower had fraudulently / with malafide intentions, utilized the limits to the extent of Rs.1.77 crore post takeover, out of which Rs.0.58 crore was outstanding. The borrower was instructed to repay the dues at the earliest. Subsequently, ICICI Bank had also classified the borrower as RFA on 12.08.2024. o As part of the takeover compliances, the Bank obtained an undertaking dated 26.09.2023 from NKS that, the borrower shall route its entire business from Axis Bank's account, shall not divert working capital for long term purpose, no additional borrowing shall be raised without obtaining prior written approval from Axis Bank. o It is evident, based on available documents, that the borrower has availed double financing from Axis Bank and ICICI Bank intentionally/with malafide intentions. It can be concluded that the Borrower has deliberately misrepresented to the Bank resulting in breach of trust and loss to the Bank. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 15.10.2024 (delivered on 19.10.2024), seeking explanations against aforementioned investigation findings. • No response has been received from the borrower. Modus Operandi • Diversion of fund Root Cause • Non closure of existing account (Balance transfer) by borrower and non-submission of security documents for creation of mortgage. Staff Accountability

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• The borrower had earlier availed working capital limits from Axis Bank, which were closed in April 2023. Fresh limits were sanctioned in September 2023, based on previous credit history and satisfactory market feedback. • DD towards takeover of limits were submitted accompanied by intimation letter, and acceptance from ICICI Bank was obtained. Prompt and regular follow-up with ICICI Bank was done for sharing of No Dues Certificate and security documents. • No lapses by Axis Bank staff were identified in appraisal or takeover process. • The takeover failed pursuant to delay by ICICI Bank in marking freeze in their account post takeover intimation by our Bank. Action Taken / Proposed • A formal letter has been issued to the senior management of ICICI Bank on the matter. • Law Department is being consulted for exploring legal action, if any, against ICICI Bank. • Recovery action under DRT is being initiated. • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed against the borrower. • Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • Full provision created as per guidelines.
287		Kallam Brothers Cottons Private Limited - Branch – Guntur - Misappropriation of funds and criminal breach of trust		686.3	Background of the case Kallam Brothers Cottons Private Limited (KBCPL) was engaged in cotton ginning and manufacturing of yarn. It also operated windmill with an installed capacity of 1 MW. Multiple Banking Arrangement – WC limit of Rs.129.50 crore from Axis Bank (largest lender) and HDFC Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Axis Bank sanctioned working capital limits of Rs.4.00 crore in January 2009. The limits were gradually enhanced to Rs.80.19 crore till September 2022. Resolution and Recovery Actions KBCPL faced liquidity issues due to the delay in sales realization and non-payment of power subsidy of Rs.15.49 crore, accumulated over 8 years, from Government of Andhra Pradesh. Further, there was a fire accident in the company's premises on 27.03.2024 which damaged the stock. Subsequently, instances of DPD and LC devolvement were noted. The account was classified as NPA by Axis Bank on 21.05.2024. HDFC Bank classified the borrower as NPA on 31.07.2024. Notice u/s 13(2) of SARFAESI has been issued to the borrower on 16.07.2024. RFA / Fraud Status Borrower was classified as RFA on 25.07.2024 on account of devolvement of LCs, non-routing of proportionate funds through Axis Bank's CC account and adverse observations in stock audit report regarding fire incident. Axis Bank appointed Stress Credit Resolution Private Limited to conduct forensic audit. The key findings of forensic audit and internal investigation were as below. Clarifications on the forensic audit findings were sought from the borrower by issuing SCN. Response received from the borrower was not found satisfactory. The borrower was classified as 'Fraud', based on adverse observations of forensic audit report. Forensic Audit Observations Key points of the forensic audit report are as follows: Physical inspection of the borrower's unit: During physical inspection of the borrower's registered premises on 17.12.2024, the forensic auditor observed available inventory of Rs.0.25 lac only. However, as

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				per the latest stock statement submitted by the borrower, for March 2024, inventory of Rs.7.17 crore was disclosed. Non-routing of proportionate funds through Axis Bank's accounts during FY 2025: The company has reported sales of Rs.7.11 crore during FY 2025 (from 01.04.2024 till 30.11.2024) as per GST filing. However, funds of only Rs.2655 were routed through Axis Bank during the same period. It raises doubts on inventory management and shows intent of misappropriation of funds and inventory. High value cash withdrawals without supporting documents: The borrower has withdrawn cash to the tune of Rs.65.90 crore from CC accounts with the Bank during FY 2020 to FY 2024. No supporting documents were evidenced for the said transactions. Hence, these transactions raise suspicion on possibility of diversion of funds. Availing higher drawing power by including receivable from related parties in stock statements submitted to the Bank: It has been observed that outstanding receivables from related parties viz. Kallam Agro Products Private Limited, Vijaya Sai Traders and Sai Lakshmi Traders were included in the stock statements submitted to the Bank. Reporting of outstanding receivables from related parties under sundry debtors led to borrower availing higher drawing power than its eligibility and violation of terms & conditions of sanction accepted by the borrower. Non-disclosure of related party transactions in audited financials and high value payments towards related parties: The company has failed to report transactions with related parties, viz. Sri Mahalakshmi Enterprises, Vijaya Sai Traders and Sai Lakshmi Traders, as required by Accounting Standards (AS)-18 in the audited financials from FY 2019 to FY 2023. The borrower made payments of Rs.51.64 crore to the aforementioned related parties during the review period, whereas receipts of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				only Rs.10.57 crore was observed from them. Hence, net payment of Rs.41.07 crore was made towards related parties, for which underlying documents/invoices were not evidenced. These transactions raise suspicion of diversion of funds. Lack of documentary evidence regarding insurance claim related to fire incidence: Basis the FIR copy, it was understood that a fire incidence occurred at borrower's premises on 27.03.2024, purportedly due to electric short circuit. During physical inspection by the forensic auditor, it was observed that basic fire control mechanism such as sprinklers were not available and no CCTV cameras were installed at the factory/warehouse. Further, the claim of insurance is yet to be settled despite passage of over 6 months since the fire incidence. Borrower has not shared evidence of submission of requisite documents to the insurance company. Submission of separate stock statements to lenders: - o The company has been providing stock statements separately to each bank. This is against the normal practice which may lead to incorrect statement/manipulation. - o In stock statement for March 2022 submitted to Axis Bank, inventory of Rs. 70.24 crore was reported, against inventory of Rs.71.04 crore reported in audited financials for FY 2022. Further, CC limits of Rs. 22.33 crore availed from HDFC Bank was not disclosed in the stock statement. • Conclusion by forensic auditor - o High value cash withdrawals and net payments towards related parties without any supporting documents raises suspicion on possibility of diversion of funds. Also, misreporting of receivables from related parties in stock statements leading to excess utilisation of CC vis-à-vis drawing power have been observed. y observation from Internal Investigation:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- There was a fire incident in borrower's premises in March 2024. As per stock statements for the months of February and March 2024, inventory reduced by ~Rs.60 crore, whereas insurance claim of Rs.48.89 crore was shown as receivables. Further, sundry creditors increased by Rs.38 crore. However, details of these accounting entries were not submitted to forensic auditor and audited financials for FY 2024 not published. Issuance of Show-cause notice (SCN) to the Borrower - In compliance with RBI guidelines, the Bank issued Show-Cause Notice (SCN) to the borrower on 30.12.2024 seeking explanations on the adverse findings of forensic audit. - The borrower vide mail dated 19.01.2025 requested the Bank for an extension deadline by 15 days' time for submitting a comprehensive response with supporting documents. - Axis Bank vide mail dated 23.01.2025 responded to the borrower that time till 29.01.2025 has been permitted for submission of entire data/clarifications to the forensic auditor and no further extension would be provided. - Borrower submitted response to SCN along with few supporting documents on 29.01.2025, which were shared with the Forensic auditor. Summary of the borrower's response is given below: Physical inspection: - The physical inspection was conducted only regarding the cotton lint and did not cover stores & spares. Stores and spares valuing Rs.1.98 crore were stored in storeroom which couldn't be verified during the physical inspection due to non-availability of keys and power supply. - There was sale of cotton lint after 31.03.2024, amounting to Rs.5.29 crore and sale of cotton yarn amounting to Rs.1.16 crore

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Further, valuation of the inventory observed during physical inspection was of Rs.3.00 lacs and not Rs.0.25 lacs. - o Non-routing of proportionate funds through Axis Bank's accounts during FY 2025: • Out of the total sales made from 01.04.2024 till 17.12.2024 i.e. date of inspection by the auditor, Rs. 1.73 crore were realized. However, due to the operational challenges imposed by Axis Bank, the sale proceeds were routed through HDFC Bank and Guntur Urban Co-operative Bank. This was done to meet immediate financial needs and ensure business continuity. • The documentation such as sale orders, sale invoice, e-way bill, weighment slips, acknowledgement of the sale by the buyers etc. will be shared immediately on getting access to our factory premises. - o Cash Withdrawal: • The cash withdrawals were made to meet essential operational and business needs, including labor payments, stock procurement from farmers, and other overhead expenses. • The practice of making payments to farmers in cash is widely prevalent in all the agro based industries such as cotton, mirchi and tobacco. Very less farmers agree for payment through bank. Majority of farmers will be willing to sell their produce only for cash to avoid any subsequent issues such as non-realization of cheques etc. • The documents/records are currently inaccessible due to the restricted access to our premises caused by creditor actions. The same will be submitted as soon as premises are accessible. - o Insurance Claim: • The requisite documents have been submitted to the insurer. The claim process has been delayed due to the extensive verification requirements and the disturbance created by the creditors group.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			- HDFC Bank also shared their account statement and other documents with the forensic auditors. An addendum forensic audit report, incorporating the additional documents based on the same, was received on 11.02.25. The forensic auditor's conclusion remained unchanged in the addendum report. Modus Operandi - Diversion of funds Root Cause - Misappropriation of sale proceeds of inventory disclosed in stock statement. Staff Accountability - Nil Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been 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 has been created.
288	Telelogix - Misappropriation of funds and criminal breach of trust	476.7	Background of the case - Telelogix was engaged in the business of distribution of mobile phones in Karnataka/Bangalore city. The firm had been a distributor of Spice Telecom, Sony Ericsson, Icube Brand, Gionee Mobile, Lenovo, Motorola. - Axis Bank sanctioned working capital limits of Rs.15 crore in September 2015, including takeover from Kotak Mahindra Bank. The working capital limits were enhanced to Rs.24 crore in 2017 and further to Rs.30 crore by November 2021. - Additionally, supply chain financing (SCF) limits of Rs.21 crore and ECLGS loan of Rs.3.80 crore were sanctioned in 2020. SCF limit was restricted to Rs.18 crore in February 2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The borrower availed CC facility of Rs.6 crore from SBI in August 2022, which was closed in July 2024. • Financial performance and account conduct were overall satisfactory till 2021. Subsequently, Telelogix faced liquidity constraints due to COVID induced lockdown in China, shortage of chipsets, introduction of another Xiaomi distributor in Bangalore etc. The account was classified as an NPA on 30.04.2024 • Notice u/s 13(2) under SARFAESI has been issued on 03.01.2025 RFA / Fraud Status • Borrower was classified as RFA on 23.07.2024, based on pursuant to non-cooperation in stock audit, non-routing through Axis Bank, default in dues for SCF facility, SBI account remaining standard. • Axis Bank appointed Parekh Shah & Lodha to conduct forensic audit of the borrower, wherein instances of diversion of funds were identified. • Clarification on the forensic audit findings were sought from the borrower by issuing show-cause notice. The Partners requested for an opportunity for personal hearing, which was scheduled. Based on borrower's request during personal hearing for additional time, time till 24.01.2025 was permitted for submission of clarification/supporting documents. However, no clarification was submitted. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of forensic audit report. nsic audit and Internal Investigation ings

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 by the borrower - o The borrower did not co-operate in the forensic audit and did not provide access to the books of account and other documents sought by the auditor • Physical visit conducted by the forensic auditor - o Inventory of Rs.16.92 crore was outstanding as per the latest stock statement (i.e. for February 2024) available with the Bank. However, during the unit visit conducted on 19.12.2024, no operations were observed. Negligible inventory of few items like, headphone, torchlights, 2 TVs returned from customers, were observed. - o Further, sales of only Rs.0.48 crore were recorded in the accounting software for FY 2024. - o Documents relating to movement of the inventory were not available. The drastic reduction of inventory in short span of time indicates window dressing of the accounts to maintain higher credit limit. • Interfirm receivables included in the stock statement - o As per the stock statement for the period FY 2021 to FY 2024, receivables from group entities, The Phone Store, Nxtel and Neotal Communication of Rs.25.86 crore, Rs.12.95 crore and Rs.34.34 crore, respectively, were included in DP calculation. This creates suspicion that the borrower has misrepresented the details to the Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o As per the terms of the sanction letter dated 18.03.2017, “Book-debts arising on account of bills drawn on sister/associate concerns will not be financed (except the Phone Store and Nxtel)”. However, as per the sanctioned terms since FY 2019, “book debts arising on account of bills drawn on sister/ associate concerns will not be financed”. - o Further, as per the tax audit report of FY 2023, the borrower had reported purchases from these entities, Neotel Communication Pvt Ltd, Nxtel and The Phone Store of Rs.13.22 crore, Rs.4.31 crore and Rs.11.50 crore respectively. Therefore, the related parties which were reported as Debtors in the stock statement, were reported as suppliers in the Tax audit report. - o As per the audited financials of FY 2022 and FY 2023, the closing balance of related party, “The Phone Store” was Rs.0.80 crore and Rs.0.20 crore respectively. However, as per the stock statement for March 2022 and March 2023, the debtors of Rs.0.72 crore and Rs.3.58 crore were outstanding, respectively. - o Data relating to books of accounts and other pertinent details like purchase register, stock register, supporting invoices, delivery challans etc. were not available for review. This raises suspicion that the borrower had misreported facts. - o Further, as per the terms of sanction of the inventory funding limit dated 29.07.2020, the inventory under the Channel Finance facility/ limit was not disclosed separately in the stock statement.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Routing of turnover through non-lending banks - o Account statement analysis highlighted that the routing through Axis Bank substantially reduced in FY 2024 (i.e. during April 2023 to December 2023). Against sales of Rs.123.15 crore, the borrower had routed only Rs.34.86 crore from the accounts maintained with Axis Bank. Furthermore, the credits include receipts from other NBFC/ Financial institution also. - o It was also observed that the borrower was maintaining current accounts with non-lending banks such as State Bank of India, Jammu and Kashmir Bank, Kotak Mahindra Bank and HDFC bank from where recovery from debtors have been routed. - o ction from the receivables through Axis Bank and thereby defaulting in the terms of sanction, wherein all the transactions must be routed through Axis bank. - o It also creates suspicion that the firm have been recording fictitious sales and purchases and thereby diverting the banks funds out of the system by way of payment to creditors. It creates suspicion that the firm was concealing its business transactions from Axis Bank, since GST returns have been filed regularly. • Movement in current assets - o Review of audited financials highlighted that the other current assets have increased from Rs.0.34 crore in FY 2022 to Rs.4.18 crore in FY 2023, wherein major transfers

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				were in lieu of the advances provided to unknown parties, Mr.Kishore Sureshlal of Rs.0.23 crore, Mr.Mohd Zunaaid of Rs.0.50 crore and “Scheme” of Rs.2.99 crore. Purpose of the advances cannot be ascertained as no documents were shared. - o Further, account statement analysis highlighted receipts and payments of Rs.3.60 crore and Rs.6.54 crore from/ to Mr. Kishore Sureshlal, during 15.07.2017 to 22.06.2023. Purpose of transactions cannot be ascertained due to non-availability of documents. - o Non-disclosure of detailed scheme details in audited financials, create suspicion that the firm had paid such amount to other parties and diverted the funds out of the business. • Observation relating to increase in fixed assets - o Review of audited financials highlighted that the fixed assets of the firm have increased substantially since FY 2020, especially with the additions in immovable property during FY 2020 for Rs.3.18 crore, FY 2021 for Rs.2.90 crore and FY 2022 for Rs.4.76 crore. - o The borrower had not provided details such as fixed asset register, fixed asset valuation reports, current status of Tangible fixed assets like its vendor details, existence, condition, or utilization, purchase invoices and other cost capitalized. - o In the absence of abovementioned observations, there might be possibility of fixed assets being overvalued and payments made

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				toward purchase of such fixed assets may have been diverted. - o <i>Investigation remarks: Fixed assets have gradually increased from Rs.6.01 crore in FY 2019 ,Rs.9.25 crore in FY 2020, to Rs.12.09 crore in FY 2021 and to further Rs.17.02 crore in FY 2022. The increase in FA in FY 2022 was captured in credit proposal dated 28.12.2022.</i> • Observation relating to unsecured loans - o The borrower had availed multiple borrowings / unsecured loans from NBFCs / financial institutions. Further, the borrower had utilized Axis Bank's accounts for making payments against such borrowings. The payments to the extent of Rs.90.77 crore were made from Axis Bank's accounts to Tata Capital Financial Services Limited during FY 2018 to FY 2024. - o In the absence of information, accuracy of outstanding balances reported by the firm and status of NOC was obtained from Axis Bank cannot be verified. • Observation relating to Channel finance limit - o Axis Bank sanctioned a Channel Finance limit under Dealer Finance scheme of Xiaomi India Private Limited for Rs.21 crore to the borrower on 28.07.2020. - o The firm had outstanding channel finance limit of Rs. 17.89 crore. The firm had been defaulting in repayments towards its channel finance liabilities since February 2024. The account was classified as NPA by Axis Bank on 30.04.2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Observation relating to Sales and purchases - o The borrower had not disclosed details of quantity of stock, goods sold/ purchased and closing stock in the Tax audit report for March 2023. This signifies non-compliance and concealments of facts by the borrower. - o Review of GST returns highlighted major differences were noted between the sales and purchases reported by the borrower in the GST return and the audited financials. ▪ Overstatement of Rs.27.02 crore of sales and Rs.9.81 crore of purchases were reported by the borrower in the audited financials for FY 2023, in comparison to the GST returns for the corresponding period. • Conclusion by forensic auditor - o Considering all the above, the borrower firm and management may seem to be engaged in financial maleficence / diversion of funds and possibility of fraudulent activities with mala-fide intention cannot be overruled. Key findings of internal investigation are as under: • Channel finance Limits were disbursed from 31.07.2020. Total 731 indents aggregating to Rs.577.64 crore were discounted by Axis Bank from July 2020 to February 2024. • Presently, an amount of Rs.17.27 crore corresponding to 18 indents of Xiaomi Technology India Private Limited, which were discounted 19.12.2023 onwards, are overdue.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Following clarifications were sought from the borrower vide letter dated 20.12.2024: - o Details and present position of the inventory discounted by Axis Bank, against which payments are still pending. - o To share the location where the said inventory was currently maintained, in order for the Bank to carry out an inspection of the same. - o 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. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower and partners on 20.12.2024 seeking explanations against aforementioned forensic audit findings and internal investigation findings. The SCN was delivered on 23.12.2024. • The borrower responded on 15.01.2025, requesting for personal hearing. However, no clarification and/or supporting documents were provided. • Based on borrower's request during personal hearing for additional time, time till 24.01.2025 was permitted for submission of clarification/supporting documents. As the same was not submitted, the borrower was subsequently classified as 'Fraud' by competent authority in Bank, based on findings of the forensic audit report. Modus Operandi • Diversion of fund

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					Root Cause • Diversion of sales proceeds against inventory funded by the Bank Staff Accountability • The WC limits were renewed at existing level and a collateral property was released in lieu of cash collateral during 2022-2024. Valuation of immovable properties and security coverage were not accurately captured in the credit proposals put up to sanction authority. Accordingly, appraisal related lapses have been assigned to 3 bank employees (from Coverage & Underwriting). • Fresh indents were discounted despite overdue observed in past indents beyond maturity date. Accordingly, monitoring related lapses have been attributed to 1 Bank employees (from SCF). Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been 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) • provision has been created.
289		RHJ Tubes Private Limited (RTPL) - Misappropriation of funds and criminal breach of trust		394.6	Background of the case • RHJ Tubes Private Limited (RTPL) is engaged into manufacturing of non-ferrous metal products such as billets, tubes and ingots. • Multiple Banking Arrangement – WC limit of Rs.52.30 crore from Axis Bank (largest lender) and Bank of Maharashtra. Additionally, term loans of Rs.31.13 crore availed from 9 other lenders as at March 2023. • Axis Bank sanctioned working capital limits of Rs.23 crore and term loan of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Rs.1.35 crore to the company in 2018, including takeover of limits from Andhra Bank. The working capital limits were gradually enhanced to Rs.42.30 crore by October 2022, whereas the term loan was repaid and closed in October 2020. The working capital limits were subsequently reduced by Rs.5 crore in February 2024. - RTPL was also sanctioned ECLGS limits of Rs.3.45 crore in August 2020 and vehicle loan of Rs.1.37 crore in February 2024. Resolution and Recovery Actions - The account was classified as NPA on 14.08.2024. - The borrower's accounts were placed under debit freeze, pursuant to notice from Cyber Police, regarding cyber fraud committed by one individual. Though the freeze was subsequently removed as per direction from Cyber Police, operating cycle of the company was adversely affected. The account was classified as NPA on 14.08.2024. - Subsequently, FD's amounting to Rs.1.44 crore has been appropriated towards principal outstanding RFA / Fraud Status - Axis Bank classified the borrower as RFA on 16.08.2024 pursuant to frequent devolvment of LC, significant drop in half-yearly credit and high value cheque bounces. - Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of the borrower, wherein instances of diversion of funds were identified. - Clarifications on the forensic audit findings were sought from the borrower by issuing SCN. Response received

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				from the borrower was not found satisfactory. • The borrower was classified as 'Fraud', based on adverse observations of forensic audit report Forensic Audit Observations Key points of the forensic audit report are as under: • Inventory details could not be reconciled due to non-cooperation ○ No access granted by the borrower to physically verify inventory of Rs.43.39 crore reported as per the last stock audit report. This raises the possibility of misappropriation of inventory and sale proceeds. • Comparison in Drawing Power as per books of account viz-a-viz Stock Statement ○ On comparison of figures disclosed in stock statement for March 2024 with books of accounts, a shortfall of Rs 5.91 crore in drawing power, as per books, was observed. • Irregularities Observed in the Devolved LCs ○ 10 LCs amounting to Rs.4.25 crore, issued to 2 parties Esse Trading Impex LLP and Madhukar Impex, devolved during March to September 2024. However, the parties had total debit balance of Rs.21.16 crore, as per books of accounts. Simultaneous existence of debit balance and devolved LC could indicate deliberate structuring of transactions to inflate trade volumes or obscure the financial trail • Utilization of working capital funds for acquisition of property ○ The borrower purchased two flats from related party Krishna Associates (KA) for Rs.23.10 crore during FY 2022. Out

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				of this amount, Rs.2.24 crore was paid from RTPL's CC account in Axis Bank. - o The borrower was sanctioned a CC limit of Rs.15.00 crore by Bank of Maharashtra in FY 2024. One of the collaterals was a property owned by KA, which was charged to Deutsche Bank. The borrower repaid loan of Rs.9.11 crore from Deutsche Bank on 31.07.2023, for release of the property. Out of this, Rs.5.52 crore was paid from RTPL's CC account in Axis Bank on 29.07.2023. - o Utilization of working capital funds to acquire long term asset or repayment of long-term loan, constitutes a deviation from the sanctioned purpose. • Breach of sanction terms and conditions - o The promoters infused Rs.13.61 crore into RTPL in FY 2023, in order to comply with terms of sanction stipulating fresh equity infusion of Rs.5.00 crore and maintenance of USL of Rs.18.00 crore. From review of statement of saving account of the promoter, receipt of Rs.13.54 crore from KA during FY 2023 was observed. - o This leads to possible misrepresentation of fund utilization to satisfy bank requirements. The borrower has not clarified the source of funds received by promoter from KA or explained why funds were routed through his personal account. - o In addition to above, as per Axis Bank's renewal terms dated 28.02.2024, the borrower was required to maintain a minimum USL of Rs.36.00 crore as of 31.03.2024. The company has failed to comply as in books of account, USL

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				outstanding is Rs 27.67 crore as at 31.03.2024. • Advances to Suppliers and related party transfer - o As per books of account, advances of Rs.13.24 crore were extended to 2 parties during 2024, for which no supporting documents and business rationale were provided to forensic auditors. - o Further, an amount of Rs.17.10 crore was shown as outstanding as receivable as at 31.03.2024 from the related parties – A K Metal Products, RHJ Metal Products and Krishna Associates. In absence of underlying documents, it cannot be commented upon whether the transactions were at arm's length basis. • Non-Payment of Statutory Dues - o The borrower has defaulted on statutory payments by failing to deposit Tax Deducted at Source (TDS) in the following instances: a. TDS deducted as per Section 194-IA on property purchase transactions was not deposited. b. TDS deducted on purchase transactions exceeding Rs 50 Lacs, as mandated under Section 194Q, was not deposited. - o These defaults indicate non-compliance with statutory obligations, raising concerns about the borrower's adherence to tax laws. • Conclusion by forensic auditor - o Forensic Audit has identified some instances / observations of which are indicative of the probabilities of fund diversion from the business and /or misrepresentation of financial data to the bank so as to avail undue financial benefits.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o Therefore, the presence of Fraud angle in this case cannot be ruled out. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 17.01.2025, seeking explanations against afore-mentioned forensic audit findings. • The borrower responded on 05.02.2025, stating that the SCN was issued on the basis of inconclusive forensic audit report, it is in violation of RBI directives and as such it should be withdrawn. Borrower further sought 3 weeks' time to reply with documentary evidence considering operational issues. • Borrower's response was not found satisfactory considering the fact that reasonable time and ample opportunity has already been granted to the borrower to justify the adverse observations during the forensic audit period and post issuance of SCN. Modus Operandi • Diversion of funds Root Cause • Diversion of funds through potential misappropriation of inventory and suspicious advances to suppliers. Staff Accountability • In September 2023, sanction authority stipulated reduction in WC limits by Rs.5 crore, in view of Availment of limits from other lenders beyond acceptable levels and investment in real estate. MEG was directed to put up a review of the account by March 2024, recording status of funds infusion by promoters, repayment of loans from other lenders and turnover, for deciding further course of action.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• However, no such review by MEG was evidenced. The account turned NPA in August 2024. Accordingly, monitoring related lapses have been attributed to 2 Bank employees (from Coverage). Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been 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). • 100% provision to be made as per guidelines.
290	DLL Talwalkars Club Private Limited - Misappropriation of funds and criminal breach of trust	202.4	Background of the case • DLL Talwalkars Club Pvt Ltd (DTCPL) is a 50:50 joint venture by Talwalkars Better Value Fitness Ltd (TBVFL) and UK-based David Llyod Leisure JV Holdings Ltd (DL1HL), which has set up a clubhouse with sports and recreational facilities in Wakad, Pune. • Axis Bank is the sole lender to DTCPL and sanctioned term loan of Rs.63.70 crore for part-funding the clubhouse project in 2016. • The club was not able to generate enough revenue to fund operational expenses and service the debt, due to lower than anticipated membership and deteriorating financial position of Talwalkars group. The account was classified as NPA on 30.01.2020. • Post NPA, recovery of Rs.42.50 crore has been made through SARFAESI action. RFA / Fraud Status • Borrower was classified as RFA on 06.08.2024, based on pursuant to EOW vide notice dated 14.03.2024 directed

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the Bank to mark debit freeze in the current account of DTCPL. It was further informed that the Director of DTCPL was under investigation for embezzlement of funds through the company's current account. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of the borrower, wherein instances of funds and misrepresentation of financial data were identified. • Clarifications on the forensic audit findings were sought from the borrower and directors by issuing SCN. The clarification/documents submitted by directors were found to be not satisfactory by the forensic auditor. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of forensic audit report. Fraud classification of Talwalkars group entities • Talwalkars Better Value Fitness Limited (TBVFL) and Talwalkars Healthclubs Limited (THL) were classified as 'Fraud' by Axis Bank on 19.06.2020, based on adverse observations in forensic audit report by BRG Consulting (India) Pvt Ltd. Key findings were as below: - o Round tripping of Rs.148 crore of borrowed funds for inflation of revenues and diversion of term loan of Rs.70 crore for repayment of NCDs. - o Transactions amounting to at least Rs.231 crore with vendors, wherein potential conflict of interest were identified by forensic auditor and whose revenues do not justify the quantum of transactions.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o Loans and advances of Rs.22 crore granted to parties which were non-disclosed as related parties in ABS as required under Companies Act. - o Conclusion by Forensic Auditor: Findings of the report suggest misappropriation of borrowed funds by the subject companies, which as per RBI guidelines, is a reason for the concerned Banks to classify the relevant accounts as fraud. • Axis Bank has filed a complaint with Economic Offences Wing (EOW), Mumbai on 10.8.2020 against TBVFL and THL. • Better Value Leasing & Finance Limited (BVLFL) was classified as 'Fraud' by Axis Bank on 04.01.2021, based on forensic audit findings. Key findings of forensic audit report are as under: • Non-cooperation from Borrower - o The borrower did not provide access to the books of account and other documents sought by the auditor. • Transactions with Kolte Patil Developers Limited - o As per the account statement analysis, the borrower had made advance payment of Rs.17.20 crore to Kolte Patil Developers Ltd on 09.12.2014 and 09.01.2015, from borrower's account maintained with Axis Bank. However, the work order dated 18.11.2014 executed with Kolte Patil Developers Ltd stated that only 10% of project cost of Rs.53.46 crore was to be given as mobilization advance. - o Further, invoice of only Rs.14.55 crore from Kolte Patil Developers Ltd, dated 18.11.2014, was available

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				for review. The reason for excess payment and status of work completed by Kolte Patil Developers Limited was not available. • Transactions with parties not in the same line of business - o As per the account statement analysis, there were receipt and payment transactions of Rs.8.77 crore and Rs.10.41 crore, with Tribhovandas Bhimji Zaveribros Pvt Ltd/Tribhovandas Bhimji Zaverisons Pvt Ltd (TBZ) during 09.12.2014 to 02.11.2017, resulting in net payment of Rs.1.63 crore. Reasons for making payments to Jewellery company, TBZ was not available • Transactions with related parties - o Transactions with Better Value Leasing and Finance Ltd – As per review of audited financials, unsecured loans of Rs.2.46 crore were availed during FY 2015 to FY 2017. The said USL was repaid during FY 2015 to FY 2017. Further, payments of Rs.1.12 crore were done towards interest/ processing fee during the said period. However, as per the review of current account statement, maintained with Axis Bank, receipts of Rs.2.36 crore and payments of Rs.4.50 crore were made by the borrower to Better Value Leading and Finance Ltd during FY 2015 to FY 2019. Transactions conducted with Better Value Leasing and Finance Limited during FY 2018 and FY 2019 were not disclosed in the audited financials. - o Transactions with Talwalkar Better Value Fitness Limited – As per

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					review of audited financials, unsecured loans of Rs.75.47 crore were availed during FY 2015 to FY 2019. The USL of Rs.71.86 crore were repaid during FY 2017 to FY 2019. Further, payments of Rs.15.82 crore were done towards reimbursement of expenses during FY 2018 to FY 2019. Advances of Rs.2.68 crore were extended during FY 2018, out of which Rs.0.08 crore was returned in FY 2019. However, as per the review of current account statement, maintained with Axis Bank, receipts of Rs.61.41 crore and payments of Rs.26.30 crore were made by the borrower to Talwalkar Better Value Fitness Limited during FY 2015 to FY 2019. - o Hence, values disclosed in audited financials cannot be reconciled with statement of accounts maintained with Axis Bank. Out of the above payments, major transfers were made to the entities during FY 2018. • Observations of customer collections - o As per the available documents, the borrower had shared a letter dated 25.03.2019 with Axis Bank, depicting that the commercial operations of the club had begun in March 2019 and 91 members have enrolled between 17.08.2018 to 17.03.2019. However, no details regarding any advance received from these customers has been submitted by the borrower to the Bank. - o As per audited financials for FY 2019, Rs.0.20 crore received as customer advances were recorded under current liabilities.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				o Further, audited financials for FY 2019, reflected the Capital work in progress (CWIP) at Rs.74.05 crore and Capital assets at Rs.25.09 crore, which had raised doubts over if the borrower had achieved the Commercial operation date (COD) or not. Investigation remarks: ▪ The above advance falls substantially short of average per customer membership fee of Rs.0.04 crore (Rs.9.28 crore from 220 customers), projected by the company as per credit proposal dated 01.01.2019. ▪ As per audited financials for FY 2019 (signed on 30.09.2019), in notes to accounts under “Revenue recognition”, it was noted that “The Company is in the process of setting up club facilities. The Company does not have any revenue from operations during the year.” NIL Revenue was reported in the audited financials for FY 2019. • Observations relating to write off o As per the audited financials for FY 2019, the borrower had written off capital work-in-progress of Rs. 0.69 crore and bad debts of Rs. 0.97 crore. Further, it was noted that revenue of Rs 1.68 crore was generated during FY 2015, which has remained outstanding as receivables since then. According to the audited financial for FY 2019, Rs 0.71 crore were recovered from debtors, while the remaining amount was accounted for as bad debts and written off.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o The writing off of CWIP and bad debts appears to reflect questionable intent on the part of the borrower. These actions, coupled with their non-cooperative behaviour, indicate potential financial mismanagement or deliberate efforts to obscure the end use of funds. • Current account maintained with non-lending banks - o As per the available information, the borrower was maintaining current accounts with non-lending banks. Funds of Rs.0.73 crore were transferred by the borrower to its current account maintained with Union Bank of India during 01.10.2019 to 10.10.2019. Account statement of non-lending banks were not available for review. - o Further, funds infusion by the borrower, formerly known as Talwalkars Club Systems Pvt Ltd and David Lloyd leisure JV Holding Limited were not traced in the current account maintained by the borrower with Axis Bank • Transactions of receipts and payments with same parties - o As per the account statement analysis, the borrower had conducted two-way transactions i.e. both payments and receipts with the following entities through its current account: Better Value Leasing And Finance Ltd, Tribhovandas Bhimji Zaveribros Pvt Ltd, Kolte Patil Developers Limited, Talwalkar Better Value Fitness Ltd. - o Total Receipts of Rs.72.67 crore and total payments of Rs.59.32 crore were made by the borrower with

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				such parties from 13.04.2017 to 08.10.2020. - o Further, as per the available details, total value of transaction routed through current account was Rs 241.63 Crores, which was a substantial amount considering the cost of the project , as envisaged, was under Rs 100 Crores. • Unexplained transactions - o As per the account statement analysis, out of the term loan disbursements, the borrower had made foreign remittances of Rs.1.51 crore on 02.04.2019 and have withdrawn cash of Rs.0.35 crore on 26.03.2019. - o Underlying documents for above transactions were not available for review. • Conclusion by forensic auditor - o As per the RBI directions, Non-cooperation from the borrower raises red flag about potential misconduct or misrepresentation. Non-cooperation can be seen as an attempt to obstruct the investigation, conceal material facts, or evade scrutiny, which may itself indicate fraudulent intent. - o The key observations outlined in the report provide sufficient grounds to classify the account under the appropriate categories for reporting it as 'Fraud.' While we state that in the absence of relevant documents/money trail /substantiative and corroborative evidences, we cannot determine with absolute certainty that the business of DLL Talwalkars Club Private Limited (DTCPL) had been carried

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				out with an intend to defraud Axis Bank, yet in view of our specific observations as mentioned above, complete Non Co-Operation from the Management of the borrower concern and in light of the RBI guidelines, we are constrained to state that DTCPL's actions and omissions cannot be reckoned as above board bona-fide. Therefore, the presence of FRAUD angle in this case cannot be ruled out. o Our thorough scrutinization of the data and information shared by the bank, the borrower remain non-cooperative, has revealed critical findings that strongly suggest the likelihood of fund diversion from the business and/or deliberate misrepresentation of financial data to the bank to secure undue financial benefits. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower and Past Wholetime Directors on 10.01.2025 seeking explanations against aforementioned forensic audit findings. • All the Directors have responded seeking additional time for submission of clarifications. However, given the time permitted for sharing of information during forensic audit and time permitted under SCN as per extant guidelines, the said request was not found to be acceptable. • Response shared by Mr. Prashant Talwalkar was shared with the forensic auditor on 30.01.2025. The forensic auditor confirmed on 31.01.2025 that their audit findings and conclusion

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				remain unchanged. Modus Operandi • Diversion of fund Root Cause • Transactions conducted with related parties could not be reconciled with audited financials Staff Accountability • During review of account in January 2019, it was pointed out by Risk that actual membership numbers were significantly lower than the projected levels and repayment capability of the borrower was uncertain. Sanctioning authority directed MEG to monitor new memberships and expenses on quarterly basis, till project stabilizes. However, no further review/monitoring steps were evidenced. The account was classified as NPA in January 2020, due to non-achievement of membership targets. • Accordingly, monitoring related lapses have been assigned to 2 bank employees (coverage). Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint is being filed in the matter • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). Full provision has been created.
291		Sri Vinayakha Spinning Mills Private Limited (SVSMPL) - Misappropriation of funds and criminal breach of trust	153.7	Background of the case • Sri Vinayakha Spinning Mills Private Limited (SVSMPL), based in Tamil Nadu, was engaged in manufacturing of viscose fiber yarns. • Axis Bank is the sole lender to the company. Axis Bank sanctioned working capital limits of Rs.8.49 crore

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				and term loans of Rs.1.30 crore to SVSMPL in October 2017, including takeover of limits from Corporation Bank. The TLs were repaid in 2019, whereas CC limit was enhanced to Rs.7.50 crore in 2022. • The borrower was sanctioned TLs of Rs.9.70 crore and ECLGS loans of Rs.3.41 crore between December 2019 to August 2022. Resolution and Recovery Actions • The company's operations were impacted in FY 2023 by fluctuations in yarn prices, which resulted in drop in sales and liquidity constraints. The account turned NPA on 28.02.2024. • The advances have been recalled on 03.09.2024. Legal action for recovery is being initiated. RFA / Fraud Status • SVSMPL was classified as RFA on 03.07.2024, pursuant to adverse observations in the stock audit report. • Axis Bank appointed Pawan Puri & Associates to conduct forensic audit of the borrower, wherein instances of diversion of funds were identified. • Clarification on the forensic audit findings were sought from the borrower by issuing show-cause notice. However, no response was received within the permitted timeline. Forensic Audit Observations Key points of the forensic audit report are as under: • Non-Cooperation by the borrower - o The borrower had not shared any data despite of multiple reminders and follow ups. • Movement of unsecured loans - o Review of audited financials of FY 2022, FY 2023 and unaudited

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				figures of FY 2024 highlighted that the unsecured loans from shareholders had reduced from Rs.1.10 crore in FY 2022 to Rs.0.25 crore in FY 2023 and NIL in FY 2024. - o Further, the borrower has not provided bifurcation or details of unsecured loans i.e. promoter wise infusion and withdrawal details. - o The withdrawal of the unsecured loan funds is in violation to the sanctioned terms, wherein it was stipulated that “The borrower shall not without the prior written approval of the Bank shall repay any principal or interest on any loans availed from the shareholders/directors/partners/prioritor/co-parcener/friends/relatives or any other affiliates (as the case may be), as at the date of execution of this Agreement.” • Capital advances - o Review of audited financials for FY 2020 to FY 2023, and unaudited financials of FY 2024 highlighted that the borrower had extended advances of Rs.2.04 crore, towards purchase of land, to multiple parties. The capital advances have increased from Rs.0.01 crore in FY 2020 to Rs.2.04 crore in FY 2024. - o As per the available sanction documents, the borrower had not availed any term loan for establishing a new plant or for procurement of land. Further, it cannot be ascertained, if the land parcel purchased / to be purchased

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				out of these funds has been mortgaged to the lenders. - o The abovementioned transactions can be construed as diversion of business funds for investment in capital assets which is ultra vires the sanction terms of the bank, since the borrower had utilized the working capital funds for long term purpose. • Related party transactions - o The above trend in outstanding receivables indicates that the recovery of collections from related party was sluggish and most of the debtors which were stuck belong to the related party entities. This creates doubt on the genuineness of the transactions undertaken with related parties and is indicative of diversion of the business funds by way of sale of inventory to related party entities without receipt of money against them. - o Further, these receivables were included in the stock statements for calculation of DP, which was not in compliance to the sanctioned terms. • Observations from the visit - o The forensic auditor had conducted physical inspection of the borrower's unit on 19.10.2024. It was noted that the unit was not operational for 3 months, there was no realizable stock available at the unit, electricity supply was disconnected at the date of visit. - o As per the provisional financials for FY 2024, closing inventory of Rs.1.74 crore was disclosed, which was not reconciled during physical inspection. The borrower did not share stock registers/ quantitative

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				details to justify the consumption pattern during FY 2023 and FY 2024. - o Further, a sudden increase in percentage of cost of goods sold in FY 2023 was noted, which resulted in declining sales/ EBITDA. This was due to decline in closing stock in FY 2023 and FY 2024, compared to their opening stock, indicating excessive consumption. - o As per the latest Insurance policy, stock was insured only to the extent of Rs.1 crore. This was also highlighted in the stock audit report dated 29.02.2024 by M/s Agarwal and Garodia, basis which the account was classified as RFA. - o As per verbal discussion with management during the visit, the closing stock was inflated in the books of accounts for previous FYs to maintain gross profit margin, in order to renew the working capital limits from the Bank. However, as the company operations got worse, the closing stock were rectified in the books of accounts by write-off during last 2 FYs, thereby booking losses. - o The above highlights misrepresentation of the books of accounts. However, without the written explanation from the borrower, same cannot be conclusively established. • Comparison of DP as per stock statement (SS) and as per audited financials (ABS) • Routing of turnover - o It was observed that the borrower was maintaining current accounts

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				with non-lending banks such as State Bank of India, Tamilnadu Mercantile Bank, Corporation Bank and Union Bank of India, turnover was routed through these accounts. - o Review of borrower' account statement maintained with UBI (510101005855559) highlighted total payments of Rs.4.54 crore and receipts of Rs.4.55 crore during 02.09.2023 to 31.01.2024. - o This was also highlighted in the stock audit report dated 29.02.2024 by M/s Agarwal and Garodia, basis which the account was classified as RFA. • Conclusion by the forensic auditor - o Based on the aforesaid observations, though the borrower's contention of suffering business losses due to COVID and other factors cannot be outrightly rejected / denied, it can be also established that it has misrepresented various facts to the Bank to avail working capital limits and diverted business funds towards land advances or repayment of related party loans at the time of financial stress. Thus, it can be concluded as a case of Fraud. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower and its Whole-time Directors on 19.11.2024, seeking explanations against aforementioned forensic audit findings. The SCN was delivered on 22.11.2024 and 24.11.2024: • However, no response was received as per the permitted timeline of the SCN.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					Modus Operandi • Diversion of funds Root Cause • Extending capital/ Land advances and misrepresentation in stock statement Staff Accountability • No stock audit conducted in 2023. Further, discrepancies were noted between figures disclosed in stock statement and audited financial statement. However, evidence of escalation of the same was not available for review. Accordingly, monitoring related lapses have been assigned to 1 bank employee (from branch). Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed in the matter • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • 100% provision to be made as per guidelines.
292		Lohia Automobiles (LA) - Misappropriation of funds and criminal breach of trust		146.2	Background of the case • Lohia Automobiles (LA) was a dealer of Maruti Suzuki India Limited (MSIL) based in Bhilwara, Rajasthan since 1999. • Multiple Banking Arrangement – WC limit of Rs.20 crore from Axis Bank (largest lender) and Tata Capital Financial Services Limited. Additionally, term loans of Rs.2.25 crore has been availed from various FIs. • Axis Bank sanctioned working capital limits of Rs.2 crore on 23.09.2006 and channel finance limits of Rs.3 crore on 31.01.2007. The said limits were gradually enhanced to Rs.5 crore and

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Rs.10 crore, respectively, till March 2020. - LA was also sanctioned ECLGS limits of Rs.2.20 crore in October 2020. Resolution and Recovery Actions - Pursuant to COVID-19 induced lockdown and a family feud between partners, there have been persistent irregularities in the account since 2021. The account was classified as NPA on 07.10.2023. - Subsequently, the dealership was terminated by Maruti Suzuki India Limited (MSIL) in December 2023. - Recovery action under SARFAESI has been initiated, pursuant to which physical possession of the collateral properties has been obtained. Complaint u/s 138 of NI Act has been filed before Metropolitan Magistrate, Jaipur. - FIR has been registered at Shyam Nagar Police Station, Jaipur against the partners, based on complaint from Axis Bank. RFA / Fraud Status - Axis Bank classified the borrower as RFA on 21.08.2024 pursuant to default in repayment, routing of sale proceeds through non-lending banks and adverse observations in stock audit reports. - Axis Bank appointed Rajvanshi & Associates to conduct forensic audit. The borrower did not co-operate in the exercise and requisite documents were not shared with the auditors. The forensic audit report was prepared based on documents shared by the Bank / available in public domain, wherein instances of diversion of funds were identified. - Internal Investigation also established diversion of sales proceeds against

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				inventory funded by the Bank as dues of Rs.8.98 crore, corresponding to 51 indents of Maruti Suzuki India Limited (MSIL) discounted between 01.04.2023 to 16.06.2023, remain unpaid. • Clarifications on the findings of forensic audit and internal investigation were sought from the borrower by issuing SCN. Response received from the borrower was not found satisfactory. • The borrower was classified as 'Fraud', based on adverse observations of forensic audit report and internal investigation. Forensic Audit Observations Key points of the forensic audit report are as under: • Non-cooperation by the borrower - o The borrower has not cooperated and had not shared any data/ documents with the forensic auditor, despite multiple follow ups. • Significant irregularities observed in analyses of stock statements - o A discrepancy of Rs.0.28 crore was identified between inventory disclosed in stock statement as of 31.03.2022 (Rs.17.20 crore) and FY 2022 audited financials (Rs.16.92 crore). ▪ Investigation Remarks – On comparison with stock statements submitted by the borrower vis-à-vis the audited financials, overstatement of inventory was observed in stock statements for March 2019, March 2021 and March 2022. Further, it was observed that DP was overutilized by Rs.6.45 crore and Rs.3.73 crore as at March 2021 and March 2022 respectively. - o Total credits in Axis Bank accounts were approximately Rs.8.16 crore during the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				period from 31.12.2022 to 30.06.2023. However, there was change in debtors by approx. Rs.9.88 crore. Thus, there was shortfall in credit in bank accounts by approx. Rs.1.72 crore. • Suspected diversion of funds to partners / family members - o Net transfer of Rs.2.78 crore was made to Kiran Devi Lohia from LA's account in Axis Bank, in multiple tranches, during May 2020 to February 2023 – Rs.2.28 crore from CC and Rs.0.50 crore from c/a. As per the financial statements for FY 2022, the entity had an unsecured loan liability of Rs.0.59 crore to her, yet the payments exceeded this liability by Rs.2.19 crore. - o In addition, the entity made various payments to other related parties, including Akshat Lohia (Rs.0.16 crore net), Rajesh Kumar Lohia (Rs.0.14 crore), Alisha Lohia (Rs.0.02 crore) from the CC account and to Govind Ram Lohia (Rs.0.01 crore) from current account in Axis Bank. • Discrepancy observed in GST returns vis-à-vis financial statements - o Total revenue was Rs.77.20 crore as per the GST filings and Rs.82.62 crore as per financials for FY 2022. Therefore, revenue as per GSTR was Rs.5.42 crore less than what was recorded in the financial statements. - o This discrepancy could indicate that the entity either underreported its revenue in the GST returns to evade taxes or artificially inflated its sales figures in the financial statements. • Non-compliance of sanction terms - o One of the conditions stipulated in Axis Bank's sanction letter dated 17.02.2022

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				was infusion of capital amounting to Rs.3.55 crore in FY 2022. - o However, the required infusion was not achieved through actual fund infusion. Instead, the net increase in capital, amounting to Rs.1.06 crore, came from profit-sharing, interest and salary payments to the partners. - o Another condition of the said sanction was the entity recall advances of Rs.0.45 crore made to relatives / group firms (Kiran Devi Lohia – Rs.0.30 crore and Prakash Synthetics – Rs.0.15 crore) before March 2022. However, while advances from Kiran Devi Lohia were recalled, Rs.0.15 crore advance to Prakash Synthetics remained outstanding. • Conclusion by forensic auditor - o The review of the financials & other bank records of the entity, clearly highlights significant lapses in regulatory compliance and indicate potential diversion of funds to family members of partners of the borrower entity. The observations indicate consistent negligence in adhering to key financial and regulatory requirements, including terms of sanction letters, GST compliance and prudent financial management practices which also indicate manipulation of books of accounts. - o However, due to the non-cooperation of borrower entity and availability of limited information, we are unable to conclusively state so. Internal Investigation Findings Key findings of internal investigation are: • Diversion of sales proceeds against inventory funded by the Bank

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o Borrower was availing limits under Channel Finance Scheme from Axis Bank since January 2007 for procurement of inventory from Maruti Suzuki India Limited (MSIL). - o Dues of Rs.8.98 crore, corresponding to 51 indents of MSIL discounted between 01.04.2023 to 16.06.2023 are overdue. - o As per Stock Audit Report dated 28.07.2023, LA declared 83 vehicles out of which 54 were found available on the location visited. Out of those 54, only 25 vehicles were found eligible based on the audit criteria, resulting in a negative gap of Rs.8.60 crore (-81.82%). This suggests that the stock data provided to the bank might not have been accurate or fully transparent. - o Therefore, borrower has disposed of the inventory purchased from Axis Bank's funds and sale proceeds have not been routed through Axis Bank's accounts. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 25.01.2025, seeking explanations against afore-mentioned forensic audit and internal investigation findings. • One of the partners Govind Lohia responded vide email dated 10.02.2025. However, the clarifications sought in the SCN, and supporting documents, were not covered in the response. Modus Operandi • Diversion of funds Root Cause • Diversion of sales proceeds against inventory funded by the Bank. Staff Accountability • (a) Half-yearly unit inspection was not evidenced between January 2021 to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				December 2022. (b) Stocks under channel finance limit were not excluded while calculating DP. - Accordingly, monitoring related lapses have been assigned to 1 bank employee (branch). Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint to be filed in the matter. - Fraud to be reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). - The exposure has been prudentially written-off
293		Ridley Life Science Private Limited (RLSPL) - Misappropriation of funds and criminal breach of trust	78.6	Background of the case - Ridley Life Science Private Limited (RLSPL) is engaged in manufacturing of pharmaceuticals formulations. - Axis Bank is the sole working capital lender to RLSPL. Axis Bank sanctioned credit facilities of Rs.14.86 crore to the borrower in August 2020. - The borrower has also availed unsecured loan from IDFC Bank and Standard Chartered Bank. Resolution and Recovery Actions - Dispute between the promoters led to decline in scale of the business, failure in commitment of supplies to government depts. leading to invocation of BGs. One of the promoter-directors, Mr. Rakesh Bansal has been placed under judicial custody since 2023 in charges of sale of spurious drugs. - There have been delays in servicing of Bank dues since Q2 FY 2024. 15 performance BGs amounting to Rs.0.22 crore were invoked by Directorate

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				General of Armed Forces Medical Services (DGAFMC) on 23.01.2024. - Despite regular follow-up by the Bank officials, the borrower is yet to present any proposal for resolution of stress in the account and servicing the dues with delays in excess of 60 days. Presently, bank dues till October 2024 have been paid. RFA / Fraud Status - Borrower was classified as RFA on 16.08.2024 on account of frequent invocation of BGs and significant drop in half-yearly credit. - Axis Bank appointed Pankaj Dhingra & Co. to conduct forensic audit. The borrower did not co-operate in the exercise and requisite documents were not shared with the auditors. The forensic audit report was prepared based on documents shared by the Bank / available in public domain, wherein instances of misappropriation of inventory/sale proceeds and misrepresentation in stock statement for availing higher DP have been observed. - Clarifications on the forensic audit findings were sought from the borrower by issuing SCN. Response received from the borrower was not found satisfactory. - The borrower was classified as 'Fraud', based on adverse observations of forensic audit report. Forensic Audit Observations Key points of the forensic audit report are as under: - Physical inspection of the borrower's unit: o Forensic auditor visited borrower's registered premises on 07.11.2024 for verification of the inventory. During the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				visit, it was observed that the stock at the premises of the borrower was old, obsolete with very less valuation as compared to the value of the inventory as per latest stock statement for October 2024 wherein inventory of Rs.15.47 crore was reported. - o The valuation of the inventory could not be done since proper records of the stock were not provided during the visit. - o Since the stock at the premises was obsolete having minimal valuation, it is possible that the stock has been sold out/misappropriated and funds have not been routed through Axis Bank accounts. - o Internal Investigation Remarks: ▪ Post October 2024 (last submitted stock statement by borrower) till date, no funds from operational activities have been credited into CC and current account maintained in Axis Bank, despite reporting sales of Rs.15.47 crore. - o It can be seen that the drawing power as per stock statement was 48% higher than the drawing power as per audited balance sheet. - o Further, basis the stock statement for August 2024, drawing power available with the borrower was Rs.3.21 crore. However, borrower had availed CC limits of Rs.6.30 crore from the Bank and o/s with the Bank as on 31.08.2024 was Rs.6.43 crore. - o Therefore, it has been observed that the borrower availed higher limits than its eligibility and limits were overutilized • Related Party Transactions: - o Transactions with Otis Healthcare: ▪ As per audited balance sheets of the company, no sales/purchase

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				transactions were carried out by the borrower with Otis Healthcare. However, as per bank statement of the borrower, total payment of Rs.9.75 crore has been made to Otis Healthcare during review period. ▪ No underlying documents were provided by the company to ascertain if the transactions were genuine. Hence, it appears that the company has diverted funds through related party. ○ Transactions with Mackley Life Science Pvt. Ltd. (MLSPL) ▪ As per audited balance sheets for FY 2023 and FY 2024, the company has made total sales of Rs.25.28 crore and purchases of Rs.26.73 crore from MLSPL. Hence, there is an o/s balance of only Rs.0.59 crore with MLSPL. ▪ However, the company has received only Rs.12.70 crore in CC and current account from MLSPL during the same period. ▪ No underlying documents were provided by the company to ascertain if the transactions were genuine. Hence, it appears that borrower has diverted funds through related party. • Conclusion by forensic auditor ○ Borrower is misrepresenting the facts by inflating inventory under stock statements. Non-routing of realization of debtors through Axis Bank accounts, and misappropriation of inventory/sale proceeds have also been observed. ○ Due to non-cooperative nature of the borrower underlying document related to transaction with related parties were not available for reference. Hence, it was not possible to establish if there was any diversion of funds. Key points from internal investigation:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- One unit in Delhi was found to be operating during inspection conducted in March 2024. However, no funds from operational activities have been credited into accounts with Axis Bank since May 2024. The borrower has not cooperated in conducting stock audit in September 2024. Issuance of Show-cause notice (SCN) to the Borrower - In compliance with RBI guidelines, the Bank issued Show-Cause Notice (SCN) to the borrower on 21.01.2025 seeking explanations on the adverse findings of forensic audit and internal investigation: - Borrower vide mail dated 10.02.2025 requested the Bank for an extension of 4 weeks time to respond to the SCN. The said response was not considered acceptable, in view of the following: - Despite giving multiple opportunities, there has been no co-operation from the borrower during the forensic audit process. - Under SCN issued by the Bank, further time has been permitted for submission of clarifications, in compliance with regulatory guidelines. Modus Operandi - Diversion of funds Root Cause - Misappropriation of sale proceeds of inventory disclosed in stock statement. Staff Accountability At the time of last renewal of WC limits in 2023, information regarding arrest of the promoter by drug authorities were not captured, neither any EWS trigger was generated. Accordingly, monitoring related lapses have been assigned to 1 bank employee (from coverage).

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
294	Kalpesh Steel House - Misappropriation of funds and criminal breach of trust	75.4	Background of the case • Kalpesh Steel House (KSH), is a Chennai based sole proprietorship firm, engaged in trading of steel alloys. • KSH was sanctioned CC limits of Rs.7 crore and ECLGS limits of Rs.0.53 crore (including takeover of limits of Rs.4.47 crore from ICICI Bank) in February 2023. Axis Bank is the sole lender. • The borrower stopped filing GST returns from July 2023 and its operations stopped, purportedly due to receivables getting stuck and incapable handling of business by son of the proprietor, Mr. Bhavin Doshi. The account was classified as NPA on 29.03.2024. • Notice u/s 132 of SARFAESI was issued on 03.09.2024. RFA / Fraud Status • Borrower was classified as RFA on 27.08.2024, based on shut down of operations 2 months after of disbursement of enhanced limits. • Axis Bank appointed Chaturvedi & Chaturvedi to conduct forensic audit of the borrower, wherein instances of diversion of funds were identified. • Clarifications on the forensic audit findings were sought from the borrower by issuing SCN. No response was received. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of forensic audit report. Forensic audit findings Key findings of forensic audit report are as under: • Non-cooperation by the borrower - o The borrower has not cooperated and had not shared any data/ documents

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				with the forensic auditor, despite multiple follow ups. • Site inspection by forensic auditor o Physical inspection of the borrower's premises, located at registered address, was conducted by the forensic auditor on 15.11.2024, wherein it was observed that another firm, Super Stahl India has occupied the premises. No inventory of the borrower firm was observed at the premises. o Market enquiries highlighted that the promoter's son, Mr. Bhavin Doshi's poor management and questionable activities, resulted in downfall of the firm. Sources revealed that Mr. Bhavin Doshi had brought an associate from Vishakapatnam, who had supplied low quality material, which resulted in accumulation of 1000 tons of unsellable material. After this, the firm suffered financial troubles, resulting in collapse of business. o The missing stock raised questions on mismanagement/ malfeasance. • Observation relating to inventory o As per the audited financial statements for FY 2022, inventory of Rs.6.52 crore was reported. Further, inventory as per the stock statements was valued at Rs.9.14 crore in March 2023, Rs.8.14 crore in June 2023 and Rs.7.90 crore in September 2023. o Further, as per the tax audit report filed for FY 2022, KSH had not reported any quantitative details of inventory as required under clause 35. The entities trading in goods are required to mention details under clause 35(a) of the Income Tax report about the quantity of opening stock, goods purchased, goods sold and closing

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				stock. However, the same was not recorded. - o Investigation remarks: As per the last available stock statement for September 2023, inventory was valued at Rs.7.90 crore as on 30.09.2023, wherein paid stock was recorded as Rs.6.02 crore. • Observations relating to sales and GST returns - o On comparison of GST returns and provisional financials for FY 2023, variance/ understatement of Rs.0.63 crore was noted in the GST returns. The turnover reported in the provisional financials for FY 2023 was Rs.32 crore and as per monthly GST return was Rs.31.37 crore. - o Subsequently, after availing credit facilities from Axis Bank, the borrower firm had suo-moto cancelled its GST registration effective from 30.06.2023 as per the GST portal. • Observation relating to capital infusion by the promoter - o KSH extended loans and advances of Rs.3.19 crore to their related parties. Out of this, Rs.3.04 crore was extended to Mr. Bhavin Doshi (Son of the proprietor). However, as per the provisional financials for FY 2023, all the balances of Loans and Advances were regrouped from multiple parties to 2 heads namely, “Loans And Advances” and “Advance in Suppliers” amounting to Rs. 0.37 crore and Rs.3 crore respectively. - o Further, as per the account statement analysis of ICICI Bank from 08.03.2021 to 30.11.2022, the borrower had conducted transactions - total payments

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				of Rs.6.49 crore and receipts of Rs.1.78 crore, with related parties. - o The borrower had submitted a CA certificates dated 02.02.2023 by Nikhil N Kumar, certifying funds received from Mr. Bhavin Doshi. ▪ Review of account statement of ICICI Bank (404205500220) for the period, 01.02.2023 to 02.02.2023, highlighted that Rs.1.90 crore were deposited by Mr. Bhavin Doshi (son of the proprietor). However, the amount was immediately transferred to other entities, Shrinek R (Rs.1.70 crore) and SS Steel (Rs.0.20 crore). ▪ This creates suspicion that the borrower has deposited the amount in the Bank just for compliance purpose and again transferred the same amount to third parties. ▪ As per the CA certificate by V. Sankara Narayanan, Chartered Accountant dated 22.04.2023, additional Rs.3.85 crore was infused by the promoter on 19.03.2023 and 20.03.2023. ▪ Out of Rs.3.85 crore, only Rs.2 crore were traced in accounts with Axis Bank, out of which Rs.1 crore was transferred to unknown entity, with beneficiary details, “INB/RTGS/UTIBR520230320002006 73//ADVANCE FOR PURC”. ▪ Further, Rs.1.85 crore could have been deposited in ICICI Bank, however the said account statement was not available for review. Therefore, infusion of the same cannot be commented upon. - o Investigation remarks: ▪ As per the terms of the sanction dated 04.02.2023, “entire advance of Rs.3.19 crore granted to group was to be ploughed back by 31.03.2023.”

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				▪ Review of account statement of Axis Bank (923030008033528) for the period 28.02.2023 to 20.03.2024, highlighted, infusion of Rs.2 crore on 20.03.2024. The borrower had immediately transferred the funds to its own account with ICICI Bank (Rs.0.85 crore) and balance transferred to entity, 360 Degree Business Solutions. • Fund trail analysis from Axis Bank's CC account - o Based on the above, payments of Rs.3.68 crore were made to entity, Alpha Beta Trad and the firm had made total payments in multiple tranches in October 2023. The purpose for payment of such huge amount in a single month is not clear and thus creates suspicion that the firm has diverted the funds out of the system. - o The firm has paid a sum of Rs.1 crore on 20.03.2023, for which the narration in bank statement appears to be "INB/RTGS/UTIBR520230320002006 73//ADVANCE FOR PURC". Thus, in absence of books of accounts and other pertinent details, it cannot be identified if the party to whom such advances were made and if the goods or services towards the same were received or the said advance has been recovered by the firm. Hence, in absence of requisite information, it creates suspicion that the firm might have diverted the funds out of the system. - o Investigation remarks: Based on review of counterparty details available for CC account maintained with Axis Bank (923030008033528) for the period 28.02.2023 to 20.03.2024, the borrower had immediately transferred the funds of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Rs.1 crore to entity, 360 Degree Business Solutions. - o In the absence of books of accounts, it cannot be ascertained if the said transactions are carried out genuinely or are bogus transactions in order to manipulate the books and financial position. - o Investigation remarks: Account statement analysis highlighted multiple round figures transactions totalling to Rs.9.73 crore, during 16.06.2023 to 24.11.2023, wherein the receipts in the account were immediately transferred to another parties on the same date. Counterparties included MMT Iron and Steel Trading Private Limited, Krishca Strapping Solutions Pvt Limited, Bhagwati Steel and Alloys Private Limited, 360 Degree Business Solutions, Alpha Beta Trade Links, Mr Shrenik Raj V Mardi and Mr. Bhavin Doshi. • Movement of unsecured loan - o Unsecured borrowing increased from Rs.3.44 crore as on 31.03.2022 (audited financials) to Rs.6.47 crore as on 31.03.2023 (provisional financials). - o As per the provisional financials for FY 2023, unsecured loans were obtained from Kotak Mahindra Bank, Bajaj Finserv, RBL Bank, HDFC Bank, UGRO Capital Limited, Neogrowth Credit, Poonawala Finance and Indusind Bank - o Further, as per statement of account with Axis Bank, the firm had received a loan of Rs.0.29 crore from Unity Small Finance Bank on 28.03.2023, which was not disclosed in the provisional financials for FY 2023. Payments of Rs.0.05 crore were made from the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				account with Axis Bank for repayment of said dues. o However, in absence of books of accounts and audited financials, outstanding balances and any new loans taken from other Banks & NBFCs cannot be ascertained. Further, status of NOCs availed from Axis bank was also not available. • Conclusion by the forensic auditor o Considering all the above, the borrower firm and management may seem to be engaged in financial maleficence / diversion of funds and possibility of fraudulent activities with mala-fide intention cannot be overruled. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower and sole proprietor on 23.01.2025 seeking explanations against aforementioned forensic audit findings and internal investigation findings. The SCN was delivered to proprietor on 24.01.2025. However, SCN to the firm returned back to the Bank and was undelivered. • No satisfactory response has been received from the borrower. Modus Operandi • Diversion of funds Root Cause • Misappropriation of inventory/ sale proceeds. Staff Accountability • (a) Analysis of projected sales growth and counterparties were not conducted at the time of sanction. (b) End-use of fund infusion by promoters not monitored as per provisions of CCP.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Accordingly, appraisal related lapses have been assigned to 2 bank employees (coverage). Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been 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). - The exposure has been prudentially written-off
295		Zenith Corporation - Misappropriation of funds and criminal breach of trust	50.1	Background of the case - Zenith Corporation (ZC) is engaged into trading of coal imported from Indonesia. - The borrower availed working capital limit of Rs.41 crore under Multiple Banking Arrangement (MBA), with Cooperative Bank of Rajkot as the largest lender. Axis Bank sanctioned CC facility of Rs.5 crore in November 2021. - There has been delays in servicing dues since October 2023, reportedly pursuant to dispute between partners of the firm. As per feedback from Collection officials, Mr. Manish Dangi, Partner of ZC, did not co-operate in clearing the overdue and behaved aggressively during the ensuring meetings held. The account was classified as NPA on 03.01.2024. - OA filed before DRT Ahmedabad on 13.12.2024. Notice u/s 13(2) of SARFAESI issued on 16.01.2025. RFA / Fraud Status - Borrower was classified as RFA on 30.07.2024, based on a letter received from Mr. Manish Dangi, Partner of ZC, alleging irregularities in the group company Turnrest Resources Private

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Limited (TRPL) and classification of TRPL as RFA by SBI. • Axis Bank appointed Sharp & Associates to conduct forensic audit of the borrower, wherein instances of diversion of funds were identified. • Clarification on the forensic audit findings were sought from the borrower by issuing show-cause notice. The borrower responded on 22.01.2025, wherein no satisfactory clarification/supporting documents were provided. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of forensic audit report. Forensic audit and Internal Investigation Findings Key findings of forensic audit report are as under: • Non-cooperation from the borrower - o The borrower has not shared any documents such as books of accounts, sales/purchase bills, Lorry Receipts, Bill of Lading, Lorry Receipts etc with the auditor. Further, confirmation letters from ports where stocks were stored was also not provided by the borrower. Thus, neither physical verification could not be done nor confirmation from the ports could be obtained. - o The auditor sent an email to the borrower on 23.11.2024, requesting information regarding the forensic audit and arrangement of visit to port as well office but have not received any response. Additionally, the auditor also contacted one of the partners Mr. Manish Dangi on a telephonic call. During the conversation, the partner was non-cooperative and declined auditor's

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				request for a site visit as well as sharing of information. - o Further, as per the stock audit report dated 16.01.2023, conducted by Munna Jaggi & Co., access to the books of accounts and physical inspection of stocks were not provided by the borrower. • Misrepresentation in the Stock Statement - o Review of stock statement for March 2023 submitted by the borrower, highlighted that the dues of Rs.11.27 crore were outstanding from Nihan Trading Private Limited. However, as per the audited financials of Nihan Trading Private Limited for the FY 2023, total sundry creditors were outstanding at Rs.4.46 crore. - o The above discrepancy reflected misrepresentation in the stock statements submitted by the borrower. • Transaction with entities having low networth - o The borrower during the period, December 2021 to September 2022, had made payments of Rs.52.31 crore and Rs.8.76 crore to Nihan Trading Private Limited (NTPL) and Beta Resources Private Limited (BRPL) respectively from account maintained with Axis Bank. - o Further, payments of Rs.1.75 crore and Rs.2.41 crore were made to NTPL and BRPL from HDFC Bank during 01.01.2023 to 31.12.2023. Receipts of Rs. 18.36 crore from NTPL and Rs. 35.32 crore from BRPL were noted during January 2023 till December 2023 in HDFC Bank account of the borrower. - o Both the companies, NTPL & BRPL have negligible net worth based on their

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				respective audited financials. In case of BRPL, there were no debtors/ creditors as on 31.03.2023. Moreover, partner of Zenith Corporation, Mr. Manish Dangi had also served as a past Director of Beta Resources Private Limited during July 2017 to March 2020. - o Major debtors of the firm were entities with very low net worth and related to it. Further, evidence of movement of goods was not available for review. • Debtors with common registered address/ common directors of TRPL - Apex Traders and Target Enterprise - o Account statement analysis highlighted receipts of Rs.52.65 crore from Apex Traders and Rs. 93.74 crore from Target Enterprises during January 2023 till December 2023 in HDFC Bank account of the Borrower. - o Apex Traders were located at the registered address of 4th Floor, Sunshine Arcade, Vidyakunj Society Main Road, Rajkot, Gujarat – 360005, which was the earlier address of TRPL, a related party of the borrower. - o Target Enterprise was located at D-1001, Swati Crimson and Clover, near Veneccia Bungalow, Shilaj Circle, Ahmedabad, Gujarat-380054, which is the present address of TRPL. Miracle Enterprises - o Payments of Rs.7.89 crore and receipts of Rs.12.63 crore from Miracle Enterprises were noted during January 2023 till December 2023 in HDFC Bank account of the borrower. Public domain search highlighted that Miracle Enterprises was co-owned by Mr. Jay Chotaliya, who is also a Director in TRPL. The said entity has not been

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				disclosed as related party in the audited financials. o From the aforementioned, it was observed that transactions of the firm are concentrated to related parties and there is no evidence of movement of goods. The customers operate from same address as that of the associate concern TRPL. Investigation remarks: o It may be noted that Mr. Manish Dangi, partner of Zenith Corporation also served as a Director of TRPL from 20.04.2017 to 28.03.2022. Further, he served as CEO of TRPL during 01.05.2022 to 01.10.2023. o Moreover, the complaint letter received from Mr. Manish Dangi dated 27.04.2024, alleged financial fraud committed by Mr. Jay Chotalia through TRPL and SBI's RFA classification of TRPL based on the following: ▪ Round transaction through a network of controlled entities, ▪ Address of many companies are either the old address of TRPL or the new address of TRPL, ▪ Current Director of TRPL were the directors in companies from whom round transactions are conducted. o As per the latest CRILC reporting as on 15.01.2025, TRPL has been classified as RFA by 4 lenders – ICICI Bank, Bank of Maharashtra, South India Bank and HDFC Bank. As per Central Fraud Registry, modus operandi reported as - Business activity stopped, stock was not available and books of accounts could not be verified as no response from company's partners while visited by the bank official.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Inflated selling price ○ The inventory was sold at the rate of Rs.9,940 per MT to Shivaay Coal Corporation on 03.02.2023. However, the inventory sold to entities, Apex Traders and Target Enterprises on 31.01.2023 and 16.02.2023 at rates of Rs.22,000 and Rs.23,400 per MT, respectively, which was higher than the average rate by more than 100%. ○ Therefore, it was observed that goods are sold at inflated price to related & associated parties. • Transactions of receipt and payments conducted with common parties ○ Analysis of available account statement of Axis Bank, HDFC Bank and State Bank of India highlighted that the borrower had conducted both payment and receipt transactions with following entities: ▪ TRPL - Payment of Rs.204.85 crore and receipt of Rs.7.27 crore during 14.09.2022 to 31.12.2023. ▪ Nihan Trading Pvt Ltd - Payment of Rs.54.06 crore and receipt of Rs.18.36 crore during 18.12.2021 to 31.12.2023. ▪ Beta Resources Pvt Ltd - Payment of Rs.11.17 crore and receipt of Rs.35.32 crore during 07.03.2022 to 31.12.2023. ▪ Miracle Enterprise - Payment of Rs.7.89 crore and receipt of Rs.12.63 crore during 01.01.2023 to 31.12.2023. ○ The auditor had opined that above transactions appear to be bogus and book entries. • Transaction conducted with TRPL

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o Analysis of borrower's account with HDFC Bank highlighted that total payment of Rs.201.04 crore was made to TRPL during 01.01.2023 to 31.12.2023. However, total purchases from TRPL in FY 2022 was Rs. 73.90 crore and in FY 2023 was Rs. 95.87 crore. - o The above highlights that the borrower had made excess payments to TRPL than the purchase made from TRPL. • Observations on under insurance of inventory - o As per the stock statement, raw material increased significantly from Rs.6.47 crore to Rs.46.18 crore between 31.03.2022 to 31.10.2022, resulting in increase in holding period drastically from 29 days to 77 days. Inventory as on March 2024 was Rs. 47.51 crore. - o Stock statement for July 2022 highlighted that insurance cover of only Rs.20.37 crore against the total inventory of Rs.44.41 crore. The insurance cover was reported between Rs.21 crore to Rs.30 crore from August 2022 to March 2024. - o Review of stock statements submitted to Axis Bank and HDFC Bank highlights absurd movement of inventory. Further, owing to non-availability of confirmation letter from port, existence of stock cannot be proven. • Conclusion by forensic auditor: - o Zenith Corporation, along with its associates and related parties, have undergone kiting transactions and appears to be a case of diversion of funds through group layers. The DP

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				was majorly availed on stock, which was stored at port, which could not be verified. Major debtors are bogus, and sales and purchase transactions are just book entries. Status with other lenders • In addition to Axis Bank, the borrower was also classified as RFA by HDFC Bank on 23.10.2024. State Bank of India had classified the borrower as Fraud on 30.12.2024, as communicated by RBI vide email dated 06.01.2025 • Subsequently, a JLM was convened on 09.01.2025 to discuss actions taken by various banks. The meeting was attended by all lenders except The Co-Op Bank of Rajkot. Following were the key points discussed: - o Axis Bank informed that SCN has been issued to the borrower, seeking explanation against adverse observations in Forensic audit report dated 27.12.2024. - o HDFC Bank informed that they have issued SCN to the borrower on 07.01.2025 based on forensic audit observations. - o SBI informed that they have already classified the borrower as fraud, based on their internal audit findings and non-cooperation from the borrower after issuance of SCN. It was further discussed that a joint complaint will be filed with LEA by the largest lender. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) dated 27.12.2024 to the borrower and partners, seeking clarifications against adverse forensic audit findings, along with supporting documents. The

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					letters were delivered to the partners on 30.12.2024 and 02.01.2025. Modus Operandi • Diversion of funds Root Cause • Diversion of funds through transactions with related entities. Staff Accountability • At the time of sanction of limits in 2021, minimum collateral cover of 100%, to be created prior to disbursement, was stipulated. However, valuation of the properties were lower than the values captured in the credit proposal put up to sanction authority and actual collateral coverage was lower than 100%. No deviation to the condition was evidenced, prior to full disbursement of limits. • Inspection was not conducted as per stipulated frequency. Adverse findings of stock audit conducted in 2023 were not escalated to competent authority. • Accordingly, appraisal and monitoring related lapses have been attributed to 4 Bank employees (from Coverage, Underwriting & Branch). Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed in the matter. • 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.
296		Shree Om Wires Private Limited - Misappropriation of funds and criminal breach of trust		47.4	Background of the case • Shreeom Wires Private Limited (SWPL) was a Delhi based channel partner of SESA Sterlite Limited (presently,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Vedanta Limited), engaged in manufacturing and trading in copper wire/ conductor and PVC insulated wires/ cables. • The borrower availed working capital facilities of Rs.14.93 crore as on January 2016, under multiple banking arrangement, from 2 lenders viz. State Bank of India (Largest lender) and Axis Bank (share of lending is approx. 32%). • Axis Bank sanctioned channel financing limit of Rs.5 crore and purchase invoice discounting limit of Rs.3.32 crore to SEPL in March 2016, under the scheme of Vedanta Limited (formerly known as Sesa Sterlite Limited) – Copper Division. The borrower also availed an auto loan of Rs.0.10 crore from Axis Bank in March 2015. • The borrower faced liquidity issues due to slump in the metal market and stretched receivables. The account turned NPA on 13.09.2016 (Quick Mortality case). • The company went into liquidation vide NCLT order dated 11.07.2019. It has been dissolved vide NCLT order dated 08.03.2021. RFA / Fraud Status • SWPL was classified as RFA on 26.06.2024, pursuant to a) fraud classification by SBI, and b) borrower not being traceable. • Internal investigation concluded that the firm availed credit limits from other lender without taking NOC from existing lender. • Clarification on the internal investigation findings were sought from the borrower by issuing show-cause notice. However, 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
				- Accordingly, the borrower was classified as 'Fraud', based on adverse findings of internal investigation. Internal Investigation Findings Key findings of internal investigation are as under: Fraud Classification by SBI - The company availed credit facilities by way of Cash Credit Limit of Rs.3 crore from SME Shahdara branch, SBI, under sole banking arrangement. - The credit facility was sanctioned on 27.07.2011 by NWCC (NW-1). On 18.06.2012, CC limit of company was enhanced from Rs.3 crore to Rs.7 crore. - Further, the company was sanctioned two term loans aggregating to Rs.2.50 crore and NFBWC limit of Rs 3.50 crore on 08.03.2013 by ZCC (DZO-I). - The limit was last renewed on 02.03.2016. Account turned NPA on 16.01.2017. - SBI classified the borrower as fraud on 12.09.2022. As per filing in CFR, following key points were noted: - Modus Operandi: Misappropriation and criminal breach of trust. Diversion of funds Investigation Findings: - Axis Bank sanctioned Channel finance limit of Rs.5 crore to the company in March 2016 for procurement of goods from Sesa Sterlite Limited – Copper Division (Presently, Vedanta Limited). Sanction letter dated 07.03.2016, duly accepted by the borrower, was held on record. - As per terms of sanction, in case the overdues are not cleared within the invoice due date or if the interest amount is not serviced within 10 days from

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				month end, the same shall be treated as an event of default. - Channel finance Limits were disbursed from 14.03.2016. Total 12 indents aggregating to Rs.6.42 crore was discounted by Axis Bank between 14.03.2016 and 30.08.2016. - Presently, an amount of Rs.4.71 crore corresponding to 11 indents from Vedanta Limited (Sesa Sterlite Ltd), which were discounted 15.03.2016 onwards, is overdue. Issuance of Show-cause notice (SCN) to the Borrower - A Show-Cause Notice (SCN) dated 22.11.2024 was issued to the borrower and erstwhile Directors on 23.11.2024, seeking the following clarification: - 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. The SCN was undelivered as per the POD details shared. Modus Operandi - Diversion of Funds Root Cause - Diversion of sales proceeds against inventory funded by the Bank.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					Staff Accountability - Fresh indents were discounted in spite of overdue observed in past indents beyond maturity date. Accordingly, monitoring related lapses have been attributed to 2 Bank employees (from coverage/SCF). Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint has been filed in the matter. - 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.
297		Sri Kalaimahal Educational Trust (SKET) - Misappropriation of funds and criminal breach of trust		47.4	Background of the case - Sri Kalaimahal Educational Trust (SKET) manages 5 educational institutes in and around Nagapattinam, Tamil Nadu. - Axis Bank's SBB segment sanctioned credit facilities of Rs.5.50 crore to SKET in February 2020, including takeover of limits from Kotak Mahindra Bank. Subsequently, ECLGS limits of Rs.0.85 crore were permitted in August 2020, and FITLs of Rs.0.27 crore and Rs.0.09 crore sanctioned in August 2021. - Axis Bank is the sole lending Bank. Resolution and Recovery Actions - Fee collection was affected in FY 2021 pursuant COVID-19 pandemic. Routing of collections through Axis Bank accounts dropped in FY 2021 and completely stopped in FY 2022. Turnover was being routed through c/a in IOB and Indian Bank. The account

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				was subsequently classified as NPA in July 2022. • SBB segment also sanctioned limits of Rs.7.88 crore to group entity, Kalaimahal Educational Trust (KET). The said exposure also turned NPA at the same time. • There were a total 5 collateral properties extended for limits sanctioned to the 2 group entities, out of which a vacant plot was released against payment of Rs.2 crore in May 2023. Residual principal o/s in KET and SKET is Rs.9.94 crore. • DSV of the other 4 properties are Rs.12.83 crore. However, 3 of the properties are operating schools. Order for physical possession under SARFAESI is still pending from court and enforcing them is expected to be challenging. RFA / Fraud Status • Axis Bank classified the borrower as RFA on 18.07.2024, based on RFA classification of group entity KET. • KET was subsequently classified as 'Fraud' by Axis Bank, based on adverse findings of forensic audit report. Subsequently, police complaint has been filed against the borrower. • Axis Bank appointed SPR & Co. to conduct forensic audit of the borrower. Forensic Audit Report highlighted instances of diversion of funds. • Clarification on the forensic audit findings were sought from the borrower by issuing show-cause notice. However, no response was received from the borrower. • Accordingly, the borrower was classified as 'Fraud', based on adverse findings of forensic audit report. Forensic Audit Observations

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Key points of the forensic audit report are as under: • Non-cooperation from Borrower - o Since the appointment of the forensic auditor, the borrower did not provide access to the books of account and other documents. No-cooperation has been received from the borrower in this regard. • Physical Inspection of Borrower's Unit - o During field visit at the premises of the borrower on 05.12.2024, auditor observed that institutes are running actively by the borrower. However, proportionate funds have not been routed through Axis Bank accounts deliberately, leading to non-repayment of credit facilities and classification of account as NPA. • Diversion of funds – Payments to various entities / individuals - o Net transfer of funds amounting to Rs.0.08 crore to Sri Alaya Chit Funds. - o Payments of Rs.0.50 crore were made to various individuals, which suggest misutilization of funds. - o Multiple transfers amounting to a net payment of Rs.0.10 crore were made to one of the co-applicants Mr. Kudiyarasu, who also appears to be an employee in one of the schools. Further, Rs.0.01 crore were transferred to KET. - o Payments amounting to Rs.0.06 crore were made to financial institutions viz. HYK Capital and Ganesh Finance during FY 2020 & FY 2021. • Conclusion by forensic auditor - o The forensics audit has revealed instances of payments where the “End Use” could not be linked towards working capital purposes. In absence of information furnished by the borrower,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				and type of transactions noticed during the review, the auditor has categorised them to be in the nature of “fund diversion” and/or “misutilization of funds” on account of end use violation. - o Borrower has not cooperated with the forensic audit and has failed to provide the necessary books of accounts, documents, or explanations to substantiate our findings. in the absence of any data and information we are unable to comment on the genuineness of the borrower and its subsequent repayments or diversion of funds to various parties. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 20.12.2024, seeking explanations against aforementioned forensic audit findings. • However, no response was received from the borrower. Modus Operandi • Misappropriation of funds and criminal breach of trust Root Cause • Misappropriation of funds and criminal breach of trust Staff Accountability • School is considered as a ‘restricted property’ under CCP for SBB segment. However, 3 out of 5 properties mortgaged in the present case are schools. Order for physical possession under SARFAESI is still pending from court and enforcing them is expected to be challenging. • Steps taken for closure of current accounts maintained with non-lending banks were not evidenced.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			- Accordingly, appraisal and monitoring related lapses have been assigned to 2 bank employees (coverage & credit). Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint has been filed in the matter. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). 100% provision to be made as per guidelines.
298	Amol Mekhale - Clandestine sale of property by borrower to third party	47.3	Background of the case - During sanction of loan against property (LAP) to Renu Mahto (prospective borrower), it was identified that the same property has been mortgaged for another LAP loan availed by borrower Amol Mekhale. The case was referred to FCI for further investigation where it was observed that the original property documents are in the custody of ICICI Bank. Based on the suspicion of multiple funding on the same property, the account was classified as RFA and referred to Internal Vigilance for further investigation. - The borrower Amol Mekhale had availed a LAP and ECLGS (BT from ICICI Bank) of Rs 4.73 crore (LAP: Rs 4.13 crore , ECLGS: Rs 0.61 crore) against mortgage of a commercial property situated in Vashi, Navi Mumbai in March 2021. Currently the property is not mortgaged to Axis Bank as final sale deed and other documents are yet to be received from ICICI bank. Fraud Status - Based on the investigation findings it was ascertained that the borrower had

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				engaged in the fraudulent act of clandestinely selling the property to third party without seeking NOC from the Bank. Hence, the incident has been classified as 'Fraud' perpetrated by borrower Amol Mekhale and has been approved by the Fraud Identification Council of the bank. Internal Investigation Key findings of internal investigations are as under: • During take-over of the loan from ICICI Bank, an amount of Rs 4.09 crore (through DD) was disbursed towards closure of LAP loan. However, for the ECLGS loan instead of depositing an amount of Rs 0.60 crore in ICICI Bank ECLGS account, the same was erroneously transferred (through RTGS) to the borrowers savings account maintained with ICICI Bank and which was subsequently utilized by the borrower. Since the ECLGS loan of ICICI bank account was not closed, ICICI bank did not release the property papers to Axis Bank. • During investigation title search report (TSR) from SRO office was conducted where the property was found registered in the name of 3rd party (Rajendra Bhatnagar & Usha Bhatnagar) on 11.08.2023 without seeking NOC from Axis Bank. • The borrower also simultaneously (confirmed from TSR index) tried selling the property to Renu Mahato on 28/07/2023 who subsequently cancelled the transaction in August 2023. • The property is currently in possession of third party who has filed case before DRT against borrower & Axis Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Hence, based on the above findings it was ascertained that the borrower had clandestinely sold the property to third party without seeking NOC from the Bank which is a fraudulent act Issuance of Show-cause notice (SCN) to the Borrower - The bank issued show-cause notice to the borrower seeking explanations on the adverse findings of internal investigation. The response given by the borrower was not justified and hence was not acceptable. Modus Operandi - Borrower mistutilized the amount which was erroneously disbursed in his savings account and instead of foreclosing ICICI Bank loan clandestinely sold the mortgage property to third party without NOC of the Bank. Root Cause - The amount of ECLGS loan was erroneously transferred in borrowers saving account instead to the ECLGS account maintained with ICICI Bank. As remedial measure no formal letter was sent to ICICI to not release the property documents to borrower which resulted in borrower foreclosing the loan and clandestinely selling the property to third party. Staff Accountability - Lapses have been observed on the part of operations team (maker and checker) and Area Sales Manager for failure in execution and monitoring of the BT process. Action Taken / Proposed - Police complaint has been filed against the borrowers - Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Serious Fraud Investigation Office (SFIO).
299	Shree Enterprises - Misappropriation of funds and criminal breach of trust	33.7	Background of the case - Shree Enterprises (SE), a proprietorship concern, was engaged into processing and trading of paddy and wheat. - Mr. Neelesh Kumar Singh, proprietor of the firm, is also the promoter of V S Kisan Producer Company Limited (VSKPCL), which was classified as 'Fraud' by Axis Bank in April 2024. - Axis Bank sanctioned OD facility of Rs.3.50 crore to SE in August 2022, including takeover of limits from Bank of Baroda. - Axis Bank is the sole lending Bank. Resolution and Recovery Actions - The account was classified as NPA on 29.11.2023. - SBB segment also sanctioned limits of Rs.4.95 crore to group entity, VSKPCL. The said exposure turned NPA on 29.06.2023. - As per submissions from SBB officials, the promoters had stopped routing transactions in both VSKPCL and SE, post onboarding and disbursement. During follow-ups for regularization, it was revealed that the promoter has moved to Dubai. - Symbolic possession of the collateral properties has been taken under SAFAESI on 13.05.2024. Application for physical possession has been filed on 28.05.2024 and pending for orders. - Total DSV of collateral security was Rs.9.37 crore, cross-collateralized with exposure in VSKPCL. Collateral cover works out to 111%. RFA / Fraud Status

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Axis Bank classified the borrower as RFA on 18.07.2024, pursuant to group entity VSKPCL being declared as 'fraud' by Axis Bank. - VSKPCL was classified as 'Fraud' by Axis Bank, based on adverse findings of forensic audit report. Subsequently, police complaint has been filed against the borrower. - Axis Bank appointed Rajvanshi and Associates to conduct forensic audit of the borrower. Forensic Audit Report highlighted instances of diversion of funds. - Clarification on the forensic audit findings were sought from the borrower by issuing show-cause notice. However, no response was received from the borrower. - Accordingly, the borrower was classified as 'Fraud', based on adverse findings of forensic audit report. - A provision of Rs.2.69 crore was held against the exposure as at 31.12.2024. Forensic Audit Findings Key findings of forensic audit are as under: - Non-cooperation from Borrower - Since the appointment of the forensic auditor, the borrower did not provide access to the books of account and other documents. No-cooperation has been received from the borrower in this regard. - Physical Inspection of Borrower's Unit - During field visit at the premises of the borrower on 06.12.2024, entity was not found in operation and premises was locked. - Irregular Payments to group entity VSKPCL

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					- o Net payments amounting to Rs.3.45 crore was made to VSKPCL during the review period. - o From 13.09.2016 to 16.09.2016, Rs.2.55 crore were received from two entities Chhanhi Agro Farmer Producer Company Limited (CAFPCL) and Rural Progressive Far (RPF) in multiple tranches. The said funds were immediately transferred to VSKPCL indicating same day receipt and transfer. Out of Rs.3.45 crore, forensic auditor has identified payment of Rs.0.85 crore to VSKPCL made without any corresponding receipt and considered the same as diversion. • Suspicious payments to various parties - o Payments of Rs.1.00 crore were made to various individuals / entities on 07.09.2022, within one month of disbursement of funds. - o VSKPCL was the primary supplier for the borrower with 90% procurement was made from this company. Therefore, payment to these individuals / entities was considered as potential diversion of funds. • Association of Proprietor with Overseas Entities - o The proprietor, Mr. Neelesh Kumar Singh is a partner in the overseas entities viz. Goldessa International, based in Dubai, registered on 08.11.2022 and African Biz International, based in Benin, Africa, registered on 04.08.2022. These entities have been established post availment of credit facilities in SE.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o It is suspected that these were established at the expense of business of SE. • Conclusion by forensic auditor - o Forensic audit indicates potential fund diversion of Rs.1.85 crore, non-compliance with loan terms and suspicious transactions with related parties such as VSKPCL. Additionally, payments to multiple parties without supporting evidence of legitimate business transactions further highlight the possibility of fund rotation and misrepresentation of financial activities. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 21.12.2024, seeking explanations against aforementioned forensic audit findings. • However, no response was received from the borrower. Modus Operandi • Misappropriation of funds and criminal breach of trust Root Cause • Misappropriation of funds and criminal breach of trust Staff Accountability • As per the SBB guidelines, stock inspection was stipulated to be carried out on half-yearly basis by Relationship Manager/Sales Manager/Operation Manager/PD Agency and for 30+ DPD cases unit visits to be done by Credit Manager (in addition to Relationship Manager). • However, no unit inspection report was available for review. Accordingly, monitoring related lapses have been

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			assigned to 3 bank employees (coverage, credit & operations). Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed in the matter. • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). • 100% provision to be made as per guidelines.
300	Allied Traders (AT) - Misrepresentation in stock statement to avail higher DP	32.8	Background of the case • Allied Traders (AT) is a proprietorship firm engaged in retail trading of building construction materials. • Axis Bank sanctioned credit facilities of Rs.3.72 crore to AT in February 2022, by way of takeover from ICICI Bank. Axis Bank is the sole lending Bank. Resolution and Recovery Actions • The account was classified as NPA on 24.02.2024. • Symbolic possession of the collaterals has been taken, under SARFAESI, on 03.05.2024. Order for physical possession was passed by CJM Malappuram on 17.08.2024. Physical possession of one property (commercial) has been taken. • Meanwhile, borrower has filed an application against the Bank before DRT Kochi. The application is pending for orders. • Total DSV of collateral security was Rs.5.84 crore, cross-collateralized with exposure in group entity, Sowbhagya Agencies (SA). Collateral cover works out to 78%. RFA / Fraud Status

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Axis Bank classified the borrower as RFA on 18.07.2024, based on RFA classification of group entity SA. - Axis Bank classified SA as RFA on 02.04.2024. subsequently, forensic audit was conducted in the account, wherein misrepresentation in stock statement and misappropriation of inventory / sale proceeds were identified. - Based on these, SA was classified as 'Fraud' by Axis Bank in October 2024. Subsequently, police complaint has been filed against SA. - Axis Bank appointed Sarath & Associates to conduct forensic audit. AT did not co-operate in the exercise and requisite documents were not shared with the auditors. The forensic audit report was prepared based on documents shared by the Bank / available in public domain, wherein instances of diversion of funds and fabrication in stock statements were identified. - Clarifications on the forensic audit findings were sought from the borrower by issuing SCN. Response received from the borrower was not found satisfactory. Further borrower requested for personal hearing which was scheduled on 24.01.2025. However, the borrower failed to appear for the hearing at the scheduled him. - The borrower was classified as 'Fraud', based on adverse observations of forensic audit report. Forensic Audit Observations Key points of the forensic audit report are as under: - Non-cooperation from Borrower - The borrower did not provide access to the books of account and other documents. No-cooperation

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				has been received from the borrower in this regard. • Misrepresentation in Stock Reporting - o The quarterly stock statements submitted by the borrower from 31.03.2022 to 30.06.2023 show the following consistent values: Stock: Rs. 2,66,61,980; Sundry Creditors: Nil; Sundry Debtors: Rs. 1,74,00,000. Same values were reported over 19 months, especially in a business environment where stock levels, creditors, and debtors typically fluctuate. • Significant Discrepancies between Reported Stock and Physical Verification at Registered Office - o During field visit at the premises of the borrower on 29.11.2024, negligible stock was noted. Analysis of bank statement shows receipt of Rs.0.12 crore after 30.09.2023, significantly less than the combined stock and debtors balance of Rs.4.41 crore reported in the stock statement as of 30.09.2023. - o Investigation Remarks - From the above, it can be concluded that inventory has been misappropriated and/or sale proceeds have been diverted. • Payments to various entities / individuals - o Net transfer of funds amounting to Rs.2.09 crore noted to the borrower's ICICI Bank account (apart from the funds transferred for take-over) suggesting non-compliance with the pre-disbursement condition of closing existing current accounts.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- o Diversion of Rs.0.21 crore from CC account for repayments to NBFCs - TATA Finance and Poonawalla Finance. • Conclusion by forensic auditor - o AT has submitted stock statements that appear to be fabricated or repetitive, suggesting a possible intent to manipulate the drawing power within the sanctioned limits. Additionally, a review of the cash credit account statement reveals indicators of potential fund diversion. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the borrower on 17.12.2024, seeking explanations against aforementioned forensic audit findings. • Borrower responded vide email dated 06.01.2025: - o Borrower's business got hit due to Covid-19 pandemic and construction of flyover in front of official premises. To meet their monthly liabilities, including interest payments, borrower had to liquidate the stock. Over time, the stock was depleted, and working capital exhausted, resulting in the loan becoming NPA. - o The matter is presently in DRT. As per the law declared by the Hon'ble Supreme Court of India, no prosecution action on the same matter is permissible during the pendency of proceedings before the DRT. - o Efforts were made to sell the collaterals and repay the dues. However, prevailing market

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				conditions reduced the property values and thereby full loan repayment from sale of collaterals is not possible. - o Borrower, further requested detailed statement of unauthorized transactions (on which response was sought) to respond accordingly citing operational difficulties in accessing its records. • Further borrower requested for personal hearing which was scheduled on 24.01.2025. However, the borrower failed to appear for the hearing at the scheduled time. Modus Operandi • Misrepresentation in stock statement to avail higher DP Root Cause • Misrepresentation in stock statement to avail higher DP Staff Accountability • As per the SBB guidelines, stock inspection was stipulated to be carried out on half-yearly basis by Relationship Manager/Sales Manager/Operation Manager/PD Agency and for 30+ DPD cases unit visits to be done by Credit Manager (in addition to Relationship Manager). • However, no unit inspection report was available for review. Accordingly, monitoring related lapses have been assigned to 3 bank employees (coverage, credit & operations). Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed in the matter. • Fraud has been 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
			and to the Serious Fraud Investigation Office (SFIO). 100% provision to be made as per guidelines.
301	Sri Duraiappa Enterprises - Cheating by concealment of facts with intention to deceive any person and cheating by impersonation	28.8	Background of the case - Sri Duraiappa Enterprises (SDE), a partnership concern, was engaged in wholesale and retail distributorship of grocery items, refined edible oil, and other FMCG products in Alandur, Chennai. - Axis Bank sanctioned CC facility of Rs.3.00 crore to SDE in January 2016, as the sole lender. - SDE subsequently availed OD facility of Rs.6.00 crore from State Bank of India (SBI) without obtaining NOC from Axis Bank. - The borrower had faced business losses due to high volatility in pulses and edible oil. The account was classified as an NPA on 28.06.2019. - Notice u/s 13(2) of SARFAESI has been issued to the borrower on 22.08.2019. OA has been filed with DRT Chennai on 06.11.2020. RFA / Fraud Status - Borrower was classified as RFA on 26.06.2024, based on fraud classification by SBI. - Internal investigation concluded that the firm availed credit limits from other lender without taking NOC from existing lender. - Clarification on the internal investigation findings were sought from the borrower by issuing show-cause notice. However, no response has been received from the borrower. - Accordingly, the borrower was classified as 'Fraud', based on adverse findings of internal investigation.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Internal Investigation Findings Key findings of internal investigation are as under: Fraud Classification by SBI • SBI sanctioned OD limits of Rs.6.00 crore to the borrower in June 2017. SBI had also sanctioned Home Top-up Loans (HTLs) to the borrower by takeover from Karur Vysya Bank (KVB) and Punjab National Bank (PNB). • SBI classified the borrower as fraud on 20.08.2022. As per filing in CFR, following key points were noted: - o Modus Operandi: Inflated valuation reports, diversion of funds and the borrower being not traceable. - o Root cause analysis: ✓ Rs.4.00 crore were transferred to the associate concerns banking with Karur Vysya Bank (KVB), from the CC account of Sri Duraiappa Enterprises (SDE). ✓ As per inspection report dated 12.09.2017, bifurcation of stocks were not done properly between Sri Duraiappa Stores and Sri Duraiappa Enterprises, as Sri Duraiappa Stores was financed by KVB. Stock and receivable audit was not able to be carried out as the borrower was not co-operative. ✓ Valuation of the collateral properties mortgaged with SBI as per valuation reports of 2017 was 40-50% more than the valuation of the same properties as per valuation reports of 2021. • Post fraud classification of the borrower, SBI had filed a complaint, against both partners of the firm and valuers who carried out valuation of the collateral properties, with CBI and Superintendent

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				of Police Chennai, on 23.11.2022 and 29.12.2022 respectively. Key allegations are as below: - o Rs.4 crore were diverted to associates concerns within 3 days of the fund disbursement. - o Value of the properties offered as a collateral security was far below when it was valued through another valuer. Investigation Findings: Availment of credit facilities from SBI without obtaining NOC from Axis Bank: • Axis Bank had sanctioned Cash Credit (CC) facility of Rs.3.00 crore under sole banking arrangement in January 2016. • As per FIR filed by SBI with CBI and Superintendent of Police Chennai, both partners of the firm Mr. S Murugan and Mr. Prabhu Ramasamy had approached SBI in June 2017 for credit facilities. Subsequently, SBI sanctioned CC facility of Rs.6.00 crore to the borrower on 20.06.2017. • It was also noted that stock and receivables of the firm were provided as a primary security against the credit facility obtained from the SBI, despite Axis Bank having exclusive charge on them. • During currency of the Bank's credit facility, the borrower availed credit facilities from SBI without obtaining written permission from Axis Bank. This was violation of Bank's general terms and condition accepted by the borrower. Non-routing of proportionate funds through Axis Bank's CC account: • Axis Bank had sanctioned credit facility to the borrower under sole banking arrangement. Hence, as per terms of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				sanction, the borrower should route all sales transactions through Axis Bank's CC account. - During FY 2016, the borrower reported sales of Rs.0.92 crore for February 2016 and March 2016. Partial routing of funds was reported during the same period through Axis Bank account. - Further, during FY 2017, the borrower routed only approx. 37% of sales transaction through CC account. - For FY 2018 and FY 2019, sales figures were not available to ascertain if the proportionate funds were routed through Axis Bank account. Issuance of Show-cause notice (SCN) to the Borrower - The Bank issued Show-Cause Notice (SCN) to the suspended directors of the company on 27.11.2024 seeking explanations on the following adverse findings of internal investigation. - o Availment of credit facilities from SBI without obtaining NOC from Axis Bank - o Non-routing of proportionate funds through Axis Bank's CC account - No response has been received from the borrower and any of the partners to SCN as on date. Modus Operandi - Availment of credit limits from other lender without taking NOC from existing lender. Root Cause - Availment of credit limits from other lender without taking NOC from existing lender. Staff Accountability - There was a substantial drop in market value of collateral security as per fresh valuation conducted in 2019, leading to

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			dilution in security cover. However, the matter was not escalated to the competent authority for necessary action, as per CCP guidelines. - Accordingly, monitoring related lapses have been attributed to 1 Bank employee (from branch). Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint has been filed in the matter. - 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.
302	Hydric Farms Inputs Limited - Cheating by concealment of facts with intention to deceive any person and cheating by impersonation	28.6	Background of the case - Hydric Farms Inputs Limited (HFIL), incorporated in 2003, was engaged in the business of manufacturing and trading of seeds, fertilizers and other related farm inputs. The borrower is part of Rohtas Group of Lucknow, promoted by Mr. Piyush Rastogi. - HFIL availed credit facilities from 13 banks / FIs, including Axis Bank. IFCL Limited is the largest lender. Axis Bank's share is 3.46%. - Axis Bank sanctioned OD limit of Rs.1.50 crore on 07.01.2008. Subsequently, the OD limits were enhanced to Rs.2.00 crore and TL of Rs.3.00 crore was sanctioned on 10.09.2012. - Conduct of the account deteriorated since FY 2018, due to non-utilization of WC limits for the sanctioned purpose. The borrower reportedly did not co-operate with the Bank in deciding a plan for clearing the overdue.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The account was classified as NPA on 02.05.2018. • The company was admitted for CIRP vide order dated 20.11.2019 passed by NCLT, Delhi. Subsequently, order for liquidation was passed by the NCLT, Delhi on 09.06.2022. RFA / Fraud Status • Borrower was classified as RFA on 26.06.2024, based on the borrower getting arrested due to FIR filing by CBI against directors. • Fresh valuation of the collateral properties got conducted which concluded that the borrower clandestinely sold the collateral properties mortgaged to the Bank to other buyers without taking NOC from the Bank. • Clarification on the adverse findings of Valuation Report was sought from the borrower by issuing SCN. No response has been received from the borrower in this regard. • The borrower was classified as 'Fraud', based on adverse observations in valuation report. Internal Investigation Findings Key findings of internal investigation are as under: Fraud Classification by other Lenders • As per CFR data, the borrower has been classified as Fraud by 3 lenders – Kotak Mahindra Bank, SIDBI and IDBI Bank. • The details of fraud classification, as per CFR filing, are given below: - o Kotak Mahindra Bank (Fraud Case No. KMB1801-4296; Date – 16.03.2018) – Fraudulent sale of the mortgaged residential flats located at Vibhuti Khand, Gomti

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Nagar, Lucknow on the basis of allotment letters and occupation certificates. - o IDBI Bank (Fraud Case No. IDBI2001-0042; Date - 10.01.2020) - Some flats in Presidential Tower, Gomti Nagar, Lucknow, which were mortgaged to Bank for securing the loan were already sold to other individuals prior to mortgaging them to IDBI Bank. - o SIDBI (Fraud Case No. SIDB2001-0002; Date - 17.03.2020) - Promoter/borrower appears to have defrauded the bank, by possible diversion of funds disbursed by SIDBI, availing financial assistance by suppression of critical facts in the Balance Sheet of FY 2014, non-adherence of terms and conditions of financial assistance availed from SIDB and mortgaging one of collateral security which is not distinctly identifiable. • It has also been learnt that on the complaint of SIDBI, Central Bureau of Investigation, ACB, Lucknow Branch has registered an FIR in January 2022. Charge-sheet in the matter has been filed in October 2023. As per external sources, CBI Chargesheet revealed diversion of funds availed by the borrower from SIDBI. However, limits availed by borrower from Axis Bank has not been discussed in the said CBI Chargesheet. • Similarly, on the complaint of IDBI, CBI has registered an FIR in March 2022 against the borrower on the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				allegation of clandestine selling of mortgage property. Adverse Observations Noted during Fresh Valuation of Collateral Properties • Collateral properties extended to Axis Bank included exclusive charge on 9 residential flats in Gomti Nagar, Lucknow. • During investigation, fresh valuation of these 9 residential properties were carried out. As per valuation reports dated 27.11.2024 / 28.11.2024, least 6 of the 9 mortgaged properties were clandestinely sold by the borrower by issuance of allotment letters / other documents, without NOC from the Bank. • Through external sources, it has been revealed that the many homebuyers have moved petition under NCLT against Rohtas Projects Limited for selling of flats through builder-buyer agreement and delay in delivery of possession of the flats. Several FIRs have also been registered against the borrower group in this regard. • Further, as per CFR filing, it was noted that similar modus operandi was used in frauds reported by KMB and IDBI Bank. Issuance of Show-cause notice (SCN) to the Borrower: • The Bank issued Show-Cause Notice (SCN) to the borrower on 29.11.2024 seeking explanations on the above-mentioned adverse findings of Valuation Report. • No response has been received from the borrower in this regard. Modus Operandi • Clandestine sale of hypothecated/mortgaged security.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Root Cause - Clandestine sale of hypothecated/mortgaged security. Staff Accountability - Regular inspection of the borrower's premises and properties charged to the Bank, prior to classification as NPA, was not evidenced. Accordingly, monitoring related lapses have been assigned to 1 bank employee (from branch). - SARFAESI action was initiated in May 2019. However, symbolic possession of residential units in Gomti Nagar could not be taken, as the premises were found to be occupied by third parties. As the company was admitted for CIRP in 20.11.2019, leading to moratorium on SARFAESI action, no further action was initiated regarding the above discrepancy. Accordingly, lapses have been assigned to 1 bank employee (from collection). Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint has been filed in the matter. - 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.	
303		Cosmic Infotech Limited and Others - Salary credited from proprietorship accounts from other banks and availed personal loans and credit cards, to defraud the bank		28.3	Background of the case FCI Hyderabad identified Digital Personal Loans aggregating to Rs. 1.96 Crores sanctioned to 10 ETB customers during the period March 2022 to January 2024, at various branches across Andhra, Hyderabad, Mumbai 3 and North-East Circles.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The count of loan accounts is 24 across 10 customers and all these loans were availed digitally by customers and sourced through Internet Banking Application. 9 customers were observed to have availed multiple personal loans from the Bank. • It was observed that loans were availed by the 10 customers after receiving salary credits from the proprietor concerned accounts. However, claimed to be employed in different companies and suspected the fraud. Investigation Findings • Total 24 Digital loans aggregating to Rs. 1.96 crores were availed by 10 ETB customers. • Above 10 accounts being maintained at 9 branches of 4 Circles (Andhra, Hyderabad, Mumbai 3 and North-East Circles). • All these 10 accounts were initially opened at 4 branches of Andhra circle (One Town Branch, Eluru Road Branch, Satyanarayana Puram Branch and Gollamandala Branch), subsequently these accounts were transferred to various other branches (9 Branches across 4 Circles as mentioned above). On-boarding documents • Out of the 10 customers, 6 customers had submitted the masked Aadhaar copy (only last four digit visible) for identity and address proof and the remaining 4 customers had submitted the Voter Id cards while onboarding. • During on-boarding, out of the 10 accounts, 7 customers had submitted the PAN number, and the PAN was validated online during on-boarding. In case of remaining three accounts, the customer had updated the PAN through

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				internet banking post activation of accounts. • The sourcing officials confirmed the KYC of these 10 accounts by affixing the “Original Seen and Verified” stamp along with the officials’ signatures on the copy of the KYC documents at the time of onboarding. KYC Verification • The details (photograph, signature, DOB) of the PAN holders from Authority records were compared with the live photographs/ photographs on the AOF, photographs on the Aadhaar cards / Voter cards, and DOB captured during on-boarding of accounts. • It was revealed that none of the Photographs and Signatures of the actual PAN holders were matching with the photographs and the signature submitted during on-boarding of these 10 savings accounts. • Based on the above findings, it is established that unknown person/s theft the PAN numbers and Aadhaar numbers of the genuine persons, fabricated the Aadhaar cards and Voter ID cards and opened the accounts in the name of the respective genuine persons. Staff Accountability • Lapses were observed on the 5 sourcing officials for not carrying the verification of original KYC documents during on-boarding of the above referred 10 savings accounts. • Lapses were also observed against two other staffs who had authorized the AOF for not carrying out the verification of original KYC documents before certifying the AOF.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Thus, all the above referred 10 savings accounts are non-KYC compliant at the time of on-boarding. Details of loans availed under the pretext of working with various corporates. • 24 Digital Personal Loans aggregating to Rs. 1.96 crores were disbursed to the above 10 ETB customers during the period 03-03-2022 to 08-01-2024. • Out of the 24 PL cases, four Personal loan accounts were digitally sourced Maximus Lending Platform (MLP) cases in the category of 'PQPL' (Pre-Qualified Personal Loan) through STP process and the remaining 20 PL cases were digitally sourced MLP cases in the journey of 'ETB Perfios, Non-PQ_IA,' through STP process. • Out of the 24 loans, pay slips were submitted by 4 customers in 4 personal loan accounts claimed to be the employee of Cosmic Global Limited / Divis Laboratories Limited at the time of availing the personal loan. • In remaining 20 personal loan cases, pay slips were not submitted by the customers, as per digital loan PL journey prior to April 2023, employment verification is not mandatory for Non-PQ cases, hence, loans were processed without salary slips. • The pay slips submitted by the customers in 3 PL cases observed to be a fabricated pay slip of Cosmic Global Limited and the pay slips submitted by the customer in one PL case observed to be a fabricated pay slip of Divis Laboratories Limited. • On scrutiny of salary credit transactions in the accounts of above 10 customers, it

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				was observed that the salary credits were received through NEFT from ICICI Bank CMS pool account in the sender names of Cosmic Infotech Limited, Divis Limited, and without any firm name mentioning just the words 'Salary' with the month and year. • However, loans were availed under the employers Cosmic Global Limited / Cosmic Industrial Laboratories Limited / Cosmic Structures Limited / Divis Laboratories Limited / IBM India Private Limited / Others. Availment of Personal Loans and Credit Card • Further, the above 10 customers had 13 credit cards through digital platforms, of which seven customers were availed instant loans aggregating to Rs.0.35 cores on credit card through Internet banking. The current outstanding on all the above 13 credit cards is Rs.0.55 crores. • Basis on the above and review of KYC documents, it is observed that an unknown person/s had opened 10 savings accounts with the bank by fabricating the KYC documents of the 10 genuine PAN holders and received a credit under the pretext of salary (fake salary) from other firms' accounts of other banks and availed personal loans/credit cards claiming to be employed with different company to defraud the bank. Root Cause • Fraudulent Savings accounts were opened with the fabricated KYC documents of the genuine PAN holders in the name of PAN holders and amounts were transferred in those accounts from other bank accounts

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			under the pretext of salary (Fake Salary). • These fictitious regular inward credits build up the eligibility criteria for these account holders to avail other products like Personal Loan, credit card. • Post loan disbursement inward credits were not received and EMI payments towards loans availed, and credit card o/s dues were not transferred by the perpetrators to defraud the bank. Staff Accountability • Staff accountability has been identified as Negligent in respect of 5 sourcing officials and two Branch Heads who had failed to verify the original KYC documents of the 10 customers during on-boarding of the 10 savings accounts. • Staff Accountability has been identified as Negligent in respect of two underwriters (UW) who failed to identify the fabricated salary slips submitted by the customers while availing the personal loan from the bank.
304	Multiple Personal Loan borrowers - Personal Loan (Branch- Bhubaneswar RAC) - Multiple personal loans sanctioned with fabricated bank statement & salary slip	20.2	Background of the case • 26 personal loans amounting to Rs 2.10 crore was sanctioned during April 2023 to Sept 2023. Out of these 26 accounts, 15 accounts have been written-off , 10 loans are standard and 1 loan was not disbursed. • During on-boarding, the field visit verifying agency submitted positive report for 10 cases out of which profile mismatch (report stated borrowers as working professionals whereas they were farmers/labourers) was noted for 7 cases. Out of 26 cases, 2 cases were sampled by FCI appointed vendor who had submitted positive report (since terminated).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• All the cases were sourced by 2 DME's (Quess Corp Staff) Saroj Sahu and Subhendu Bera where KYC of the customer were genuine. All the customers had initially opened SB accounts in various banks where salary credit of 7-8 months were noted, post which personal loans were disbursed to them. • Post NPA and during recovery, the Collection team suspected fabricated banking and income documents submitted for availing multiple personal loans. The case was referred to FCI for further verification. During preliminary investigations, FCI Team identified 26 personal loans sanctioned between April 2023 to Sept 2023 by 2 DME's (Quess Corp Staff) Saroj Sahu and Subhendu Bera who admitted that these leads were obtained from unsolicited 3rd party brokers and the customers have never been met. The case was subsequently referred to Internal Vigilance for further investigations. Fraud Status • Based on the above findings it was ascertained that borrowers in connivance with syndicate (unknown) which was facilitated by the DMEs availed personal loans on the basis of fake profile (22 borrowers), fabricated employment details (4 borrowers) and fabricated bank statement and salary slip (26 borrowers). Hence the incident has been classified as 'Fraud' perpetrated by DMEs, borrowers and unknown syndicate and has been approved by the Fraud Identification Council of the bank. Internal Investigation

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Key findings of internal investigations are as under: - During Investigation, it was noted that out of 26 borrowers, 22 borrowers are not traceable. The balance 4 borrowers with profiles of farmers, labourers during interview confirmed giving their KYC to broker for availing personal loan. These borrowers further mentioned that the brokers had provided fresh sim cards which were used to open savings bank account with other banks. Once the personal loan was credited partial amount was shared with the broker. During field verification (including verification with stated employer) fake profile was found in 22 accounts, fabricated employment details found in 4 accounts and fabricated bank statement and salary slip was found in all 26 accounts. - During investigation the DME's admitted that they have never met these borrowers and leads were provided by unsolicited Brokers (Sourav Kar and Rahul Das (whose identity could not be identified)).The DMEs admitted uploading the documents which they received on Whatsapp and also admitted forging signatures of bank officials and using Axis Bank seal for OSV attestation of the KYC documents received on Whatsapp. They further admitted doing the self-attestation on KYC of the customers. Forging signatures and clandestinely using seal for OSV attestation is a fraudulent act for which both the DMEs have been terminated. - The field verification agency were also enquired about submission of positive report in cases where the profile of the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrower is not matching as per the loan application form. No response has been received as yet. Appropriate lapses have been identified against the verification agency and the verifier has been terminated. Issuance of Show-cause notice (SCN) to the Borrower - The bank issued show-cause notice to the DMEs and the borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same Modus Operandi - The borrowers connived with unknown brokers and DMEs (QueessCorp Staff) and availed personal loans through fabricated bank statement and income document (salary slip). Root Cause - The loans were processed in BYOD platform where live location does not get captured. The DMEs thus could upload documents received on whatsapp resulting in processing the loan without meeting borrowers and checking their profile. Staff Accountability - Lapses have identified on the DMEs for onboarding customers without due diligence. - Lapses have been identified on the part of credit FI agency whose verifier gave false verification report. - Lapses have been identified against the FCI appointed verification agency where positive sample reports were submitted for 2 loans where bank statements and employment documents were found to be fabricated. Action Taken / Proposed

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Police complaint has been filed against the DMEs, borrowers and the unknown syndicate • Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO)
305	Omatra Hospitality Services Private Limited - Loan availed with Impersonated Builder Identity and forged borrower's signature	21.00	Background of the case • In December 2023, borrower Omatra Hospitality Services Private Limited (OHSPL), directors Naved Ahamad and Syed Saqqas Abbas (guarantors/beneficial owner) had availed a Loan against Property (LAP) of Rs. 2.10 crore towards purchase of a commercial property from Rupam Construction (Proprietor Swapan Halder) situated in Kolkata. The account became NPA in May 2024 with a principal outstanding of Rs.2.10 crore. • Post NPA and during recovery when collection team visited the property, it was found to be owned by the builder Rupam Construction who denied execution of any sale deed for the said property with OHSPL. They also denied receipt of any proceeds towards sale of the said property in their account. • Further, the borrower (OHSPL) also denied purchase of the said property from the builder, execution of sale deed, alleged signature forgery on loan documents and denied availing of any LAP from Axis Bank. On account of this no charge has been created in favour of Axis Bank. • The collection team raised suspicion during their visit to the bank financed property wherein the buyer (Omatra Hospitality Services Pvt Ltd) and the seller (Rupam Construction) both objected to execution of sale deed.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Internal Investigations Key findings of Internal Investigation are as under: • The loan was disbursed in account of one Rupam Construction maintained with Union Bank of India (UBI), which was found to be impersonated during investigation where the proprietor was identified as Arijit Mondal whose whereabouts could not be traced. The original builder Rupam Construction also denied ownership of this account. Monetary trail of the loan amount of Rs 2.05 crore was investigated and it was noted that the funds have been routed to 4 different companies having one Sunit Kumar Mondal & Sayatan Jana as common directors. It may be noted that these 4 companies have no common ownership with OHSPL and no monetary trail could be established between Omatra and these 4 companies post the disbursement of the loan. • The registration of the property was done without physical presence of the borrower [presence of either buyer or seller is mandatory requirement as per registration law] with an impersonated person posing from the builder's side. Hence it was ascertained that the builder's identity has been impersonated and the borrower has not executed the sale deed. • Since the borrower denied signing of any loan documents, forensic verification of the signature was done , wherein it was concluded that the borrower's signature on the sale deed and loan agreement have been forged. Hence, it was ascertained that the borrower had not signed the sale deed and loan agreement. However due to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				lack of any other admitted signature the perpetrator of signature forgery could not be identified. - Based on the investigation findings, signature forgery on the loan documents, disbursement of the loan proceeds to impersonated account of the builder has been established. Further based on the SCN response it was noted that both Sunit Kumar Mondal & Sayatan Jana (who were liaising with the bank on behalf of the company) proceeded with applying the loan despite being told to withdraw the loan application. - Further, from the circumstantial evidence It appears that Sunit Kumar Mondal & \ Sayatan Jana could have impersonated the builder's and borrower's identity to avail the loan. However since we do not have any PAN or Aadhar, identity of both Sunit Kumar Mondal and Sayantan Jana could not be established and hence we have classified them as 'unknown' perpetrators - Based on above-mentioned facts & findings, the incident was classified as "Fraud" perpetrated by the 'unknown' perpetrators. Issuance of Show Cause Notice to the Borrower - The SCN was send to the borrower and the following response was noted: - The borrower accepted to apply the loan for purchase of the said property, which was being liaised by two of his employees viz Sunit Kumar Mondal and Sayatan Jana with the bank. It may be noted that Sunit Kumar Mondal and Sayatan Jana are directors of the 4 companies where the loan proceeds

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				have been traced from the impersonated builder's account. - o The borrower further confirmed that they had asked both Sunit Kumar Mondal & Seyatan Jana not to proceed for the Axis Bank loan and hence was not aware about any loan being availed from Axis Bank. This fact can be corroborated since signature forgery of the borrower has been established in the sale deed and loan agreement. - o The borrower also informed that both Sunit Kumar Mondal & Sayatan Jana have cheated (since they proceeded with applying the loan despite being told to withdraw the loan application) the company based on which a police complaint has been against them in Kolkata and an FIR has been registered in Bangalore. It may be noted that both Sunit Kumar Mondal & Sayatan Jana are absconding. - o From the circumstantial evidence It appears that Sunit Kumar Mondal & Sayatan Jana could have impersonated the builder's and borrower's identity to avail the loan. However since we do not have any PAN or aadhar , identity of both Sunit Kumar Mondal and Sayantan Jana could not be established and hence they have been considered as " unknown person". Modus Operandi • Builder's impersonated account was opened in Union Bank of India (UBI) by unknown person where the loan proceeds were disbursed. Further loan documents were executed through forged signatures (established through

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				forensic verification) by unknown person. Root Cause - Since the sale deed was executed without the borrower's presence their signatures could be forged. Further since the authenticity of the seller's account with Union Bank of India was not cross-verified, the loan proceeds were disbursed to impersonated account of the builder. Staff Accountability - Lapses have been identified on the part of the sales manager and RO (Quess Corp Staff) since necessary due diligence was not carried out before on-boarding of the loan. It was not verified with the borrowers that they had actually withdrawn the loan application and coordination was only done with the company staff for loan processing. Action Taken / Proposed - Police complaint has been filed against the perpetrators - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR). - Fraud has been reported to the Serious Fraud Investigation Office (SFIO). 100% provisioning to be done as per guidelines
306		M/S SAT Thread - Borrower clandestinely sold hypothecated security without NOC of the bank	20.0	Background of the case The borrower "M/s SAT Thread" had availed SBB loan facility in September 2022 (term loan: Rs 1.63 crore, OD limit: Rs 0.37 crore). The loan facility was approved for purchase of machinery from M/s Dragon Trade come Pvt Ltd. Further the loan was secured by mortgage of a commercial property (shop) but hypothecation was pending as the machinery was yet to be delivered (original invoice not provided).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The loan became NPA on 17.07. 2023. Post NPA and during recovery the collection team observed that the hypothecated machinery was missing from the factory. • Upon enquiry the borrower acknowledged that he had sold the hypothecated machinery to a third-party before installing in his factory and will replace the same with a new machinery. • The bank has filed application under Section -14 of SARFAESI Act and physical possession of collateral property (Shop) has been taken on 16.09.2024 • On the basis of the above, the same was referred to Internal Vigilance for investigation. Fraud Status • Based on the investigation findings it was ascertained that the borrower has clandestinely sold the security (hypothecated to the bank) to third party without NOC of the bank. Since this action is fraudulent in nature the incident has been classified as 'Fraud' perpetrated by borrower and has been approved by the Fraud Identification Council of the bank Internal Investigation Key findings of internal investigations are as under: • During investigation, onboarding documents were checked where it was found that KYC of the borrower were genuine. The margin money receipt (issued by the dealer) showed margin money Rs.0.93 crore received from the borrower through his ICICI bank account. No anomalies were noted in loan documents and monitoring process.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• A visit was carried out at the borrower's residential address and office address where the residence address was not traceable, but the office address is traceable with the factory being closed. • Upon further inquiry the borrower acknowledged through mail that he had sold the hypothecated machinery to a third-party before installing in his factory and without NOC of the bank. He further assured to replace the same with a new machinery which is yet to be done. • The act of clandestine disposal of security hypothecated security without NOC of the bank is fraudulent in nature. Issuance of Show-cause notice (SCN) to the Borrower • The bank issued a show cause notice to the borrower seeking clarification on the adverse observations. No response has been received for the same. Modus Operandi • The borrower had clandestinely sold the hypothecated machinery to a third-party without NOC from the bank Root Cause • The borrower had clandestinely sold the hypothecated machinery to a third-party without NOC from the bank. Staff Accountability • Staff accountability has been identified for Sales Manager for not carrying physical inspection of the asset/machinery following the disbursement of the loan from 60 days. Action Taken / Proposed • Police complaint has been filed against the borrower. • Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Serious Fraud Investigation Office (SFIO)
307	Abdul Salam Khan - Borrower availed home loan on forged own contribution receipt	17.9	Background of the case - The borrower Abdul Salam Khan and his father Amrullah Masrullah Khan (co-borrower) had availed home loan (HL) for Rs, 1.79 crore towards purchase of residential flat in Andheri West, Mumbai from Lotus Logistic and Developers Pvt Ltd in April 2021 (APF approved). The project was under construction at the time of availing of the loan and hence an agreement to sale was executed between borrowers and the builder. - Out of the loan amount of Rs 1.79 crore , an amount of Rs 0.82 crore was disbursed to the builder's escrow account maintained with HDFC Bank, and Rs 0.95 crore was reimbursed/dispensed to the borrower in his Axis Bank account w.r.t own contribution. It may be noted that the borrower had submitted an OC receipt (own contribution) of Rs 0.95 crore. - Action under SARFAESI has been initiated and the order under section 14 for the possession of property is pending in the court (builder denied entry for symbolic possession). The collection team tried to contact the borrower who at present is not contactable and has also shifted his office. Borrower's mother is available at home but is not providing any whereabouts of the borrower. The property is in the possession with builder only who has given it on rent. - The case was referred to Internal Vigilance when Collection team observed during recovery that the builder has confirmed receipt of 0.06 crore from the borrower instead of Rs

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				0.95 crore as part of own contribution and is denying issuance of own contribution (OC) acknowledgement receipt to the borrower. Fraud Status - Based on the above findings it was established that the borrower had forged the OC receipt and bank statement to avail the home loan. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by borrowers Abdul Salam Khan and his father Amrullah Masrullah Khan and has been approved by the Fraud Identification Council of the bank. Internal Investigation Key findings of internal investigations are as under: - During investigation, KYC and income details submitted by borrower is found to be genuine. However, bank statement reflecting the OC amount of Rs 0.95 crore was found to be manipulated/ misrepresented as the same is mentioned as Rs 0.06 crore in agreement to sale. We also initiated TSR from the bank empaneled lawyer who verified that the agreement to sale is registered in name of borrowers. - It was observed that the borrower had submitted own contribution receipt (OC receipt) of Rs.0.95 crore in January-2021 - February-2021, however the agreement to sale executed on 27.03.2021 (post submission of the OC receipt) mentions Rs 0.06 crore as borrower's own contribution amount. Hence it was ascertained that the borrower has submitted fabricated OC receipt to avail the loan. This was further corroborated since the builder has also denied receiving the said amount as OC

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			from the borrower. Hence, the above is a fraudulent act. Issuance of Show-cause notice (SCN) to the Borrower - The bank issued show-cause notice to the borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same Modus Operandi - Borrower forged OC receipt and Bank statement to avail the home loan which is a fraudulent act. Root Cause - No confirmation was taken from builder for the OC amount submitted by borrower. Further, borrower fabricated bank statement with inflated OC amount and submitted the same avail the home loan. Staff Accountability - Lapses were observed in the part of operations team for making DD for own contribution in the name of borrower without checking payment details in registered agreement to sale. Action Taken / Proposed - Police complaint has been filed against the borrowers - Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO)
308	Tradohub B2B Limited - Manipulation in books of accounts	14.4	Background of the case - Tradohub B2B Limited (TB2BL) was engaged in trading of raw material required by manufacturing enterprises and SMEs across India. - TB2B availed credit facilities from Axis Bank, Kotak Mahindra Bank, MAS Financial Services Ltd and Samunnati Financial, under Multiple Banking

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Arrangement (MBA). Limits from Kotak Mahindra Bank have since been closed. - Axis Bank sanctioned CC facility of Rs.1.20 crore in August 2016, which was enhanced to Rs.3.24 crore, including takeover of limits from ICICI Bank, in May 2017. Disbursement in CC limit has been restricted to Rs.2.81 crore, balance limits have been cancelled. Resolution and Recovery Actions - The company was not able to generate adequate cash flow from operational activities for servicing bank dues since H1 FY 2020. The account was classified as NPA by Axis Bank on 01.07.2020. - Subsequently, dues of Rs.1.29 crore was repaid by the borrower through own sources and Rs.0.33 crore recovered under SARFAESI. - The borrower was admitted for CIRP vide NCLT Ahmedabad's order dated 16.11.2021. NCLT Ahmedabad has ordered liquidation of the borrower on 06.03.2023. RFA / Fraud Status - Borrower was classified as RFA on 04.07.2024, based on adverse observations in transaction audit report. - The liquidator appointed Dipak Agarwal & Co. to conduct transaction audit of the borrower, wherein fraudulent transaction u/s 66 of IBC were identified. - Clarification on the forensic audit findings were sought from the borrower by issuing show-cause notice. Response received from the suspended directors was reviewed by the auditor, who confirmed that these responses have

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				already been covered in his report and the conclusions remain unchanged. - Accordingly, the borrower was classified as 'Fraud', based on adverse findings of internal investigation. Transaction Audit Observations Key points of the report are as under: - Fraudulent transactions u/s 66 of IBC: Involvement in fake invoice business: - As per GST department advisory, TB2BL had availed input tax credit of Rs.16.34 crore on fake purchase invoices from various suppliers. - GST department has served notice to the company to pay back Rs.1.88 crore for the period from September 2017 to November 2017 and Rs.1.54 crore for the period of April 2018 to July 2018 in respect of the claimed inadmissible Input Tax Credit with interest and penalty. Hence, Tradohub B2B Limited had passed on Input Tax Credit of Rs.3.65 crore on fake sale invoices. - Purchase transactions of Rs.41.33 crore with related party, Kashvi Dryfruits, have been made by the borrower. The firm later suo-moto cancelled its GST registration w.e.f. 01.07.2017. - Suspended management's response: Response of Mr. Akash Domadiya: - Transactions with Kashvi Dryfruits were done at arm's length and it was handled by Mr. Harsh Patel. All these matters are currently sub-judice. Further, all the GST and taxes related matters were overseen by Mr. Harsh Patel. Response of Mr. Harsh Patel: - All these transactions are within the arm's length price methodology and are with the third party. The matter is sub-judice. Auditor's Remarks:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				▪ Though the matter is currently sub-judice and pending before the court of law, GST department has considered all these transactions fraudulent in nature on the basis of their initial inquiry, facts and documents gathered by the department. Based on the same GST department has passed the demand order against the corporate debtor. Hence, all these transactions seems to be fraudulent in nature. Sale Transaction with commercial complex – Hotel Shivarth: ○ The borrower purchased ‘commercial complex – Hotel Shivarth’ in September 2017. It had availed CC facility of Rs.10 crore from Kotak Mahindra bank by creating charge on the said property. ○ As per the registered sale agreement dated 22.08.2019, the property was sold to ‘White World Business Venture’ for Rs.7.00 crore and proceeds were utilized to repay CC outstanding with Kotak Mahindra Bank. ○ A Show-cause Notice (SCN) dated 18.02.2024 was issued by Income Tax (IT) department to the borrower, wherein the following was alleged: ▪ During the search carried out by IT department on 28.09.2021, various incriminating documents including an MOU related to the sale of a commercial property named Shivarath Business Park between the borrower and White World Business Venture were observed. ▪ As per the MOU, the sale price of the property, which included both cash and cheque components, was amounting to Rs.17.51 crore. Whereas on the verification from the Gujarat Government's land revenue website,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				registered sale deed price was Rs.7.50 crore, significantly lower than the actual agreed amount. ▪ Further, as confirmed by real estate broker Mr. Divyang Vyas, true sale price of the property was Rs.13.00 crore as against registered amount of Rs.7.50 crore. In view of the above, it is clear that Rs.5.50 crore in cash has been received by corporate debtor from White World Business Venture. o Suspended management's response: Response of Mr. Akash Domadiya: ▪ The sale transaction was initiated in May 2019 and was concluded in June 2020. However, limits with Kotak Bank was settled in March 2020 only. There was no siphoning or manipulation with sale transaction. Response of Mr. Harsh Patel: ▪ The company was unable to service the loan facilities of Kotak Mahindra Bank. Therefore, they disposed-off the property and cleared the credit facilities of Kotak Mahindra Bank. o Auditor's Remarks: ▪ The management claims to have sold the property and settled the outstanding credit facilities with Kotak Mahindra Bank. Yet, during the filing of the charge form with the Registrar of Companies, the property was valued at Rs.15.00 crore by Kotak Mahindra Bank. ▪ A show cause notice received from the Income Tax department revealed the actual sale price of the property to be Rs.13.00 crore. The notice was supported by sufficient corroborative evidence, clearly indicating a fraudulent intention by the management to evade income tax.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Other Transactions: Purchase and Sale of Satelliteweave Ventures Limited (SVL) - o SVL was subsidiary of Infibeam Avenue Limited (IAL). Tradohub acquired 100% shareholding in SVL in exchange of offering 13.04% shareholding to Infibeam Avenue Limited (1,97,400 shares @Rs.3041 per share amounting to approx. Rs.60.00 crore). - o Share price of Tradohub increased from Rs.95 to Rs.3041 (i.e. approx. 32x), at the time of acquisition of SVL. Due to this the cost of acquisition of SVL became Rs.60.00 crore. - o At the time of purchase transaction, a litigation was ongoing with SVL at the Hon'ble Supreme Court in the matter of non-payment of license/spectrum fees for amount involving Rs.45.47 crore. In 2020, Supreme Court directed the company to pay the license fees, which was not complied with. - o Tradohub B2B Ltd. transferred 100% shareholding of SVL to Mr. Parthrajsinh Harshadsinh Rana of Ezi Venture Pvt. Ltd for Rs.0.50 crore as a part of settlement, as per share purchase agreement dated 09.09.2020. - o The liquidator has filed Interlocutory Application (IBC) with The NCLT on 04.03.2024, for confirmation of the suspension and removal of the suspended board and KMP of SVL. - o Suspended management's response: Response of Mr. Akash Domadiya: ▪ This was a non-cash transaction and corporate debtor has not incurred any financial gain or loss from this transaction.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				▪ Further, the shift in the share value from Rs.95 to Rs.3041 per share within a year does not necessarily imply of wrongdoing as such since valuation differs in non-cash deal which is often based on future cash flow. Valuation of Rs.95 per share was based on book value & intended for the capital infusion by promoter. SVL had not disclosed pending spectrum fees exceeding Rs.45.00 crore and when this information surfaced, efforts were made to reverse the transaction. Response of Mr. Harsh Patel: ▪ Valuation of shares pertains to the period between March 2018 and March 2019, which falls outside the current Insolvency and Bankruptcy Code (IBC) proceedings. • Conclusion by transaction auditor: - o During the course of transaction audit, it was found that business of the corporate debtor has been carried on with intent to defraud the lender. Further, few transactions have been observed to falling u/s 66 of IBC. Issuance of Show-cause notice (SCN) to the Borrower • The Bank issued Show-Cause Notice (SCN) to the suspended directors of the company on 21.11.2024 seeking explanations on the following adverse findings of transaction audit: - o Transaction u/s 66 of IBC: ▪ Involvement in fake invoice business to avail Input Tax Credit (ITC) ▪ Purchase and sale transaction of 'commercial complex – Hotel Shivarth' - o Purchase and sale transaction of Satelliteweave Ventures Limited (SVL) • A response from Mr. Akash Domadia has been received towards SCN on

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				06.12.2024. The summary of the response is as below: ○ Involvement in fake invoice business to avail Input Tax Credit (ITC): ▪ The GST registration of Kashvi Dryfruits has been restored by the GST Department u/s 108 of the CGST Act, 2017, in form GST RVN-01 pursuant to Rule 109B of the CGST Rules, 2017. This restoration confirms that the (suo-moto) cancellation of GST registration of any party cannot be deemed a valid basis to allege fraud or mismanagement. ▪ The GST department issued a show-cause notice in this regard, which does not establish guilt but indicates a matter under scrutiny. Importantly, the matter remains sub judice, and no conclusive findings can be made until a judicial or adjudicatory body issues a final determination. ▪ Further, financial records from FY 2015 to FY 2021 were under direct supervision of Mr. Harsh Patel. Based on limited knowledge and lack of direct involvement, any awareness of, or participation in, transactions involving fake purchase invoices or fraudulent ITC claims is denied. ○ Purchase and sale transaction of 'commercial complex – Hotel Shivarth': ▪ Transactions with Shivarth was handled by Mr. Harsh Patel. There was no active involvement in these dealings. ○ Purchase and sale transaction of Satelliteweave Ventures Limited (SVL): ▪ Since, this was a non-cash transaction, there was no financial impact on the company. The valuation was based on future growth potential and not on

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				present financial standings. The share value's shift from Rs.95 to Rs.3041 per share within a year does not inherently indicate any wrongdoing. ▪ Post-transaction, undisclosed spectrum fee liabilities exceeding Rs.45.00 crore was discovered, which was not communicated by the sellers of SVL at the time of the deal. ▪ Upon learning of these liabilities, the company considered reversing the transaction to avoid legal and financial complications, particularly during the challenging COVID-19 period • The above responses were shared with the transaction auditor, who confirmed vide mail dated 11.12.2024 that queries and the response of the suspended directors have already been captured in the transaction audit report. Modus Operandi • Manipulation in books of account Root Cause • Manipulation in books of accounts or through fictitious accounts, and conversion of property. Staff Accountability • Adverse observation in stock audit report was not escalated to sanction authority at the time of renewal of working capital limits. Accordingly, monitoring related lapses have been attributed to 2 Bank employees (from coverage). Action Taken / Proposed • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed in the matter. • Fraud has been 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
			and to the Serious Fraud Investigation Office (SFIO). The exposure has been prudentially written-off.
309	Susin J and Soumya M - Borrower concealed dispute in ownership of property while Onboarding	13.9	Background of the case - The borrower Susin J and his wife Soumya M (co-borrower) had availed a Loan against Property (LAP) of Rs 1.38 crore in May 2019 against a residential property. The loan was business transfer from HDFC Bank and was secured by way of mortgage, wherein charge had been created in favor of Axis Bank Limited. No legal and title search were conducted during onboarding as per policy on EMI Equaliser Scheme (monthly EMI obligation for the transferred loan remains same). - The customer had incurred huge losses in his transport business during Covid and could not make payment of the EMIs, subsequent to which the loan become NPA on 10.04.2023. - Post NPA and during recovery the collection team raised suspicion during symbolic possession (under SARFAESI) of the bank financed property, where the borrower's mother raised an objection against the possession vide High Court order dated 19.11.2021. - According to the said order, High Court had cancelled the settlement deed previously executed by all legal heirs in favor of the borrower Susin J with respect to the mortgaged property. It may be noted that the mortgaged property was in possession of the borrower through the settlement deed. Internal Investigations Key findings of Internal Investigation are as under:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The borrower's mother and his two sisters had executed a gift/settlement deed in his favor in February 2017 (post demise of their father). However, in June 2018 under the “Maintenance and Senior Citizen Act 2007”, the borrower's mother filed a petition with the Revenue Court to cancel the settlement deed due to non-receipt of monthly maintenance charges from the borrower. • The Revenue Court ruled in favor of the mother vide order dated 12.12.2018, but this judgement was challenged by the borrower in the District Court. The District Court vide order dated 17.02.2019 gave a judgement in favor of the borrower, which was subsequently challenged by his mother in the High Court. The High Court vide order dated 19.11.2021 stated that the object of the “Maintenance and Welfare of Parents & Senior Citizens Act 2007” clearly states that if there is no maintenance of the parents by children then the Revenue Divisional officer has every right to cancel the settlement/sale deeds executed in favour of the children. On the basis of this the High Court ruled in favor of the borrower's mother and ordered for cancellation of all previous settlement deeds. • Hence, as per the chronology of events it can be ascertained that the borrower and his mother were litigating in various Courts for cancellation of Gift deed /Settlement deed since June 2018, which was before the on-boarding of the loan with our Bank. However the information about litigation in various Courts and dispute on title was not communicated by the borrower during on-boarding of the loan.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The above-mentioned act shows that while availing loan, the borrower (Susin J) intentionally concealed information about various court orders regarding the property with disputed ownership, with an intention to cheat the bank, which is fraudulent in nature. • The borrowers intentionally concealed information about various court orders regarding the property with disputed ownership, with an intention to cheat the bank. • Based on above-mentioned facts & findings, the incident was classified as “Fraud” perpetrated by the borrowers Susin J and Sowmya M. Issuance of Show Cause Notice to the Borrower and Co-borrower • The bank issued show-cause notice to both borrowers Susin J and Sowmya M, seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. Modus Operandi • Availment of loan by concealing ownership dispute in the mortgaged property and various court orders stating cancellation of settlement deed before onboarding. Root Cause • As per extant policy during on-boarding under the EMI Equalizer Scheme, title and legal search is waived for business transfer from a list of approved financial institution including HDFC Bank. Since no title and legal search was done it in the instant case it could not be ascertained that there is a dispute on the title of the property unless disclosed by the borrower. Further the borrowers also intentionally concealed the litigations in

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				various Courts regarding the ownership of the property. Further the borrowers also intentionally concealed the litigations in various Courts regarding the ownership of the property during on-boarding of the loan with the bank. Staff Accountability • Since loan was processed as per product and policy of the bank no staff lapses has been identified. Action Taken / Proposed • Police complaint has been filed against the perpetrators • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR). • Fraud has been reported to the Serious Fraud Investigation Office (SFIO). • 100% provisioning to be done as per guidelines
310		Multiple Gold Loan Borrowers - Multiple Gold loans availed by pledging spurious ornaments	12.6	Background of the case • The branch raised suspicion on 27 gold loans, which had been availed by 11 borrowers (sanctioned during January-May 2023) by way of pledging spurious ornaments. All the loans belonged to Bhatkal branch of Karnataka. • These ornaments had been identified as spurious (spurious percentage ranges between 40% to 100%) during verification done by Financial Crime Intelligence (FCI) appointed Assayer. Internal Investigations Key findings of Internal Investigation are as under: • During investigation it was observed that 12 out of 27 loans were disbursed to the borrowers who were stationed beyond the permissible geographical limit of 50 km from the branch. • It was also noted that one of the borrower (Sandhya) is the main conspirator while the other borrowers

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				are either friends/ relatives (based on borrower's statement recorded during investigation) of her who had pledged spurious gold to avail the loan. It may be noted that all the 11 borrowers are currently traceable. • Further based on the CCTV footage, lapses have been noted against the valuer Mr. Uday Raikar (umbrella agency M/s. Swarna Sparsha Jewellers) who did not carry out all the mandatory and non-mandatory tests during valuations which is needed as per the prescribed process of the Bank. This shows an intent of defrauding the bank in connivance with the borrowers. Post identification of the spurious gold the valuer has been terminated. • Hence based on the above , the incident has been classified as fraud perpetrated by the valuer Mr. Uday Raikar and all the 11 borrowers. Issuance of Show Cause Notice to the Borrower and Co-borrower • The bank issued show-cause notice to all the borrowers and the valuer seeking explanations on the adverse findings of internal investigation. However, no response has been received on the same. Modus Operandi • Borrowers had availed loan by pledging spurious gold which was not detected by the gold appraiser. Root Cause • Failure of the gold appraiser to identify the spurious gold ornaments pledged by the borrowers at the time of gold ornaments appraisal. Staff Accountability • Staff accountability has been identified for 4 employees (Gold Loan Officer, Branch Operations Head and Branch

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Head & Relationship Officer) for not ensuring that the valuer carries out the bank approved process of conducting the mandatory /non-mandatory tests during onboarding/screening process. Action Taken / Proposed • FIR has been filed against the perpetrator and the valuer has been arrested • Fraud has been reported to RBI through the Fraud Monitoring Return (FMR). • Fraud has been reported to the Serious Fraud Investigation Office (SFIO). • 100% provisioning to be done as per guidelines.
311	Pravin Sonaji Telang & Swati Telang - Fabricated ITR documents	11.8	Background of the case • The borrowers Pravin Sonaji Telang and his wife Swati Telang (co-borrower) had availed two home loans aggregating to Rs 1.18 crore in June 2022 towards purchase of the two residential properties situated at Dombivali, Thane Maharashtra. The mortgage has been registered and charge has been created in favour of Axis Bank. • The loan accounts turned NPA on 10.05.2024 due to non –payment of the dues. Resolution and Recovery Actions • The account was classified as NPA on 10.05.2024. • Bank has initiated recovery under SARFAESI and demand notice has been sent to the borrower’s addresses. Fraud Status • Based on the investigation findings it was ascertained that the borrower had submitted fabricated ITR documents to avail the loans with an intention to cheat the bank, which is fraudulent in nature.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Hence, the incident has been classified as 'Fraud' perpetrated by borrowers Pravin Sonaji Telang and his wife Swati Telang on 30.01.2025. Internal Investigation Key findings of internal investigations are as under: - During investigation the KYC (PAN & Aadhar), bank statements, ITR acknowledgements, electricity bill and Shop Act; submitted by the borrower were re-verified. - While no anomalies were noted for the KYC, bank statements, electricity bill and Shop Act, no records were found for ITR filling and acknowledgement for the assessment year 2019-20, 2020-21 and 2021-22 which was submitted at the time of loan application by the borrower. Hence it was ascertained that fabricated ITR acknowledgement was submitted by the borrower at the time of loan application. - During investigation, the office and residence addresses were re-verified and the same was found to be locked. At present both the borrowers are not traceable. - Fresh title search report (TSR) and legal opinion were obtained from the Bank's empaneled advocate and vide the report dated 13.12.2024 it was noted that the borrowers have absolute, clear and valid marketable title for both properties. Further as per CERSAI Search Report dated 12.12.2024, Axis Bank has first charge on both residential properties. - Hence, based on the above findings it was ascertained that the borrower had submitted fabricated documents to avail the loans which is fraudulent in nature.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					Issuance of Show-cause notice (SCN) to the Borrowers - The bank issued show-cause notice to both borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. - However, no response was received from the borrower. Modus Operandi - Fabricated ITR documents submitted to avail two Home loans from the Bank Root Cause - Loans availed by the borrower from the Bank basis fabricated ITR documents. Staff Accountability - Since the loan was FCU screened and sanctioned as per process and no anomalies were noted for PAN and Aadhar on which OSV was conducted staff lapses have not been identified. Action Taken / Proposed - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint has been filed in the matter. - Fraud has been reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO). 100% provision to be made as per guidelines.
312		Suraj Kumar - Borrowers availed loan by forging seller's identity and entering into a fake sale transaction		10.1	Background of the case The borrower Suraj Kumar and. Manju Kumari (co-borrower & borrower's wife) obtained a home loan of Rs 1.01 crore from Axis Bank in June 2023. The loan was for the purchase of a resale property from Manish Gupta and Nidul Gupta (sellers). The sale deed was executed on 17.08.2023 post which

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				mortgage was created in favour of the bank. - During recovery of a home loan account post NPA, it was observed that the borrower Suraj Kumar is untraceable at both his residence and the property address, with third parties residing there instead. Consequently, the case was referred to Internal Vigilance for further investigation. Fraud Status - Based on the investigation findings it was ascertained that the borrowers had forged the identity of the sellers and had executed a fake sale transaction. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by borrowers and has been approved by the Fraud Identification Council of the bank. Internal Investigation Key findings of internal investigations are as under: - During investigation, the chain title deed and sale deed were cross-checked where difference in photographs of the sellers were noted. Further the aadhar number of the sellers submitted to the bank was verified with the issuing authorities where for one of the seller's (Manish Gupta) the last 4 digits of the aadhar number was not matching. For the other seller (Nidul Gupta), discrepancy was observed in her photograph as per the PAN and aadhar document submitted to the bank vis-à-vis the records available with the issuing authorities. Hence it was ascertained that the sale deed has been executed based on forged KYC document of the sellers. - The borrower's details on the PAN card copy provided to the bank matched the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				issuing authorities' records, however discrepancy was found in the photograph of the co-borrower between the PAN card copy given to the bank and the issuing authority records. Therefore, it can be concluded that the co-borrower's PAN card was forged. - At present the borrower is non-contactable and the property is locked with repossession notices from ICICI Bank/ and other financial institutions (Central Bank of India/Piramal Capital) being pasted. On ground verification revealed that neighbours also do not recognize the photographs of the borrower or the property seller. - It may be noted that as per the existing information no FIR has been filed by the sellers. Issuance of Show-cause notice (SCN) to the Borrower - The bank issued show-cause notice to the borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same Modus Operandi - Loan availed by the borrower and the co-borrower from the Bank by forging the identity of the sellers (Manish Gupta and Nidul Gupta) and by entering into a fake sale transaction Root Cause - No confirmation was taken from builder for the OC amount submitted by borrower. Further, borrower fabricated bank statement with inflated OC amount and submitted the same avail the home loan. Staff Accountability

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			- Lapses have been identified on the Sales Manager for failure in due diligence of the transaction. Action Taken / Proposed - Police complaint has been filed against the borrowers - Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO)
313	Tirumalla Groundnuts Industries India Private Limited	532.1	- Tirumalla Groundnuts Industries India Private Limited (TGIPL) was engaged in manufacturing of groundnut oil and groundnut cake. TGIPL is part of the Kute group, promoted by Mr. Suresh Kute. - Axis Bank sanctioned CC limit of Rs.11 crore and term loan of Rs.54 crore to the company in December 2021. The TL was sanctioned for part-financing greenfield unit at Beed, Maharashtra having project cost Rs.78.97 crore. - The account was classified as NPA on 30.04.2024. - Notice u/s 13(2) under SARFAESI was issued on 31.07.2024. However, SARFAESI action was stalled on account of ED attachment on secured assets. - Axis Bank classified the borrower as RFA on 16.09.2024, based on the following: Investigation by ED on promoter, Mr. Suresh Kute and other Kute group entities for fraud and embezzlement suspected in Dnyanradha Multi-State Co-Operative Society. - Axis Bank appointed Pipara Co & LLP to conduct forensic audit. The promoters and management were not contactable. - The forensic audit was completed based on documents available with the Bank and public domain information, wherein

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				diversion of funds through bogus/connected supplier entities, misrepresentation of project completion status and availment of DP on related party receivables were identified. • The Bank issued Show-Cause Notice (SCN) dated 20.02.2025 to the borrower and directors seeking explanations against forensic audit findings and account statement analysis. The SCN sent to borrower and directors returned undelivered. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on adverse observations of internal investigation. • The entire hard cost of Rs.74.72 crore was being procured from 5 suppliers. Disbursement of Rs.50.60 crore in TL was made to the 5 suppliers on 31.12.2021, based on request letter and pro-forma invoices submitted by the borrower. The borrower submitted a Completion Certificate claiming completion of work by 04.01.2022. • During investigation and forensic audit, several inconsistencies have been identified regarding the 5 supplier entities and pro-forma invoice submitted during disbursement: (1) All 5 vendors were based in same locality in Aurangabad, which is ~125 km away from project site. (2) Beneficiary accounts were parked in Lower Parel branch of ICICI Bank and the account numbers appear to be sequential, indicating they being opened during same time. (3) Goods described in pro-forma invoice did not match with operations, etc. (4) pro-forma invoice format for 2 entities were identical. In most cases, advance payment of 80% to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				100% against pro-forma invoice was stipulated. (5) Loan disbursement amount remaining as outstanding advance in the books of a supplier as at 31.03.2023. • The above findings indicate that the borrower provided advances to small/proprietorship concerns without actual procurement of materials. Presence of multiple red flags concerning these vendors, along with the direct disbursement of funds from Axis Bank loan funds, points to potential diversion of funds through these vendors. • Diversion of term loan proceeds to bogus/connected suppliers. • The project was considered to be 95% ready during appraisal, despite only 25% of the project cost being spent. • As per the CCP guidelines for LC/MC, “In case of project loans, wherever considered desirable, due diligence on suppliers of machineries may be done and captured in the Credit Appraisal Memorandum.” However, due diligence on the 5 suppliers was not evidenced in the credit proposal. Moreover, vendors’ payment terms with the borrower, invoice/delivery receipt for the installed equipment was not conducted at the time of appraisal. Given that majority of construction / installation work was already claimed to have been completed before TL sanction, final invoice from the suppliers should have been reviewed. • Deviation approval was taken for valuation to be obtained from 1 valuer, instead of 2, for a property valued at Rs.50 crore. The same was in violation to CCP guidelines: “For Properties

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				valued at Rs.50 crore and above in LC MC and Rs.10 crore for CBG - Second valuation report is mandatory (prior to disbursement).” • Though borrower had claimed achievement of DCCO on 04.01.2022, the capex was not fully capitalized as per audited financials for FY 2022 and FY 2023, with capital advance of Rs.50.76 crore and Rs.44.99 crore respectively were reported. These discrepancies were not detected during subsequent review of the account. • Stock audits conducted in 2022 and 2023 highlighted routing of turnover through current accounts maintained with non-lending banks. The stock audit reports were duly put up to coverage/underwriting teams. EWS alerts were generated in 2023, pursuant to drop in routing through Axis Bank. These EWS alerts were closed based on the following justifications: “TGIPL’s accounts were placed under debit freeze pursuant to group company Kute Sons Dairys Limited tagging as RFA. Post RFA lifting in said entity, accounts were unfreezed and the cash flow will be routed from ensuing month.” However, as per system data, no debit freeze was marked during 2023. Thus, the EWS alerts were closed based on factually incorrect justification. • As per Corporate Credit Policy for FY 2022, the following were stipulated for monitoring the end use of project loans: - o In case of project loans, wherever considered desirable, due diligence on suppliers of machineries may be done and captured in the Credit Appraisal Memorandum.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The following additional due diligence steps being recommended for appraisal of project loans: - o LIE to be mandatorily appointed for projects rated BBB or below. In case the project cost is more than Rs. 250 crores, LIE appointment to be mandatory irrespective of the rating. - o In addition to providing the technical due diligence and project monitoring services for lenders, LIE scope of work to also include detailed diligence on suppliers, beneficiary bank details and invoices. - o Supplier diligence should mandatorily include an opinion on the technical capability to supply, capacity to supply, price terms, contract payment terms and whether any supplier is a related party - o Since LIEs have sufficient technical expertise in respect of projects, the same will be helpful in ensuring that the end use of funds is being done as per the stipulation. - o If details of suppliers are not available at the time of sanction, credit noting of the supplier shall be pre disbursement condition and should be monitored by CBO. - o If LIE is not appointed, appointment of ASM to be mandatory. - o Waiver to LIE/ASM report can be accorded by sanctioning committee only in deserving/exceptional cases. - o At the time of project progress reports, diligence on invoices to be carried out and be included in the report. - o CRILC Check on suppliers name to be done and recorded in CAM at the time of sanction/review. - o In cases where LIE/ASM is not appointed, supplier's line of business

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				and terms of payments to be examined by CBO for supplying entities contributing 15% or more of the project cost. - o In case of project loans, wherever considered desirable, due diligence on suppliers of machineries may be done and captured in the Credit Appraisal Memorandum. - o In case of discrepancy between physical and financial progress of the project, justification to be obtained from borrower and recorded in sanction/review note - o Clean advances to suppliers should not be more than 15% of the contract value. However, sanctioning authority may take call for deserving cases. - o Related party contracts be clearly mentioned in the appraisal notes - o Site visits to be mandatorily conducted atleast once in a year. Sanctioning authority can advise higher frequency of site visits. - o Post achievement of DCCO, at the time of periodic review of account, consistency with fixed assets schedule in latest audited financials to be checked. In case of any discrepancy, the reasons be justified in sanction/review note. (Modifications have been put up for approval by Underwriting) • Staff accountability has been attributed to 3 officials (Coverage RM & SRM, Underwriting Credit Analyst) for lapses in appraisal and monitoring of account. • Chartered engineer in charge of initial valuation to be de-empaneled. • Order intimating 'Fraud' classification by registered post has been issued.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Police complaint has been filed on 21-03-25 at EOW Mumbai MH against the borrower. - EOW vide notice dated 19.06.2025 transferred the case to ED
314		Tirumalla Oil Refinery Private Limited	361.7	- Tirumalla Oil Refinery Private Limited (TORPL) was engaged in manufacturing of various kinds of vegetable edible oils. TORPL is part of the Kute group, promoted by Mr. Suresh Kute. - The company availed credit facilities of Rs.148.50 crore under MBA with Maharashtra State Co-operative Bank as the largest lender, other lenders being CSB Bank and Axis Bank. - Axis Bank sanctioned CC facility of Rs. 25.00 crore in April 2022. The company also availed Retail segment loans of Rs.11.40 crore (CV, Equipment finance, etc). - Subsequently, account was classified as NPA on 19.03.2024. The company is admitted for CIRP vide NCLT order dated 06.08.2024. Axis Bank has filed claim of Rs. 96.17 crore which has been accepted. - Axis Bank classified the borrower as RFA on 16.09.2024, based on the alert: Raid by income tax/ sales tax/ excise Dept./ ED on Kute group companies. - Axis Bank appointed Pipara & Co. LLP on 30.09.2024 to conduct forensic audit of the borrower. The final forensic audit report was submitted on 20.02.2025, wherein instances of misutilization of working capital funds for unrelated purposes were identified. - The Bank issued Show-Cause Notice (SCN) dated 20.02.2025 to the borrower, suspended directors and Resolution Professional, seeking

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				clarifications against adverse forensic audit findings, along with supporting documents. • The letters to the borrower and suspended directors remained undelivered. The RP submitted that the period of review mainly belongs to prior to commencement of CIRP and the observations made in the SCN are out of his professional purview. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on adverse observations of internal investigation. • Funds of Rs.10.76 crore drawn from CC account in Axis Bank were transferred to the borrower's account CSB Bank and subsequently utilized for purposes unrelated to the company's core business activities, in violation to the terms of sanction. • Funds of Rs.21.11 crore were utilized from CC account in Axis Bank for purchase of Cotton Seed Cake and Cotton Wash Oil from group companies. These materials were sold to another group entity and the receivables remained outstanding as at 31.03.2024. Since both these items are by-products in oil manufacturing process, their procurement from external sources appears suspicious. • There were discrepancies in the journal entries regarding transactions with Kute group entities and overstatement of debtors in stock statement, in comparison to books of accounts. This can be considered an act of forgery of documents to avail ineligible drawing power and credit facility from lenders. • Misutilization of CC disbursement for unrelated purpose.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Several stress signals were noted since 2023: Insufficient cash flows routing through Axis Bank, instances of DPD, RFA classification of group accounts and investigation by law enforcement agencies on promoter group, etc. • EWS alerts were generated in 2023, pursuant to drop in routing through Axis Bank. These EWS alerts were closed based on the following justifications: TORPL's accounts were placed under debit freeze pursuant to group company Kute Sons Dairys Limited tagging as RFA, as a precaution. Post RFA lifting in said entity, accounts of TORPL were unfreezed and the cash flow routing will be routed from ensuing month. However, as per system data, no debit freeze was marked during 2023. Thus, the EWS alerts were closed based on factually incorrect justification. • During renewal of WC limits in July 2023, following Credit EWS alerts were noted: Large number of transactions with inter-connected companies and large outstanding from such companies. The alert was closed, terming these transactions as per normal course of business. However, no related party supplier and customer were disclosed in CAM or sanction letter, as per guidelines in CCP. • As per Corporate Credit Policy for FY 2022, the following were stipulated regarding transactions carried out by borrower entities with related parties: - o Wherever the borrower company proposes to transact with its related parties/group concerns by utilising the credit lines sanctioned by the Bank, the credit appraisal memorandum and the sanction letter should capture the name

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				of related party and details of transaction proposed to be carried out with them. - o On a case-to-case basis, some of the debtors/creditors may be considered as high value outstanding debtors/creditors of the borrowers or top customers/suppliers of the borrower may be identified. Wherever considered desirable, CRILC check may be performed to check the conduct of such debtors/creditors/customers/suppliers with their banks and the CRILC Status may be captured in the appraisal note. However, for borrowers rated AB-BBB+ and below, the CRILC Check/Probe to be mandatorily carried out for top 5 customers/ suppliers and results should be captured in the credit appraisal memorandum. • The following additional due diligence steps being recommended: - o For the borrowers rated AB-BBB+ and below, the CRILC Check to be mandatorily carried out for top 3 customers and suppliers if they contribute over 25% of sales and purchases respectively. In case these customers and suppliers are overseas entities not having CRILC/ROC database (through Probe or Corpository or any other similar subscription taken by the bank)), D&B or similar report to be obtained, checked & recorded. These results should be captured in the credit appraisal memorandum. - o For LCMC borrowers rated BBB- or below, perusal of Karza GST reports and perfios statements (Bank statement analysis) to be conducted at the time of sanction and each renewal. These be cross verified against the list of key customers and suppliers disclosed by the

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					borrower. In case of any discrepancy, suitable justification to be captured in CAM. - Staff accountability has been attributed to 3 officials (Coverage RM & SRM, Underwriting Credit Specialist) for lapses in monitoring of account. - Order intimating 'Fraud' classification by registered post has been issued. - A police complaint was lodged on 21-03-25 at EOW Pune
315		Dreampug Paytech Solutions Pvt Ltd		129.8	- Funds aggregating to Rs. 12.98 crore fraudulently debited from customer's accounts - Complaint was raised by customer, Dreampug Paytech Solutions Pvt Ltd alleging fraudulent debit transactions aggregating to Rs. 12.98 crore in their account number 920020056344533 and 921020038977853 during the period 29th Oct 2024 to 12th Nov 2024. - The current account number 920020056344533 of Dreampug Paytech Solutions Pvt Ltd was opened on 31st Mar 2021 under scheme code CANEG (Current Account for Startup Banking) and account number 921020038977853 (Nodal account) was opened at Indiranagar Branch (Sol 114 – Bangalore 2 circle) on 16th Sept 2021 under scheme code CASPL (Current Account Special). - There were two existing CIB users in the account: Kunal Naresh Shah and Narasimha Sastry Vasanth, both of whom had ENTAPP rights (Enterer / Approver). The change request received pertained to the existing CIB user "NARASI" (Narasimha Sastry Vasanth) - While processing the request, Adajan branch staff had obtained confirmation by contacting the customer on the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				mobile number registered in the account, which belongs to company CFO Mr Vasanth. • During Investigation Mr Vasanth confirmed that the registered mobile number belongs to him however he does not recall the specific instance related to call received/made. • Review of customers account access logs revealed suspicious viewing of the Dreamplug accounts by 3 Bank officials and one outsourced official during the period when the fraudulent mobile and email id updations and unauthorized transactions in the accounts were undertaken. • Vaibhav Pithadiya, (Manager -CBG RM, Morbi Branch, Gujarat) had accessed the account multiple times without any valid reasons. • Outsourced staff (Meet Patel) had misused the login credentials/laptop of his supervisor Vishalbhai Darji to login to the system and access accounts of Dreamplug Paytech Solutions Pvt Ltd for no valid reasons. • Another 2 officials had also accessed the account multiple times without any valid reasons. • Police complaint was filed on 14th Nov 2024, and an FIR was registered with DCP East Division, Bangalore, 15th Nov 2024. • On 22nd Dec 2024, Bangalore Police have arrested Bank staff Vaibhav Pithadiya along with 3 other individuals in Rajkot and Surat, Gujarat. • As per police/media reports, Vaibhav Pithadiya is alleged to be the key orchestrator of this fraud and is accused of exploiting his insider knowledge to orchestrate the entire scam.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• To carry out the fraud, Pitadiya enlisted the help of an Instagram acquaintance named Neha Ben. She submitted forged board resolutions and documents to Axis Bank, successfully modifying the account user with fresh credentials. Using these credentials, the group initiated multiple fraudulent transactions. • Additionally, Pitadiya recruited two more associates, Shailesh and Shubham, to assist with the scam in siphoning the funds through various accounts. • As of now, Rs. 1.83 crore of the misappropriated amount has been recovered by the police. Efforts are actively underway to retrieve the remaining funds. • Third party mobile number/ email id updated in the customer's CIB user ID with forged signatures and fake documents and thereafter transactions aggregating to Rs. 12.98 crore fraudulently debited from customer's account. • Lapses observed against 14 officials in processing the request for linking account to user ID, mobile number/ email id updations, with mismatch in customers signature and without conducting proper due diligence and for unauthorised access and sharing of customer information to third party. • Insurance claim filed by CRES team towards claiming insurance of fraud loss amount. • Police complaint filed on November 14th, 2024, and an FIR was registered with DCP East Division, Bangalore, on November 15th, 2024.
316	Euro Tech Maritime Academy Private Limited	122	• Euro Tech Maritime Academy Private Limited (ETMAPL), is engaged into

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				providing education and training in maritime domain through its academy, Euro Tech Maritime Academy Trust (ETMAT). • The assets of the group are in the name of the company (ETMAPL), whereas license/permission from Directorate General of Shipping for conducting courses are in the name of the trust (ETMAT). Income from the institute are booked by ETMAT, whereas ETMAPL earns revenue through rental payment from ETMAT and hostel and mess fees collection from students. • Axis Bank is the sole lender to the company. Axis Bank credit facilities of Rs.10 crore, including takeover from Kerela State Industrial Development Corporation, in August 2017. Additionally, TL of Rs.10 crore was sanctioned in October 2018, for construction of hostel and classrooms. • Pursuant to COVID 19 pandemic, ETMAPL had been facing liquidity stress. It stopped servicing loan dues since November 2023, and account was classified as NPA on 29.01.2024. • Section 7 application has been filed before NCLT, Kochi for initiation of CIRP. • Axis Bank classified the borrower as RFA on 21.11.2024, based on non-routing of operating income by the Trust (ETMAT) to the account of borrower, despite earning regular income from operations. • Axis Bank appointed Pipara & Co. LLP to conduct forensic audit of the borrower. Despite multiple communications seeking information, there was no co-operation from the borrower. The forensic audit was

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				completed based on information provided by the Bank and available in public domain, wherein diversion of operating cash flows through accounts maintained in non-lending bank and diversion of loan proceeds to related parties were highlighted. • In compliance with extant guidelines, a show-cause notice was issued to the borrower/WTDS seeking clarification to the adverse forensic audit findings, permitting adequate time for response. • A response from the borrower was received post expiry of the permitted timeline, wherein the forensic audit findings were repudiated, without sharing any supporting documents, and opportunity of personal hearing sought. • As per request from the borrower, a personal hearing was scheduled on 20.05.2025, which was not attended by the Directors. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on adverse observations in forensic audit. • ETMAPL's account with Axis Bank was classified as NPA on 29.01.2024. Receipts of Rs.15.07 crore in ETMAT's account in Axis Bank was observed during February 2024 till October 2024. Out of this, payments of Rs.2.91 crore were made to ETMAPL's account in BOB. During the said period, there was no credits in ETMAPL's accounts with Axis Bank. • Out of TL disbursement proceeds, transfers of Rs.3.91 crore were made to related parties and Rs.1.14 crore were utilized for repayment to other Financial Institutions.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Unsecured loans of Rs.1.10 crore from Directors were infused in FY 2019 to meet the condition of equity infusion for availing the term loan disbursement, however same was withdrawn in FY 2020, in violation to terms of sanction. • Diversion of operating cash flows through accounts maintained in non-lending Bank. • As per the business model, income from the academy is booked by the trust (ETMAT), whereas the borrower company (ETMAPL) earns revenue mainly through rental payment from the trust, which is the source for serving the Bank's dues. • An escrow agreement was executed in 2018 among the lessor (ETMAPL), lessee (ETMAT) and the Bank to ensure that the fees collected by the lessee are routed through a designated account with Axis Bank, with first right of appropriation towards the rent payable to the lessor. As per the agreement, ETMAT shall not open any other account or establish any other mode for the purpose of collection of cash flows without prior written consent of the Bank. • The TL of Rs.10 crore for funding hostel/classroom was disbursed in tranches between November 2018 to March 2020, out of which Rs.5.05 crore was transferred to related parties/other FIs. Scenarios for detection of such diversion of funds has since been implemented. • During TL sanction in 2018, it was stipulated that current accounts maintained by the borrower with other banks were to be closed by 31.12.2018. Upon borrower's submission that c/a in

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				BOB cannot be closed, owing to it being linked with a vehicle loan from BOB, sanctioning authority had stipulated obtaining approval from CO Compliance. However, no such approval was evidenced. • Routing of entire cashflow through Axis Bank and timebound closure of other Banks/BOB accounts were stipulated in all subsequent renewal/sanctions. However, the borrower has continued to operate the c/a with BOB, despite RBI Credit Discipline Guidelines coming into force in 2020. • The borrower's limits were restructured in 2021 and additional WCTL limits were sanctioned under COVID relief scheme permitted by RBI. Sanction authority stipulated exploring creation of charge on the assets or guarantee of the trust. However, based on legal opinion obtained, same was not created. Instead, an undertaking was obtained from ETMAT, whereby that entire fee collection/ cashflows of Eurotech Maritime Academy shall be through Axis Bank during the currency of credit limits availed by ETMAPL from Axis Bank. • Account was classified as NPA on 29.01.2024. Based on adverse observations during subsequent inspection by SAG, the account was classified as RFA in November 2024. Half-yearly inspection of the unit, as per terms of sanction, was not evidenced during FY 2023 and FY 2024. Regular inspection could have resulted in earlier identification of red flag. • Staff accountability has been attributed to 2 officials (Coverage RM, CBB

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				SRM) for lapses in monitoring of account. • Order intimating 'Fraud' classification by registered post has been issued. The borrower subsequently filed petition with High Court of Kerala, which has granted a stay order on 27.05.2025. • Based on opinions from external legal counsel and Law Department, filing of police complaint against the borrower have been put on hold till vacation of stay order. • The account was classified as Fraud vide Fraud order dated 20.05.2025. Borrower filed WP 19583/2025 and obtained stayed order from Hon'ble High Court of Kerala against Fraud Classification due to which we could not proceed with Police Complaint. Bank has engaged legal counsel for Vacating the Stay and disposal of the WP. Stay is yet to be vacated. • Section 7 under IBC Filed under case number CP(IB)/10/KOB/2025. Company yet to be admitted.
317		Keerthi Srinivasa Solutions India Private Limited	117.4	• Keerthi Srinivasa Solutions Private Limited (KSSPL), incorporated in 2019, operates restaurants in Hyderabad. • Axis Bank is the sole lender to the company. In May 2024, Axis Bank sanctioned TLs totaling Rs. 5.14 crore for takeover of limits from Indian Bank, fresh OD of Rs.1.50 crore and TL of Rs.10.50 crore for part-funding 2 restaurants in Bangalore. • Anonymous complaint was received in September 2024, alleging that a portion of TL disbursed for project has been credited back to the promoters. Based on subsequent inspection of project sites, construction work was found to be stopped/marginal.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Accordingly, no further disbursement in TL was made and OD facility was not released. The account was classified as RFA on 21.11.2024, based on the above. - The account was classified as NPA on 16.04.2025, due to non-achievement of project DCCO. - Axis Bank appointed Komandoor & Co LLP to conduct forensic audit in December 2024. Despite numerous communications and visits to the borrower's premises, access to books of accounts and necessary documents were not shared. - The forensic audit was conducted based on documents available with the Bank and in public domain, wherein diversion of TL proceeds to bogus/fictitious suppliers were identified. The audit findings were shared with the borrower, pursuant to which the borrower shared response along with limited documents. The forensic auditor has concluded their report as 'Fraud', after considering the said submissions. - The Bank issued Show-Cause Notice (SCN) to the borrower and WTDs seeking explanations against forensic audit findings and account statement analysis. The borrower sought additional time for submission of documents and opportunity for personal hearing. - Personal hearing was granted to the borrower, wherein its representation was not found to be satisfactory. - Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on adverse observations in forensic audit. - TL of Rs.7.50 crore was disbursed directly to the vendors, out of which

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					Rs.4.66 crore was paid to the company's Directors and their relatives by 2 vendors. Out of this, Rs.2.04 crore were transferred onwards to borrower's account in Indian Bank and Rs.1.85 crore were further transferred to other parties. • The invoices submitted to Axis Bank for TL disbursement were found to be fake, with no valid GST records, physical traceability or confirmation from the alleged vendors. Most vendor addresses were non-existent, phone numbers were unreachable and the GSTINs used were found to be unrelated to the invoiced goods. • On examination of the disbursement documents, it was noted that the borrower had remitted promoters' margin into account outside Axis Bank. Since, access to books of accounts or statement of these accounts were not provided, genuineness of contribution towards loan margin money could not be ascertained. • Diversion of term loan proceeds to bogus/fictitious suppliers. • At the time of appraisal, basis for project cost estimate was not evaluated and pre-sanction inspection of project sites not conducted. As per the CCP guidelines for SEG, "For NTBs/enhancements to ETBs, Coverage to visit the main operating unit prior to sanction and the unit inspection and management discussion to be held on record...For SEG NTBs with exposure upto Rs. 5.00 Cr., if rating of the Borrower is SME 1, 2, 3 and 4, physical visit by credit team is not mandatory."

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Due diligence on the suppliers/vendors, payment terms and invoices was not evidenced in the credit proposal. • Disbursement in TL was made directly to the accounts of vendors, based on pro-forma invoices submitted by the borrower. A number of discrepancies in the invoices were observed, such as GSTINs unrelated to invoiced goods, invoice pre-dating bank account opening date, unreachable phone numbers, etc. These red flags were not captured during disbursement process. • The borrower had submitted CA certificate before each disbursement to confirm infusion of 41% promoters' margin, which has been paid to vendors as advance payment. However, these transactions were not conducted through Axis Bank and related account details were not submitted. Said discrepancy was not detected during disbursement. • Based on the gaps identified, the following additional due diligence and monitoring steps are being incorporated in the Corporate Credit Policy for MEG/SEG segments: - o Supplier's line of business and terms of payments to be examined for supplying entities individually contributing 15% or more of the project cost at the time of sanction. If details of suppliers are not available at the time of sanction, credit noting of the supplier shall be pre disbursement condition and should be monitored by CBO. - o If 50% or more of the project is completed at the time of sanction, due diligence on cost incurred (by way of sample check of invoices of entities supplying more than 15% of the project cost) be recorded in CAM. If details are

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					not available at the time of sanction, credit noting of aforesaid due diligence shall be pre disbursement condition and should be examined by CBO as PDC. - o Related party contracts be clearly mentioned in the appraisal notes. - o Clean advance to suppliers should generally not exceed more than 25% of the contract awarded. However, sanctioning authority may take call for deserving cases. - o Quarterly update on physical status of the project be obtained from Chartered Engineer or through Call Memo. In case of discrepancy between physical and financial progress of the project, justification to be obtained from borrower. - o Site visits to be mandatorily conducted at least once in a year. Sanctioning authority can advise higher frequency of site visits. Staff accountability has been attributed to 4 officials (Coverage Analyst, RM & supervisor, Underwriting credit reviewer) for lapses in appraisal of TL. • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed on 30-05-25 at Begumpet Police Station, Hyderabad, TG against the borrower.
318		Prime Movers Auto Associates Private Limited		78.3	• Prime Movers Auto Associates Pvt Ltd (PMAAPL) is an authorized dealer of automobile spare parts of various OEMs viz. Maruti Suzuki India Ltd, Mahindra & Mahindra Ltd, Hindustan Composites Ltd, etc. • The borrower availed working capital facilities of Rs.56.39 crore under multiple banking arrangement, from Bank of Baroda (largest lender), ICICI Bank, Tata Capital and Axis Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Axis Bank sanctioned Supply Chain Finance (SCF) limits of Rs.3 crore in 2013 for procuring spare parts from M&M, which were enhanced to Rs.6 crore in 2023. Axis Bank also sanctioned ECLGS limits of Rs.1.35 crore. • The account was classified as an NPA on 04.08.2024. Recovery of Rs.0.83 crore (Rs.0.56 crore through liquidation of FD and Rs.0.27 crore through borrower's own sources) has been made post NPA classification. • The borrower was classified as RFA by Bank of Baroda (BOB) and ICICI Bank on 08.10.2024 and 08.11.2024 respectively. • Axis Bank classified the borrower as RFA on 11.12.2024, pursuant to RFA classification by BOB. • BOB (largest lender) appointed forensic auditor to investigate the account. However, despite multiple follow-ups, the forensic audit report has not been shared with Axis Bank. • Based on internal investigation, misappropriation of inventory/sale proceeds from inventory, funded by Axis Bank's limits, were identified. • A Show-Cause Notice (SCN) was issued to the borrower seeking response against said observations. The response received from the borrower was not found to be satisfactory. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on internal investigation findings. • Axis Bank sanctioned Channel finance limit to the company in June 2013 for procurement of auto spare parts from Mahindra & Mahindra (M&M).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Under this limit, Axis Bank discounted invoices issued by M&M (OEM) and directly made payment to OEM. As per terms of sanction, the default would happen if the dealer doesn't liquidate the outstanding within 60 days or fail to serve the interest at monthly rest. • Investigation revealed that, payments of Rs.7.38 crore against 26 invoices discounted by Axis Bank during the period from 09.02.2024 till 29.04.2024 were outstanding. • The borrower was unable to provide the present status of inventory funded by Axis Bank or utilization of sale proceeds from these inventory, despite permitting reasonable time for clarification. • Hence, it appears that the borrower has misappropriated sale proceeds from inventory funded by Axis Bank. • Misappropriation of inventory/proceeds from the sale of inventory. • The borrower was enjoying SCF limits from Axis Bank since 2013. Axis Bank discounted a total of 921 invoices from M&M aggregating to Rs.229.57 crore between July 2013 to 09.02.2024, which have been repaid by the borrower. • During the period 2013-2023, the limits have been periodically renewed and gradually enhanced from Rs.3 crore to Rs.6 crore. There have been slowdown in the borrower's operations during 2021-2022, pursuant to COVID-19 lockdown, leading to instances of irregularity. However, the said dues were cleared by the borrower subsequently. The last enhancement in limit was permitted in July 2023, backed by improved conduct of account, financial performance and satisfactory feedback from M&M.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Additionally, several ad-hoc temporary SCF limits were permitted during 2019-2023, which were repaid and closed subsequently. The last ad-hac limit of Rs.1.80 crore was permitted in February 2024, under blanket limits for authorized dealers based on eligibility criteria: vintage of relationship, satisfactory rating and conduct of account, satisfactory stock audit findings. • The account has been regularly monitored through periodic stock audit. No adverse observations were noted in the stock audits prior to March 2024. As per the stock audit report dated 28.03.2024, a gap of Rs.1.91 crore between value of stock and outstanding limits (24%) was observed. The gap was closed by the borrower by credits in the account within 20 days. • Payments against invoices discounted since 09.02.2024 have remained outstanding. As per terms of sanction, no further invoices were discounted by the Bank post end of usance period of 90 days i.e. post 09.05.2024. • Subsequently, multiple meetings and follow-ups were done with the borrower and promoters for recovery of dues. However, the account was classified as NPA on 04.08.2024. • Recovery of Rs.0.83 crore was made in the account post NPA classification – Rs.0.56 crore through liquidation of FD and Rs.0.27 crore through borrower's own sources. • Further, Axis Bank had exposure of Rs.5.85 crore to a group entity of PMAAPL, Prime Movers Auto Agency. Said exposure was repaid and closed in April 2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- No staff lapses were identified. - Order intimating 'Fraud' classification by registered post has been issued. - Police complaint has been filed on 19-04-25 at Shakespeare Sarani Police Station, Kolkata, WB against the borrower.
319		Various Branches across Andhra	51.3	- Financial Crime Intelligence Unit (FCI), Hyderabad identified Digital Personal Loans and Credit Cards aggregating to Rs.5.13 Crore sanctioned to 33 Existing to bank customers (ETB) during the period January 2022 to April 2024, at various branches across Andhra Circle, Hyderabad Circle. - The count of loan accounts is 43 across 33 customers and all these loans were availed digitally by customers and sourced through Internet Banking. 10 customers observed to have availed multiple personal loans from the Bank. - It was observed that loans were availed by 33 customers after receiving salary credits from the proprietor concerns / private limited entities. However, during the digital journey, they claimed to be employed in different companies. - A total 33 Accounts (32 Savings Easy Access, one Salary savings account) opened across 6 branches (Nellore, Muthukur, Vedayapalem, Chirala, Kanakamahala Centre Branches of Andhra Circle and MLA colony Branch of Hyderabad Circle). - Out of 33 accounts, 28 accounts were opened basis the biometric consent/authentication submitted by the customers during the on boarding of the account. Aadhaar was directly fetched from UIDAI basis authentication provided by customer.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Physical copy of the Aadhaar card was submitted by the customers in five accounts. - All 33 Accounts found to be KYC compliant at the time of on boarding. - Fresh Field Verification was conducted in the 33 accounts and found to be positive in 27 accounts and negative in 6 accounts. - The 33 customers had availed 43 personal loans and 6 Credit Cards from the Bank claimed to be employed with companies AVNET India Private Limited, Othain Software Services India Private Limited, Global Solutions India Private Limited and Others to the tune of Rs.5.13 crore. - Details of loans availed under the pretext of working with various corporates. 43 Digital Personal Loans aggregating to Rs. 5.12 crore were disbursed to the above 33 ETB customers during the period 17-01-2022 to 29-04-2024. - Out of the 43 loans, 15 were digitally sourced through the Maximum Lending Platform (MLP) cases in the category of 'PQPL' (Pre-Qualified Personal Loan-STP process) and the remaining 28 cases were Non-PQ IW-STP Process. - An aggregate amount of 51 Lakhs principal amount was repaid in the 43 loans and 17 loans were identified as NPA. Principal outstanding in the 43 loans is Rs 4.61 Crore. - Out of 43 loans, pay slips were submitted by 14 customers in 15 personal loan accounts claimed to be the employees of AVNET India Private Limited at the time of availing the personal loan.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- On scrutiny of 15 pay slips, it was observed that there was no UAN no (Universal Account Number), company logo on the pay slips. Further observed that no Provident fund, no Income tax was deducted from the salary, and in two cases name mismatch was observed on the pay slips. The pay slips observed to be a fabricated pay slip of AVNET India Pvt Ltd. - Transaction Analysis: On scrutiny of salary credit transactions in the accounts of above 33 customers, it was observed that the salary credits were received through NEFT from IndusInd Bank, Kotak Mahindra Bank, Federal Bank accounts from MR Infoline, Global Solutions, Siri Enterprises, Future Focus infotech Pvt Limited, Jagathi Network India Pvt Ltd, with the narration as 'Salary.' - However, loans and Credit Cards were availed under the employers AVNET India Private Limited, Othain Software Services India Private Limited, Global Solutions India Private Limited and Others. - In case of 18 accounts, it was observed that the salary credits received from Global Solutions from IndusInd Bank account, an aggregate amount of Rs.1.26 crore was transferred to Jale Vasudeva Naidu account with other Banks. (Indus Ind Bank and State Bank of India) - In case of 15 accounts, an aggregate amount of Rs.87 Lakhs were transferred to Jale Vasudeva Naidu account with other Bank (Indus Ind Bank and State Bank of India) post disbursement of the personal loan to customer's account. - Interaction With Customers Out of 33 customers, 13 customers were

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				contactable.7 customers refused to furnish personal loan details and other information. Remaining 13 customers were not contactable on their registered mobile number. Few customers informed that that they were contacted by Jale Vasudeva Naidu, Allabakshu on pretext of providing the personal loans, hence they had shared their SIM, and credentials of the savings accounts to the above persons. They were unaware about the transactions in the account and received only partial amount of the loan - Two customers submitted a letter stating personal loans were availed by a third person named Allabakshu, Jale Vasudeva Naidu and two others-Sundara Raju, Sathwik in their names from Axis Bank without providing the complete details of the personal loan and partial amount of loan amount was credited to their other bank accounts. - During the investigation, Allabakshu, Jale Vasudeva Naidu, Sathwik were not contactable on the mobile numbers provided by the customers. Whereas Sundara Raju was not ready to share any details about salary credits and personal loans. Hence, the role of above four persons involvement in the incident cannot be ruled out. - Basis the above findings, 33 customers along with four persons (Allabakshu , Jale Vasudeva Naidu, Sundara Raju and Sathwik) conspired and committed the fraud by cheating and submitting fake documents viz.payslip and giving false information regarding job in certain private companies to avail personal loans & credit cards with dishonest

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				intention and availed the personal Loans/Credit cards for their wrongful gain and thereby caused loss to the Bank amounting to Rs.4.61 crore. • Savings accounts were opened in the name of individuals and amounts were transferred in those accounts from other bank accounts under the pretext of salary (Fake Salary) with collaboration of the outsiders. • These fictitious regular inward credits build up the eligibility criteria for these account holders to avail other products like Personal Loans, credit cards. • Post loan disbursement, inward credits were not discontinued and EMI payments towards loans availed, and credit card o/s dues were not paid by the perpetrators to defraud the bank • Staff Accountability has been identified as Negligent in respect of three underwriters (UW) Ruchika Suresh Naik, Adish Radheshyam Vishwakarma, and Pasuladi Ramprasad who were failed to identify the fabricated salary slips submitted by the customers while availing the personal loan from the bank • During the Personal Loan journey, UW were failed to identify the fabricated salary slips submitted by the customers and no proper due diligence conducted by the UW. • Customers opened savings accounts with the bank and salary credits were received from other banks through NEFT to match the loan eligibility criteria and loans availed by these customers claimed to be employed with Corporates in a good position. • The loans and credit cards were processed for the customers based on the

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			NEFT transfers (apparently fake salary) without validating the source of credits. • Lien has been marked in all the defaulted customer accounts for shortfall of charges, credit card dues and EMI- Loan Overdue. • Police complaint has been filed on 30-04-25 at Jubilee Hills Police Station, Hyderabad, TG against the borrower. • Nellore Branch, MLA Colony Branch is advised to examine insurance claim in the matter under the Banker's Indemnity Policy.
320	Lohit Sharma	36.9	• Post NPA and during recovery, the collection team observed that the builder - Paramount Square has clandestinely sold one of the commercial units (allotted to our borrower and under mortgage to the bank) to a third party without the borrower's knowledge and the bank's NOC. Based on this trigger the account was classified as RFA and was referred to Internal Vigilance for further investigation. • The borrower Lohit Sharma was sanctioned two Loans Against Property (LAP) amounting to Rs 2.44 crores in November 2018 and Rs 1.25 crore in March 2019, towards purchase of 6 under-construction commercial units in Paramount Square, Guwahati, Assam from Builder Paramount Square. He is proprietor of a travel agency called "Lets See Tour and Travels". • Since the project was under construction, tripartite agreement has been executed between the borrower, builder and the bank. The loan proceeds were disbursed in the account of the builder maintained with State Bank of India SBI). An agreement to sale has been registered for all the properties.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The borrower had filed police complaint against the builder for clandestinely disposing of the property against which he had availed the loan. Apart from that he has also filed a lawsuit in High Court against the builder along with Axis Bank as a party. The case is presently sub-judice. • As part of the legal action bank has filed a DRT suit against the borrower. • During the investigation, it was found that a sale deed dated 01.04.2021, had been clandestinely executed for the office no. 401 of the Paramount Square, between the builder- Paramount Square in favor of the third party - Mrs. Anushmita Chamua. • The said sale deed was retrieved from the set of documents submitted by the borrower while filing the suit in High Court against borrower and making Axis Bank a party. • A fresh field visit was done at the said property which was found to be running a Physiotherapy Centre owned by Dr. Anushmita Chamua. Further investigation revealed that the electricity connection was registered in the name Mrs. Anushmita Chamua. • As per the latest CERSEI reports the charge of the said property is reflecting in name of Axis Bank. • Upon enquiry the builder stated that since the borrower was not paying stamp duty and outstanding amount, he had cancelled the property and allotted the same to a third party. Though initially builder was willing to refund the disbursement amount to the bank, however he denied refunding the amount citing the pendency of the lawsuit filed by the borrower.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Hence it was ascertained that the builder had clandestinely sold the property (mortgaged to the bank) to a third party - Anushmita Chamua without borrower's consent and NOC of the bank and upon cancellation of the said property it has also not reimbursed the bank the amount disbursed for it., which is a fraudulent act. - The bank issued show-cause notice to the builder seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. - Based on the above findings, it was ascertained that the builder – Paramount Square has clandestinely sold the property (mortgaged to the bank) to a third party - Anushmita Chamua without borrower's consent and NOC of the bank. Further upon cancellation of the said property it has also not reimbursed the bank the amount disbursed for it. - Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the builder and has been approved by the Fraud Identification Council of the bank - Police complaint has been filed on 21-05-25 at Chandmari Police Station, Guwahati, AS against the builder. - Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO)
321		Multiple Tractor loans	35.5	Post delinquency and during recovery process, the collection team found that showroom of the dealer- Mousumi Enterprises was closed, and dealer was absconding. Further the borrowers denied receiving asset/ tractor and verbally confirmed that EMIs were

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				being paid by dealers only. Thus, the incident was referred for FCI investigation by collections team. Post FCI preliminary investigation, incident was referred to Internal Vigilance for further investigation. 65 tractors were purchased by the borrowers from the dealers wherein loan amounting to Rs.3.55 crore (principal o/s Rs 2.99 crore) was disbursed in the account of the dealers. The sanction and disbursement was in line with the bank's policy during the period of July 2021 to June 2024, from Durgapur RAC. - During investigation, RC/hypothecation check was conducted from RTO and discrepancies were found in 35 tractor loans for Rs.2.06 crore, wherein hypothecation was either found to be missing (14 assets) or hypothecation in favor of other financial institution was found (21 assets). It may be noted that initially RC/hypothecation was done for all the 65 assets, however subsequently the hypothecation was clandestinely removed in RTO by submission of fake NOC from the Bank. For the balance 30 loans hypothecation is continuing in favor of Axis Bank. The discrepancies were ascertained upon verification with the RTO office. - During visit, 52 borrowers (balance 13 borrowers were not traceable) verbally confirmed to have mutual agreement with dealers wherein dealer will keep the asset and will give a fixed amount varying from Rs.20,000/- to Rs.40,000/- annually to borrower and will pay EMIs on their behalf. Thus, it is evident that borrower illegally have done mutual agreement with the dealer and dealer used their KYC to avail the loan for

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				New/ used tractors from Axis Bank, which is a fraudulent act. 52 borrowers could not produce the mortgaged asset during visit (balance 13 borrowers are either untraceable /shifted from their address). • The Bank issued show-cause notice to dealers (Mousumi Enterprise, partner Tanmay Basak and Pampa Basak, Aniket Basak) and 65 borrowers seeking explanations on the adverse findings of internal investigation. The response from 1 borrower was received wherein the response was not justified against the adverse observations. However, no response from other borrowers or dealers have been received. • Based on the above findings it was established that the dealers Mousumi Enterprise (Partner Tammay Basak & Pampa Basak) and Aniket Basak in collusion with the borrowers availed loan from Axis Bank by misutilising the borrowers' credentials and by clandestinely removing the hypothecation in 35 assets. • Hence, in the view of above findings, the incident has been classified as 'Fraud' perpetrated by the Dealer Mousumi Enterprise (Partner Tammay Basak & Pampa Basak) Aniket Basak and 65 borrowers and has been approved by the Fraud Identification Council of the bank. • Dealers in collusion with borrowers removed the hypothecation in 35 out of 65 assets from RTO with fake NOC and availed multi funding against it • The dealers mis-utilized the loan amount in collusion with the borrowers, removed the hypothecation in 35 out of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				65 assets from RTO with fake NOC and availed multi funding against it. • The loans were sourced and disbursed as per the product policy of the Bank. Since hypothecation for all assets were created in favor of the bank there was no trigger to warn clandestine removal of hypothecation in 35 assets. Hence no lapses have been identified for the PDD process of the bank. • However, lapses have been identified on the part of 3 Quess Corp Staff and 1 Sales Manager under violation of code of conduct for having financial transaction with the dealer. The dealer has been blacklisted by the bank. • For the used tractor purchased from dealers, RC & hypothecation to be mandatorily confirmed from the Vahaan portal instead of physical RC copies before disbursement. For new tractor loan RC & hypothecation to be mandatorily confirmed from the Vahaan portal instead of physical RC copies post disbursement. This will arrest the cases where fake RC is submitted. • Periodic verification of the hypothecation status by Product team for the live accounts. In case of any anomalies legal will be initiated against said dealer /customer. • Instalments have to be collected from customers and not dealers. For post disbursement asset verification (PDV) geo tagging of visiting person & live photo of the asset is mandatory. • Police complaint has been filed on 18-03-25 at Kotwali Police Station Krishnanagar Nadia WB against the borrowers and dealers

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
322	Sree Vinayaka Agro Mills	32.2	• Sree Vinayaka Agro Mills (SVAM) is a partnership firm, engaged in processing of paddy. • Axis Bank is the sole banker to SVAM. Axis Bank sanctioned working capital limits of Rs.1 crore to the firm, under Agri Power scheme, in 2013. The limits were enhanced to Rs.3 crore and term loans totaling Rs.1.06 crore was sanctioned in 2014. The term loans were repaid in 2019. • Additionally, ECLGS limits totalling Rs.0.95 crore was sanctioned in 2020 and 2021. • There was DPD of 60 days in the account which was cleared in August 2024. Subsequently, the borrower stopped routing of funds through the Bank's accounts. The account was classified as NPA on 27.11.2024. • Recovery action under SARFAESI has been initiated. Immovable property coverage was 120%, considering DSV. • The borrower had stopped routing of funds through Axis Bank, the sole lender, since August 2024, though the entity was found operational during inspection carried out in November 2024. The account was classified as RFA based on the above observations. • Axis Bank appointed Rajvanshi & Associates to conduct forensic audit. The borrower did not cooperate in the forensic audit. The forensic audit was completed based on documents available with the Bank and in public domain, wherein instances of diversion of funds were highlighted. • The Bank issued Show-Cause Notice (SCN) to the borrower and partners seeking explanations against forensic

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				audit findings. No response was received from the borrower. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on adverse observations of forensic audit. • During field visit at the premises of the borrower in April 2025, the auditor was not granted access to the firm's records. However, the unit was found to be operational. • Further, although the borrower turned NPA in November 2024, it continued to file regular GST returns up to February 2025, indicating ongoing business activity. • As per the last Stock Statement submitted by the borrower for September 2024, total inventory of Rs.3.96 crore was reported. Post September 2024, only Rs.0.44 crore was credited into Axis Bank CC account. Therefore, it appears that inventory has been misappropriated and/or sale proceeds have been diverted. • Analysis of CC account revealed significant transactions with two chit fund entities viz. The Kerala State Financial Enterprises Limited and Thangalakshmi Chit Funds Private Limited. • Inventory disclosed in stock statement of September 2024 disposed off and proceeds not routed through Axis Bank. • The relationship was onboarded in 2013 and no enhancement has been done since 2017, except COVID relief under ECLGS. • The exposure was a templated product with predefined eligibility parameters. Monitoring through stock audit was not applicable.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Conduct of the account was satisfactory till 2023, with no DPD. Further, no misrepresentation in stock statement, beyond acceptable limits, were observed. • Limits sanctioned to group entity Sree Padmanabha Rice Mil was classified as NPA in April 2023. Exit plan by way of takeover from another FI was negotiated with the promoter. However, the same was not successful. • The borrower was servicing dues with DPD of 60 days till August 2024. Subsequently, routing of funds through the Bank was stopped, whereupon the borrower advised that the entity was not operational. However, the entity was found operational during inspection in November 2024, leading to RFA classification. • As per sanctioned terms, unit inspection was stipulated to be carried out on quarterly basis. However, the same was not evidenced during FY 2023 - FY 2024. Regular inspection could have resulted in earlier identification of red flag. • Staff accountability has been attributed to 1 officials (CBB) for lapses in monitoring of account. • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint filed on 03.06.2025 • Full provision has been created as per guidelines. • 13/ 2 Notice issued on 25.06.2025, after completion of the cooling period bank have to do symbolic possession.
323		Ketan Madhusudhan Shroff		31.3	• During recovery post NPA, it was observed by the Collections team that one of the two residential flats mortgaged to the Bank by the borrower

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				was occupied by a third party who claimed ownership of the said property. Based on this trigger, the account was classified as RFA and referred to Internal Vigilance for further investigation. • The borrower, Mr. Ketan Shroff had availed a Loan against Property (LAP) of Rs 3.13 crore for purchase of two residential properties located at Flat No.301, 3rd Floor and Flat No. 503, 5th Floor, 'B' Wing, Shamik Elanza Building, Santacruz East, Mumbai in March 2018. • He is promoter-director of Penta Gold Limited (PGL) which is into the business of manufacturing, trading, and retail of gold jewellery/ bullion. PGL had availed working capital limits of Rs 20 crore and was classified as 'Fraud' on 30.08.2021 by our bank, regarding circular and suspicious transactions. Legal action has been initiated by way of filing of suit under DRT and SARFESI where order for physical possession has been received (the same has been held-up due to filing of personal insolvency by operational creditors). • The LAP was secured against both the properties and charge by way of equitable mortgage has been registered in favour of the Bank (original title documents in bank's custody). The LAP account became NPA on 15.09.2023 post which legal Action has been initiated under SARFESI for the properties mortgaged to the bank (the same has been held-up due to filing of personal insolvency by operational creditors).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- During investigation, fresh field visit was initiated at both the properties wherein the following was observed: - Flat no 301 is occupied by a tenant who is paying rent to our borrower, Ketan Shroff. Borrowers name is also reflecting against the said property in the records of society office. Further a fresh TSR (Title Search Report) was conducted through the empaneled lawyer of the bank whose report also confirmed ownership of Ketan Shroff against the said property. No other adverse observation was noted in any of the document against the said property. - Flat no 503 was occupied by a third party named Mrs. Punit Sasihithu who claimed to be owner of the property and whose name was also reflecting in the records of the society. Further fresh TSR conducted through the empaneled lawyer of the bank confirmed ownership of Punit Sasihithu against the said property through an Agreement for Sale' dated 31.05.2018 made between Ketan Shroff and Punit Sasihitlu & Pritam Sasihitlu. It may be noted that the agreement to sale is post sanction of the loan from our bank. - It was thus established that the borrower has clandestinely sold the property mortgaged to the bank without its NOC, which is a fraudulent act. - The bank issued show-cause notice to the borrower seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. - Based on the investigation findings it was found that the borrower had clandestinely sold-off one of the flats, mortgaged with the Bank to a third party

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				without seeking NOC from the Bank. Hence, the incident has been classified as 'Fraud' perpetrated by borrower Ketan Shroff and has been approved by the Fraud Identification Council of the Bank. • Clandestine sale of the mortgaged property by the borrower. • Clandestine sale of the mortgaged property by the borrower, without NOC of the bank. • The account was sourced and disbursed as per the product policy of the Bank. Since the charge was already created in favor of the bank there was no trigger to warn clandestine sale of property without NOC of the bank. Hence no lapses have been identified. • The loan was sanctioned as per the product policy of the bank and charge has been created in favor of the bank. Since the borrower has clandestinely sold the mortgaged property without NOC of the bank, no process gap has been identified. • Police complaint has been filed on 24-03-25 at LT Marg police station against the borrower.
324		IC Industries	29.8	• IC Industries (ICI) is a partnership firm, engaged in trading of grey cloth used in making bedsheets. The firm is based in Surat, Gujarat. • Axis Bank is the sole banker to ICI. • Axis Bank sanctioned CC facility of Rs.2.75 crore in January 2020. Term loans aggregating Rs.0.83 crore under ECLGS were sanctioned during 2020-2021. • The account was under stress since mid-2022. Outstanding in CC limit was reduced from Rs.2.75 crore to Rs.2.39 crore, pursuant to a monthly exposure

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				reduction plan negotiated in July 2022. However, further reduction could not be achieved. • The account was classified as NPA on 30.04.2024. • Recovery action under SARFAESI has been initiated. • Axis Bank classified the borrower as RFA on 11.10.2024, pursuant to group firm IC International being declared Fraud by Axis Bank. • Axis Bank appointed RS Chawla & Co to conduct forensic audit. No cooperation was received from the borrower and the forensic audit was completed based on documents available with the Bank and in public domain. • The forensic audit highlighted instances of diversion of funds through related parties and misrepresentation in inventory. • The Bank issued Show-Cause Notice (SCN) to the borrower and partners seeking explanations against forensic audit findings. No response has been received from the borrower. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on adverse observations of forensic audit. • As per the last stock statement submitted by the borrower, for December 2023, stocks of Rs.2.35 crore and debtor balance of Rs.4.32 crore were reported. Post December 2023, only Rs.0.05 crore was credited into CC account maintained with Axis Bank. • However, during inspection by bank officials visit on 06.03.2024, negligible stock was noticed. During visit to the premises of the borrower on 04.02.2025,

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the forensic auditor was not granted access. Therefore, status of inventory could not be verified. However, it was observed that related entities, IC international and Topaze International, were operating from the same premises. • The above indicate that inventory disclosed in stock statement of December 2023 were disposed off and/or proceeds not routed through Axis Bank. • Further, the borrower had extended unsecured loans of Rs.4.15 crore related parties as at March 2023. In absence of any clarification from the borrower, such loans & advances do not appear to be extended for business purposes. • At the time of sanction of WC limits in January 2020, market reference from 2 customers and 2 suppliers were captured in the credit proposal, as per guidelines. However, based on review of CC account statement, transaction with these entities were not evidenced. • At the time of renewal of WC limits in March 2022, it was noted that majority of transactions were with the related entities. The borrower was directed to avoid group transactions, and it was stipulated that debtors within group to be excluded while arriving drawing power. • However, the borrower continued transacting with group entities and the same were not excluded while computation of DP. Details of related parties and transactions with them were not captured during in subsequent review/renewals. • As per Corporate Credit Policy, the following were stipulated regarding

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				transactions carried out by borrower entities with related parties: - o For exposures above Rs.5 crore, CRILC check should be performed on top 2/3 buyers of the borrower having concentration of sales/ 25% and above. The CRILC status should be captured in all the appraisal notes at the time of sanction / renewal of credit facilities. In case these debtors and creditors are overseas entities, D&B report to be obtained, checked and recorded. CRILC check of such major customers and suppliers is optional for exposure below Rs.5 crore and if required sanctioning authority may stipulate such condition on case to case basis. • The following additional due diligence steps being recommended: • For exposures above Rs. 10 cr, perusal of Karza GST reports and perfios statements (Bank statement analysis) to be conducted at the time of sanction and each renewal. These be cross verified against the list of key customers and suppliers disclosed by the borrower. In case of any discrepancy, suitable justification to be captured in CAM. • Staff accountability has been attributed to 3 officials (Coverage RM, Underwriting Credit Specialist, Operations) for lapses in monitoring of account. • Order intimating 'Fraud' classification by registered post has been issued. • Police complaint has been filed on 21.04.25 at Jt. Commissioner of Police, EOW, Suratin the matter. • Bank have issued SARFAESI notice and filed OA before DRT

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Bank have issued recall notice and in process of filing our recovery proceeding. • Bank have issued fraud order dated 19.09.2024 to Borrower. • The Borrower has filed SCA No. 3630 of 2025 before Hon'ble Gujarat High Court challenging our classification of account as NPA and our action under SARFAESI Act.
325		Rajan Singh	26.2	• Post NPA and during recovery, the Collection team noted that a third party was residing in the property mortgaged to the Bank in lieu of the home loan availed by the borrower- Rajan Singh. Suspecting clandestine sale of the property, the case was referred to Internal Vigilance for further investigation. • The borrower & co-borrower Mr. Rajan Singh and Mrs. Maadhavi Singh had availed a home loan of Rs. 3.00 crore in June 2017 (Rs 2.62 crore disbursed and is currently o/s) towards purchase of an under-construction property situated at Gurgaon, named 'Krrish Provence Estate' from builder - Jasmine Buildmart Private Limited. The project was approved under APF (Approved Project Finance). The borrower was ETB and has a savings bank account with the Bank. • The full disbursement of the loan was not done due to non-availability of occupancy certificate and non-execution of the registered sale deed. The loan became NPA 10-04-2023. No sale deed has been executed and no charge has been created in favour of the bank. • During collection team follow up, it was confirmed by the co-borrower Mrs. Maadhavi that the property had been

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				surrendered to the builder, who has subsequently sold it to a third party. The builder is in jail due to a case involving land job scam. Furthermore, the borrower Mr. Rajan Singh is currently absconding. • During investigation, a fresh title search (TSR) of the property was conducted through the bank's empaneled lawyer, but no record could be retrieved for the borrower's flat number specified in the allotment letter and loan agreement from the SRO. • The third party however shared our collection team the allotment letter, possession letter, and the permission to commence interior finishing letter issued by the Builder on 14th June 2019, in its favour. Hence it was ascertained that the builder has clandestinely sold the property without NOC of the bank. • The KYC documents of the borrower and co-borrower were verified and were found in order. Other loan-related documents submitted to the bank were also in record. However, the borrowers' residence address was found to be untraceable, and they remain absconding. • The bank issued show-cause notice to the builder and the borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings, it was ascertained that the builder - Jasmine Buildmart Private Limited in collusion with the borrowers, has clandestinely sold the property to a third party without NOC of the bank. • Hence, in the view of above findings the incident has been classified as 'Fraud'

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					perpetrated by the builder and the borrowers and has been approved by the Fraud Identification Council of the bank • Clandestine sale of the property by the Builder to a third party in collusion with borrower, without NOC of the bank • Since the loan was sanctioned as per the process and policy of the bank no staff lapses have been noted. • In cases of under-construction properties sale deed registration timelines should be strictly monitoring. • Police complaint has been filed on 27-05-25 at Barakhamba Road Police Station, New Delhi against the borrower, co borrower and the builder.
326	Jitendra Sharma			24.1	• Post NPA and during recovery, the borrower-Jitendra Sharma mentioned that he will refrain from making any EMI payments till the legal dispute on the property purchased by him under finance from Axis Bank is resolved. The legal dispute was pertaining to a police complaint filed by one Anil Wasuja & Ajay Wasuja (claimants) who claimed to be legal heirs of Sushila Wasuja (original title holder of the financed property) who disputed that the seller Akhil Wasuja is not their brother and hence has no legal right to sell their property. • This action was contested by borrower who subsequently filed a police complaint (yet to be registered) against the claimants. Upon rejection of the police complaint the borrower subsequently filed a civil lawsuit against the claimants indicating that they are wrongfully asserting ownership of the property. The Civil Court has issued an order dated 04.01.2023 to keep status

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				quo pending a determination of the property title. • The borrower Jitendra Sharma, had availed a home loan of Rs. 2.50 crores in May 2019 (principal o/s Rs 2.41 crore) towards purchase of Plot in Sushank Lok-1, Gurugram, Haryana from the seller Akhil Wasuja. The loan amount was disbursed in the savings account of the seller, Akhil Wasuja who was son of Sushila Wasuja and had got this property by way of a transfer deed dated 16.04.2019 executed by Sushila Wasuja in his favor. • Subsequently he sold this property to Jitendra Sharma (borrower) vide sale deed dated 10.06.2019. The said property was mortgaged, and charge has been registered in favor of the bank. • During investigation the case was referred to the bank's empanelled advocate (to Acuity Legal Arena) to conduct a thorough title search. • In their legal opinion the advocate opined that there is mismatch in signature of Sushila Wasuja in the original sale deed (extracted from SRO records) dated 15.03.1991 (where she has bought the property from Ansal Properties) vis-a-vis the sale deed dated 15.03.1991 (submitted to the bank by the seller for availing loan) and transfer deed dated 16.04.2019 (where the said property was transferred by Sushila Wasuja to Akhil Wasuja). • Hence it was ascertained that the transfer deed dated 16.04.2019 and the sale deed dated 15.03.1991 which was submitted to the bank by the seller are fabricated, which is a fraudulent act. • Further it was ascertained that, the seller Akhil Wasuja's registration of the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				property in favor of Jitendra Sharma is deemed invalid and unenforceable due to the fabrication of the link documents. • The bank issued show-cause notice to the seller seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings It was ascertained that the seller Akhil Wasuja, has perpetrated the fraud by selling a property that he does not own, by fabricating transfer and sale deed to the buyer/borrower - Jitendra Sharma. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the seller Akhil Wasuja. and has been approved by the Fraud Identification Council of the bank. • Submission of fabricated documents by the seller while sanction of home loan • The seller Akhil Wasuja, has perpetrated the fraud by selling a property that he does not own, by fabricating transfer and sale deed to the buyer/borrower - Jitendra Sharma • Since the loan was sanctioned as per the process and policy of the bank no staff lapses have been noted. • Lapses have been identified on the empanelled advocate for not carrying out proper physical due diligence process during verification of the sale deed submitted to the bank with the sale deed registered at SRO. He is currently de-empaneled from the services of the bank. • Physical verification of the certified true copies of link documents along with verification of signatures needs to be done with original link documents available at SRO in all high value cases.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			Police complaint has been filed on 19-05-25 at Sarai Khawaja Police Station, Faridabad, HR against the seller
327	Swarnalata Mohapatra	25	- A case was referred for investigation where a customer named Swarnalata Mohapatra had reported multiple fraudulent debit transactions executed in her OD account without her knowledge or consent. - Subsequently, multiple other such fraudulent debit transactions identified to be executed from customer's Savings account. - An aggregate amount of fraudulent transactions debited from customer accounts was INR 2.50 crore. All these disputed transactions were done through mobile banking application of the customer. - The customer Swarnalata Mohapatra maintains a savings account and OD against FD facility with Axis Bank's Cuttack Branch. - On 21.11.2024, the customer Swarnalata Mohapatra reported that there was multiple fraudulent debit transactions executed in her OD account without her knowledge or consent. - The customer has alleged that these transactions were executed by erstwhile bank staff Khirod Kumar Nayak, Affluent Business Relationship Manager, who was entrusted with responsibility to manage the financial relationship of the complainant with the Bank. - Further, the customer Swarnalata Mohapatra had alleged that the above-mentioned OD facility was created without her knowledge or consent.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The Ex-staff Khirod Kumar Nayak has been arrested by Police officials on 29.11.2024. • Relationship details - Swarnalata Mohapatra • The savings account in the name of Swarnalata Mohapatra maintained with Axis Bank's Cuttack Branch since 26.11.2004. • There were five fixed deposits (aggregating to INR 2.50 crore) maintained by the customer Swarnalata Mohapatra since 22.06.2023. • The Overdraft facility (availed against FD) - Account opened as Sole Proprietorship with Overdraft facility amount – INR 2.25 crore since 27.06.2023. • The OD application dated 21.06.2023 was submitted for availing OD facility against FD(s) in the name of Swarnalata Mohapatra. • The GST Registration Certificate, PAN copy and masked Aadhaar copy in the name of Swarnalata Mohapatra was collected as part of OD documentation. The customer signatures were obtained on the OD sanction letter dated 26.06.2023 wherein the terms and conditions of the OD were specified. • On 27.06.2023, the OD facility was set up for customer Swarnalata Mohapatra an amount of INR 2.25 crore and the purpose of availing OD was mentioned to be was towards Working Capital requirement. • The welcome letter & copy of loan agreement (for OD facility) was dispatched and delivered to the customer's registered address as per records.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The SMS alert notification for OD account activation was delivered to customer's registered mobile number. • In June 2024, OD renewal was done through Straight Through Process (STP) process, wherein the customer request cum consent letter (as per bank format) was obtained for OD renewal. • The signatures on the OD documents were sent to forensic examiner for signature analysis and the same were matching with the admitted signatures (signature on complaint letter). The signatures of the customer on the OD documents were found to be genuine. • There is no unauthorized demographic change observed in the Customer ID of Swarnalata Mohapatra • Basis forensic analysis of the signature, the customer signature on the aforesaid customer request form was observed to be different / at variance when compared with signature as per bank records. • Multiple debit transactions from the customer's OD account were executed via IMPS mode wherein the beneficiary of these transactions was an individual named Sumitra Khuntia (HDFC Bank account). Period of transactions - 24.09.2023 to 27.03.2024; Aggregate amount - INR 2.21 crore. Beneficiary Sumitra Khuntia is the sister of ex-staff Khirod Kumar Nayak. • There were periodic credits received in OD account from the same account of Sumitra Khuntia (towards interest servicing). Period of transactions - 06.11.2023 to 16.11.2024; Aggregate amount - INR 0.16 crore. • Multiple debit transactions from the customer's savings account were executed via IMPS / NEFT mode

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				wherein the beneficiary of these transactions was an individual named Sumitra Khuntia (HDFC Bank account). Beneficiary addition and mobile banking logs • The account of Sumitra Khuntia was added as beneficiary account on 17.08.2023 using mobile banking application. The OTP for beneficiary addition was sent to the registered mobile number of Swarnalata Mohapatra. • Review of the mobile banking transactions logs revealed that the all the disputed debit transactions from the OD and savings account of the customer Swarnalata Mohapatra were executed by logging into the mobile banking app. • The SMS alerts for the various debit transactions in the complainant's accounts were observed to have been delivered to the registered mobile number of Swarnalata Mohapatra. Post unauthorized mobile number change (on 20.10.2023), the alert notifications for the debit transactions pertaining to the OD account transactions were being sent to the fraudulently updated mobile number. Employee Details – Khirod Kumar Nayak • Khirod Kumar Nayak, joined the bank on 28.09.2021 at Senior Manager Grade (Role - Affluent Business: Relationship Manager). • Khirod Kumar Nayak had resigned, and his last working day with the bank was 31.10.2024. • Discussion with the complainant – Swarnalata Mohapatra A discussion was undertaken with the customer Swarnalata Mohapatra regarding the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				incident, wherein she shared that on 21.11.2024, some bank officials had visited her and initiated discussion regarding OD facility availed by herself; it is then that she came to know about the fraud incident. • The customer clarified that FD amounting INR 2.50 crore were booked by her, however, there was no discussion regarding the OD facility with Khirod Kumar Nayak or any other bank staff during this entire period. • The customer informed that she is not much familiar with digital banking and Khirod Kumar Nayak used to help her with her general banking queries. After the demise of her husband, the bank staff Khirod Kumar Nayak used to actively engage in managing her banking requirements, however she was unaware of these fraudulent transactions undertaken from her bank accounts. • The customer, Swarnalata Mohapatra requested that bank investigates it thoroughly and her funds be restored in her accounts as a top priority. Police investigation updates • Swarnalata Mohapatra had lodged a complaint with the police authorities and investigation had been taken up by CID, Crime Branch, Odisha in the matter. • Police officials had arrested Khirod Kumar Nayak on 29.11.2024. • As per verbal information received from police authorities, Khirod Kumar Nayak had admitted having misappropriated funds of customer Swarnalata Mohapatra. • Further, Khirod Kumar Nayak had accepted to have sourced various policies for different customers

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				(approximate amount of INR 0.80 crore) using the misappropriated funds of customer Swarnalata Mohapatra. The LEA authorities have instructed the respective policy holders to raise request for policy cancellation and refund of the disputed amount. • The Police officials had verbally shared that funds amounting to INR 0.20 crore have been frozen in the bank account(s) of Khirod Kumar Nayak. The money trail for remaining amount is being traced. • Based on the verbal update received from LEA authorities, it was learnt that beneficiary Sumitra Khuntia is the sister of Khirod Kumar Nayak. • Further, it was gathered that the fraudulently updated mobile number 9938**2483 belongs to the deceased husband of Sumitra Khuntia. • Based on the above, the involvement of bank staff Khirod Kumar Nayak in the fraud incident is established, and he being named as the perpetrator of the fraud incident. • Bank staff had misappropriated customer funds by way of executing multiple fraudulent debit transactions in the savings and OD accounts of the customer through mobile app without customer's knowledge. The customer's mobile device and registered mobile number were used for executing all these fraudulent transactions. • The customer's mobile number in the OD account was changed by forging customer signatures on customer request form, and thereafter the SMS alert notifications for the OD related transactions were being sent to the fraudulently updated mobile number.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Transactions executed through mobile banking without the knowledge of the customer. • Staff accountability has been identified in respect of the bank staff Khirod Kumar Nayak (ex-employee), being malafide, for being the perpetrator of the fraud incident and having misappropriated customer funds by way of executing multiple fraudulent debit transactions in the customer accounts using her mobile device. • OD cases should go through underwriting where the underwriter can do Personal Discussion (telephonically) with the customer, which will catch any branch wrongdoing at the point of facility opening itself. (matter to be taken up with the concerned Product Team for feasibility). • The full and final settlement of the bank staff Khirod Kumar Nayak has been withheld. • Police complaint has been filled on 11-03-25 at Badambadi Police Station Cuttack OD in the matter. • Cuttack Branch is advised to arrange for lodging the Insurance claim for the fraud loss amount INR 2.50 crore in consultation with CRES Department. • Cuttack Branch is advised to refund the amount of INR 2.50 crore to the complainant Swarnalata Mohapatra post seeking approval from competent authority. Branch is advised to obtain the satisfaction letter from the customer Swarnalata Mohapatra post compensating the funds. • Cuttack Branch is advised to obtain a suitable indemnity from Swarnalata Mohapatra in consultation with legal

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					team before releasing the funds to the customer account(s). • F & A dept. may be advised to make 100% provision of the total fraud loss amount. • Cuttack Branch is advised to initiate for delinking of fraudulently updated mobile no. from CIF ID 952791080. • The customer accounts have been marked freeze to prevent any further misuse / unauthorized transactions. • The customer had lodged a police complaint, and the LEA authorities have apprehended the accused bank staff Khirod Kumar Nayak. • Post conclusion of investigation, Show cause notice regarding this fraud incident was sent to Khirod Kumar Nayak; same was sent via email and registered post, however, no communication has been received from Khirod Kumar Nayak.
328		Various Branches across Andhra, and Hyderabad Circles		22.9	• FCI, Hyderabad reported an incident wherein Digital Personal Loans aggregating Rs. 1.69 crore were sanctioned to 9 ETB customers during the period March 2023 to March 2024, at various branches across Andhra, and Hyderabad Circles on the basis of salary credits received from different firms, however loans were availed under different companies and suspecting the fraud. • The count of loan accounts is 19 across 9 customers and all these loans were availed digitally by customers and sourced through Internet Banking Application. 8 customers were observed to have availed multiple personal loans from the Bank. • It was observed that loans were availed by the 9 customers after receiving salary

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				credits from the proprietor concerned accounts. However, claimed to be employed in different companies and suspected the fraud. • Total 19 Digital loans aggregating to Rs. 1.69 crore was availed by 9 ETB customers. • Above 9 accounts being maintained at 7 branches of 2 Circle (Andhra, and Hyderabad Circles). • All these 9 accounts were initially opened at 4 branches of Andhra circle, subsequently these accounts were transferred to various other branches (7 Branches across 2 Circles as mentioned above). • All the 9 customers had submitted the masked Aadhaar copy (only last four digit visible) for identity and address proof while onboarding. • During on-boarding, out of the 9 accounts, 6 customers had submitted the PAN card copies. In case of one account, the customer had submitted the PAN number (no physical copy of PAN submitted). • In case of remaining two accounts, the customer had updated the PAN through internet banking post activation of accounts. • The sourcing officials confirmed the KYC of these 9 accounts by affixing the “Original Seen and Verified” stamp along with the officials’ signatures on the copy of the KYC documents at the time of onboarding. • KYC Verification -The details (photograph, signature, DOB) of the PAN holders from Authority records were compared with the live photographs/ photographs on the AOF, photographs on the Aadhaar cards / PAN

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				cards, and DOB captured during on-boarding of accounts. • It was revealed that out of the 9 accounts, the photographs and signatures of the actual PAN holders were not matching with the photographs and the signature submitted during on-boarding of the 8 savings accounts. • In case of one account, photograph of the customer captured in the TAB was exactly matching with the actual PAN holder's photograph fetched from authorities, however, signature submitted was not matching with the actual PAN holder. Hence, it is revealed that the sourcing official had captured the photograph of the customer submitted instead of capturing the customer live. • Based on the above findings, it is established that unknown person/s theft the PAN numbers and Aadhaar numbers of the genuine persons, fabricated the Aadhaar cards and Voter ID cards and opened the accounts in the name of the respective genuine persons. • Thus, all the above referred 9 SB accounts are non-KYC compliant at the time of on-boarding. • Availment of Personal Loans and Credit Card • Further, the above 9 customers had 11 credit cards through digital platforms, of which five customers were availed instant loans aggregating to Rs 31 Lakhs on credit card through Internet banking. The current outstanding on all the above 11 credit cards is Rs.35 Lakhs. • Basis on the above and review of KYC documents, it is observed that an unknown person/s had opened 9 savings accounts with the bank by fabricating

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the KYC documents of the 9 genuine PAN holders and received a credit under the pretext of salary (fake salary) from other firms' accounts of other banks and availed personal loans/credit cards claiming to be employed with different company to defraud the bank. • Fraudulent Savings accounts were opened with the fabricated KYC documents of the genuine PAN holders in the name of PAN holders and amounts were transferred in those accounts from other bank accounts under the pretext of salary (Fake Salary). • These fictitious regular inward credits build up the eligibility criteria for these account holders to avail other products like Personal Loan, credit card. • After the loan disbursement, inward credits were not received for EMI payments, resulting in the accounts becoming NPA. • Staff accountability has been identified as Gross Negligent in respect of 5 sourcing officials who had failed to verify the original KYC documents of the 9 customers during on-boarding of the 9 savings accounts. • Staff Accountability has been identified as Negligent in respect of two underwriters (UW) who failed to identify the fabricated salary slips submitted by the customers while availing the personal loan from the bank. • During the Personal Loan journey, Underwriters (UW) failed to identify the fabricated salary slips submitted by the customers and no proper due diligence conducted by the UW . • Perpetrators opened savings accounts with the fabricated documents of the

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					genuine PAN holders and salary credits were received from other banks through NEFT and loans were obtained by these customers claimed to be employed with Corporates in a good position. • The loans and credit cards were processed for the customers based on the NEFT transfers (apparently fake salary) without validating the source of credits. • Lien has been marked in all the defaulted customer accounts for shortfall of charges, credit card dues and EMI- Loan Overdue. • Gunadala Road Branch is advised to file a Police complaint in the matter. • Police complaint has been filed on 25-04-25 Gunadala Police Station, Vijaywada, AP against the seller • Gunadla Branch is advised to examine insurance claim in the matter under the Banker's Indemnity Policy.
329		Multiple Personal Loan Borrowers - Syndicate fraud Baxter Pharmaceuticals		17.4	• The case was referred to Internal Vigilance when during recovery of the delinquent accounts, the Collection team observed that multiple accounts with fabricated salary slips and banks statements were submitted for availing personal loans. • 14 personal loans (NPA- 12 accounts, Standard – 2 accounts) amounting to Rs 1.88 crore (current o/s Rs 1.46 crore) were sanctioned during March 2022- November 2023 from four RAC locations- Ahmedabad, Himmat Nagar, Mehsana, and Gandhinagar. • Post NPA and during recovery process the collection team identified that these loans have been availed with fabricated salary slips and banks statements were submitted for availing personal loans. All the salary slips pertained to 'Baxter Pharmaceuticals Ltd.'.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Out of the 14 cases, it was noted that 13 cases were sampled and 1 case was screened by the FCI appointed agency for verification before on-boarding stage. • During investigation the bank statements submitted during loan applications were verified with the respective banks wherein the entries pertaining to salary credits from Baxter Pharmaceuticals Ltd. were not found. Hence, it was ascertained that the borrowers had submitted fabricated bank statements and salary slips for availing loan, which is a fraudulent act. • The employment search through EPF and AS 26 was carried out for all 14 borrowers where it was observed that none of the borrowers are employed with stated employer "Baxter Pharmaceuticals Ltd". As per said search, no employment details were appearing for 12 borrowers and for the balance 2 borrowers' different employment (partnership firms) were observed. During field visits, out of 14 borrowers' actual profiles of 7 borrowers were identified having occupations such as barber, driver, daily wage laborer, self-employed individual, shop owner etc. The original profiles of the remaining 7 borrowers, however, remains unknown. Hence, it was ascertained that the borrowers has also fabricated their employment profiles, which is a fraudulent act. • All the borrowers are currently uncontactable, but during the field investigation, only 3 borrowers could be met who mentioned that they had interacted with a middleman who had facilitated their loan in exchange for a

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				commission. The identity of the middleman 'Himanshu' could not be established. • The bank issued show-cause notice to the borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings it was established that the borrowers had submitted fabricated salary slips, fabricated bank statements, falsified employment profiles to avail the personal loans. Further these loans were also facilitated by a syndicate whose identity could not be established. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the borrowers and 'unknown syndicate' and has been approved by the Fraud Identification Council of the bank. • Availing of personal loans by submitting fabricated salary slips, fabricated bank statements and falsified employment profiles • Proper due diligence for verification of employment and salary slips were not done during onboarding and sanction of loan. • Lapses have been identified against the four FCI appointed verification agencies where positive sample reports were submitted for 13 loans where bank statements and employment documents were found to be fabricated. As per the SLA executed between the Bank and the FCI-appointed service provider, any financial loss caused to the bank due to wrong verification or improper verification, penalty will be levied by the bank and recovered from the agency.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					Based on the above, suitable action/recovery by FCI has been recommended in line with the clauses in the SLA. Police complaint has been filed on 05-03-25 at Ellisbridge Police Station Ahmedabad GJ against the borrowers
330		T Dharmateja		15	- Post NPA and during recovery process it was observed that post availing loans from various banks the borrower T Dharmateja has absconded. - The borrower T Dharmateja (Proprietor United Groups-Bangalore) had availed three car loans of Rs.1.50 Crore during September 2021. The account became NPA with principal o/s of Rs 1.45 crore. - Post default when the collection team visited the borrower's residential/ office address they found the borrower to be absconding and all the vehicles to be untraceable. - Out of 3 cars only 1 car (Hyundai Verna- loan of Rs 0.15 crore) was registered in name of the borrower and hypothecated in favour of the bank whereas 2 cars (Toyota Fortuner (loan Rs.0.42 crore)) and Toyota Vellfire (loan Rs.0.92 crore) were neither registered in name of the borrower nor hypothecated in favour of the bank. Further none of the vehicles are currently traceable. - During investigation the loan application, KYC and income documents/Income Tax Returns (including borrower's signatures) of the borrower were checked and were found to be in order. - Further enquiries were made with respective Dealer seeking clarification about the registration of 2 cars (Toyota Fortuner and Toyota Vellfire). Though

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the Dealer mentioned that both the cars have been delivered to the borrower, it could not produce any delivery documents or related photographs. • On the basis of the above a show-cause Notice was issued to the Dealer seeking clarification on the adverse findings. The Dealer responded asserting that all the vehicles have been delivered to the borrower and the registration process was the responsibility of the borrower, who failed to complete it. • Though lapses have been identified on the Dealer, there was no conclusive evidence demonstrating involvement of the Dealer in any fraudulent activity. • Post availing of loan the borrower has failed to register as well as hypothecate the vehicles (2 cars) in favour of the bank, which is a fraudulent act. Further the borrower as well as the vehicles are currently not traceable. • The bank issued show-cause notice to the borrower seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings it was established that the borrower had availed loan post which it did not hypothecate the vehicles in favour of the bank. This also led to the vehicles currently being untraceable. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the borrower and has been approved by the Fraud Identification Council of the bank. • The borrower obtained the vehicle under loan but failed to register the vehicles or create hypothecation in favour of the Bank.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• The borrower obtained the vehicle under loan but failed to register the vehicles or create hypothecation in favour of the Bank. • Police complaint has been on 21-03-25 at Jjp Nagar Police station Bangalore filed against the borrower.
331	Mahema Chaddha	14.7	• Post NPA and during the recovery process the Collection team suspected that the borrower had not hypothecated the vehicle in favor of the Bank and sold the vehicle to the third party without NOC of the bank. The case was referred to Internal Vigilance for further investigation. • The borrower Ms. Mahema Chadda had availed Used Car loan of Rs.1.00 crore from RAC Noida in March 2023 for purchase of a used car (BMW X7 SPORT). Ritesh Chadda (husband of the borrower) was taken as a co-borrower. She is an ETB customer of the bank and has availed a new car loan with o/s balance of Rs 0.36 crores (sanctioned limit: Rs 0.47 crore, RC is in name of the borrower and vehicle is hypothecated in favour of the bank) • The Used Car loan had been initially processed in January 2023 for Mercedes Benz and the loan proceeds were transferred to the DSA (Finiscope) However since the borrower wanted a change in the car, a new Used Car loan – BMW was sanctioned, and the loan proceeds were transferred for closure of the previous car loan - Mercedes Benz. • The RC was not transferred in name of the borrower and the hypothecation was not done in favour of the bank. • The loan became NPA in May 2024 and upon observing that the car has been sold to a third party (during July 2023)

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				without NOC of the Bank, the bank raised an objection on the same in RTO, basis which RTO has put a stay on further registration of the vehicle. • During investigation the KYC and other loan documents were verified and found to be genuine. • During field verification, it was noted that the borrower is not contactable, and the vehicle is not traceable at present • Further the registration of the vehicle was checked over M-Parivahan portal, where the vehicle is currently is in the name of 'Wave Industries Pvt Ltd' and hypothecation is in favour of 'ICICI Bank'. • Hence it was ascertained that the borrower has clandestinely sold the vehicle to a third party without NOC of the bank (post sanction of the loan) in connivance with the DSA (as the loan proceeds had gone to the account of DSA), which is a fraudulent act. • The bank issued show-cause notice to the borrower and co-borrower and the DSA seeking explanations on the adverse findings of internal investigation. However, no response was received on the same • Based on the investigation findings it was found that the borrower and co-borrower had clandestinely sold-off the vehicle to a third party without seeking NOC from the Bank and in connivance with the DSA (as the loan proceeds had gone to the account of DSA). Hence, the incident has been classified as 'Fraud' perpetrated by borrower /co-borrower and the DSA and has been approved by the Fraud Identification Council of the Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The Borrower in connivance with the DSA did not hypothecate the vehicle and clandestinely sold it to the third party without NOC of the bank. • The borrower obtained the vehicle under loan but failed to register the vehicles or create hypothecation in favour of the Bank. The vehicle was further clandestinely sold to the third party without NOC of the bank. • Lapses have been identified against the Sales Manager for failing to ensure the registration, insurance and hypothecation of the financed vehicle within the required timeframe of 90 days. • To revise monitoring framework to ensure timely registration of vehicle in the favour the bank along with escalation matrix including action against the borrower. • Police complaint has been filed on 21.03.25 at Sector 19 noida police station against the borrower., co-borrower and the DSA.
332		Multiple Personal Loan Borrowers	14.3	• During an onboarding screening process, the FCI team suspected fraudulent employment/ salary proofs. submitted by 16 borrowers (17 loan accounts) while availing personal loans. The case was thus referred to Internal Vigilance for further investigation. • 17 personal loans (NPA with multiple dates) pertaining to 16 borrowers amounting to Rs 1.42 crore (current o/s Rs 1.13 crore) were sanctioned during June 2022- December 2023 from two RAC locations- Rajkot and Gandhinagar. Out of the 16 borrowers, 15 were NTB and one borrower was ETB. The loans were sourced through 4 DSAs.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• It has been identified that these loans have been availed with fabricated salary slips and banks statements were submitted for availing personal loans. • All 16 borrowers presented themselves as salaried individuals, claiming employment with various employers i.e. HCL Technologies Ltd, Larsen & Toubro Ltd, Asian Paints Ltd, Havells India Limited and Parle Biscuits Pvt Ltd and submitted salary slips from these purported employers. Further they submitted the bank account statements to demonstrate salary credits for the purpose of obtaining a loan • Out of the 17 cases, it was noted that 14 cases were sampled and 3 case was screened by the FCI appointed agency for verification before on-boarding stage. • During investigation the bank statements submitted during loan applications were verified with the respective banks wherein the entries pertaining to salary credits from the employer's'. were not found. Hence, it was ascertained that the borrowers had submitted fabricated bank statements and salary slips for availing loan, which is a fraudulent act. • The employment verification was carried through EPF and AS 26 for all 16 borrowers where it was observed that none of the borrowers are employed with stated employer [HCL Technologies Ltd , Larsen & Toubro Ltd , Asian Paints Ltd, Havells India Limited and Parle Biscuits Pvt Ltd] . As per said search, no employment details were appearing for 14 borrowers and for the balance 2 borrowers' different employment (partnership firms) were

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				observed. During field visits, out of 16 borrowers' actual profiles of 3 borrowers were identified having occupations such as Gym Trainer, unemployed and daily wage earner. The original profiles of the remaining 13 borrowers, however, remains unknown. Hence, it was ascertained that the borrowers has also fabricated their employment profiles, which is a fraudulent act. • All the borrowers are currently uncontactable, but during the field investigation, only 3 borrowers could be met who mentioned that they had interacted with a middleman who had facilitated their loan in exchange for a commission. Preliminary police investigation identified the middleman as one 'Mayur Jaggani' and 2 of his accomplices (whose identity could not be established) perpetrated the fraud in collusion with the borrowers. • The bank issued show-cause notice to the borrowers' seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings it was established that the borrowers had submitted fabricated salary slips, fabricated bank statements, falsified employment profiles to avail the personal loans. Further these loans were also facilitated by a syndicate whose identity could not be established. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the borrowers and 'unknown syndicate' and has been approved by the Fraud Identification Council of the bank.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Availing of personal loans by submitting fabricated salary slips, fabricated bank statements and falsified employment profiles • Proper due diligence for verification of employment and salary slips were not done during onboarding and sanction of loan. • Lapses have been identified against the four verification agencies who sampled 14 loan documents and submitted positive sample reports where bank statements and employment documents were found to be fabricated. Suitable action/recovery has been recommended in line with the clauses in the SLA. • Lapses have been identified on the makers/checkers in the operations team for not raising queries in 7 cases where loan has been processed without OSV certification by the Bank's staff (OSV had been done by DSA) • Lapses has been identified on the part of the Sales Manager who did OSV on the KYC without meeting the customers and without conducting proper due diligence. • Lapses have been identified on 4 DSAs who procured loan applications via unsolicited third parties without performing appropriate due diligence. Actions including financial penalties as per SLA has been initiated. • Police complaint has been filed on 28-05-25 at Amreli City Police Station, Amreli, GJ against the borrowers and unknown syndicate.
333		Anand Jhawar		13.8	• During monitoring activity it was observed that the borrower Mr. Anand Jhawar had multi-funded a car availed through a Used Car Loan. Further the hypothecation was showing in favour of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				IDFC bank instead of Axis Bank. The case was referred to Internal Vigilance for further investigation. • The borrower Anand Jhawar had availed a used car (including top-up) loan of Rs1.37 crore in June 2023 for purchase of vehicle [BMW 740LI LCI M SPORT] from Wonderworld Groceries AjCorp P Ltd [Seller]. The loan was a BT from Kotak Mahindra Bank. The vehicle was hypothecated to BMW India Financial Services (P) Ltd prior to BT. • Out of total loan of Rs 1.37 crore an amount of Rs 1.14 crore was disbursed via a bank draft issued in favour of BMW India Financial Services (P) Ltd and the balance Rs 0.23 crore was disbursed to the borrower's account maintained with Kotak Mahindra Bank. • The Sales team highlighted pending RC transfer along with pending Axis Bank's hypothecation and also observed that the financed vehicle was hypothecated to IDFC Bank instead of Axis Bank. • During investigation it was noted that the current RC is registered in the name of Wonderworld Groceries AjCorp P Ltd. and is currently hypothecated in favor of IDFC Bank. The Vehicle has been blacklisted from further transfer in the RTO records based on the compliant filed by Axis Bank. • However, prior to creating hypothecation in favor of our bank, within a span of 2 months post availing loan from Axis Bank, the borrower again secured a UCL loan of Rs 1 crore from IDFC Bank on 31.08,2023, for the same vehicle sold by Wonderworld Groceries AjCorp P Ltd. As a result, the vehicle is currently hypothecated with IDFC Bank and not Axis Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Hence based on the above it can be ascertained that the borrower post availing loan from Axis Bank within a span of 2 months clandestinely availed another UCL on the same asset without NOC of the bank and clearing bank dues. • Thus, borrower has deceived Bank by securing loan on the same Vehicle financed from the Axis Bank and subsequent to this from IDFC Bank which is a fraudulent act. • The bank issued show-cause notice to the borrower seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings it was established that the borrower had availed another loan from IDFC Bank post availing the loan from Axis Bank against the same vehicle. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the borrower and has been approved by the Fraud Identification Council of the bank. • Multiple funding of the vehicle from IDFC Bank prior to creation of hypothecation in favor of Axis Bank. • Multiple funding of the vehicle from IDFC Bank prior to creation of hypothecation in favor of Axis Bank. • Lapses have been identified on the Sales Manager for failure in due diligence for a Balance Transfer case, wherein he did not ensure registration, insurance and hypothecation of the vehicles within the required timeframe of 90 days. Additionally, he failed to raise a trigger regarding hypothecation of the vehicle in favor of another bank.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• To revise monitoring framework to ensure timely registration of vehicle in the favour the bank along with escalation matrix including action against the borrower. • FIR has been filed on 21-03-25 at Sec-65, Gurugram, HR against the borrower.
334	Manish Bhanushali	13.5	• Post NPA and during the recovery process the Collection team suspected that the borrower has sold the property mortgaged with Axis Bank to third party (Dilmeet Kaur) without its NOC. The case was referred to Internal Vigilance for further investigation. • The borrower Manish Bhanushali and his spouse Arti Bhanushali (co-borrower) were sanctioned a home loan of Rs 1.35 crore towards purchase of a commercial property situated in Vashi, Navi Mumbai in November 2019. Though the Notice of Intimation (NOI) was updated by the borrower in the SRO office the charge in favour of the bank is not reflecting in the SRO records. It may be noted that the original title deed of the property was deposited with the bank. • Subsequently due to non-payment of dues the account became NPA in April 2021. • During investigation the KYC and the income documents of the borrower and co-borrower were checked with the issuing authority and were found to be genuine. • A fresh title search report (TSR) was obtained to ascertain the ownership of the property. As per the said report the borrower had sold the mortgaged property to a third party (Dilmeet Kaur) vide a sale deed executed on 22.07.2021. Subsequently, the third

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				party had mortgaged the property with ICICI Bank in December 2021. • It may be noted that the loan was sanctioned in November 2019 whereas the property was clandestinely sold in July 2021 without NOC of the Bank, which is a fraudulent activity. • As per the field investigation, the residence of the borrower could be located and the borrower and co-borrower are traceable. • The bank issued show-cause notice to the borrower seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the investigation findings it was ascertained that the borrower had engaged in the fraudulent act of clandestinely selling the property to third party without seeking NOC from the Bank. Hence, the incident has been classified as 'Fraud' perpetrated by borrower Manish Bhanushali and has been approved by the Fraud Identification Council of the bank. • Borrower clandestinely sold the property mortgaged with Axis Bank to a third party without obtaining NOC from the Bank. • Clandestine sale of property by the borrower to the third party. • During investigation it was found in the valuation report that the area of the property has been inflated (original area- 570 sq. ft. Inflated area- 678 sq. ft.) which has resulted in inflated valuation (valuation inflated by 29%). Lapses have been identified on the valuer and we have recommended suitable action against the valuer in line with the Service Agreement. The loan has been

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			sanctioned as per policy and process of the bank and hence no staff lapses has been identified. - As a process gap it was identified that though the Notice of Intimation (NOI) was updated by the borrower in the SRO office, the charge in favour of the bank is not reflecting in the SRO records. - This gap has been rectified since November 2024 where the Bank has empanelled advocates who are updating the NOI in the SRO office to ensure that the charge is reflecting in favour of the Bank. - Police complaint has been filed on 20-03-25 at Surya Nagar Police Station Vikhroli against the borrower.
335	Mohammadyunus Shariff Shaikh	13.4	- Post delinquency (60 days dpd) and during recovery, the Collection team noted that a third party was residing in the property mortgaged to the Bank in lieu of the home loan availed by the borrower- Mohammadyunus Shariff Shaikh. Suspecting clandestine sale of the property, the case was further referred for investigation. - The borrower & co-borrower Mohammadyunus Shariff Shaikh & Rumanabanu Shaikh had availed a home loan of Rs 1.09 crore in April 2019 towards purchase of a resale property (flat located at Kohinoor Tower) situated at Pimpri, Pune. The loan was disbursed in the seller's IDFC bank account. The repayment was mapped to the borrower's Rajgurunagar Sahakari Bank account. The borrower is owner of a shoe store & co-borrower has non-financial profile. The said property was mortgaged and charge is reflecting in favour of Axis Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Apart from this, the borrower has one auto loan (o/s Rs. 15.40 lacs) & a digital business loan (o/s Rs. 10 lacs). • During investigation a fresh title search (TSR) of the property was conducted through the bank's empanelled lawyer whose report observed that an Agreement to Sale dated 29.12.2018 has been executed and registered between seller (Kiranraj Hastimal Chopra) and our borrower (Mohammadyunus Shariff Shaikh). Subsequent to this a Deed of Assignment dated 17.05.2019 has been executed between the seller and our borrower. • The report, however, observed that within a month of the Deed of Assignment i.e. on 11.06.2019 a Notice of intimation filed by the borrower in favour of Bank of India (BOI) indicating availment of another loan from BOI on the same flat. • The CERSAI report dated 05.04.2019 confirmed that the equitable mortgage of the property has been done along with the charge reflecting in favour of Axis Bank. However as per CERSAI report dated 17.01.2020, the charge on the said property along with the equitable mortgage was modified in favour of Bank of India (i.e. post sanction of loan from Axis Bank). This ascertained that the borrower has availed multiple loans from BOI on the same property which was under mortgage to Axis Bank for the home loan sanctioned by it and without NOC from Axis Bank, which is a fraudulent act. • As per the preliminary investigation report of FCI, during the field visit a third person named Dnyaneshwar Kasar was residing at the property who stated

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				that he has purchased the property from our borrower. However, there is no sale deed between Mr. Kasar and our borrower. Further as per the latest TSR and legal report our borrower holds clear and marketable title on the property and hence is the owner. Hence there is no documentary evidence that the flat has been clandestinely sold to the third party. • Further during investigation, the ITR submitted by the borrower was verified with the Income Tax Authorities wherein it was found that the ITR for AY 2016-2017, AY 2018-2019 was fabricated with inflated amounts, which is also a fraudulent act. The KYC document was however genuine. • The residence address of the borrowers was positive, and borrower and his family are traceable at the address. • The bank issued show-cause notice to the borrower & co-borrower seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings It was established that the borrower had availed another loan on the same property from Bank of India while the property was still under mortgage to Axis Bank. Further he had submitted fabricated ITRs during processing of the loan. • Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the borrower & co-borrower and has been approved by the Fraud Identification Council of the bank. • Multiple funding on the same property while the property was still under

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				mortgage to Axis Bank along with fabricated ITRs submitted to obtain the loan. - Multiple funding on the same property while the property was still under mortgage to Axis Bank along with fabricated ITRs submitted to obtain the loan. - Since the loan was sanctioned as per the process and policy of the bank no staff lapses have been noted. - Lapses noted on the part of the DSA for failure to verify the fabricated ITR document while doing OSV. - The Fraud Identification Council recommended that for high value cases above Rs 1 crore, the sampling size needs to be increased. This will also help in identifying if any fabricated/inflated ITRs have been submitted while processing the loan applications. - Police complaint has been filed on 06-05-25 at Chaturshrini Police Station Pune MH against the borrower and co borrower. - DSA to be penalized as per the SLA. At present the DSA code is already blocked for further business. - Fraud reported to RBI through the Fraud Monitoring Return (FMR) and to the Serious Fraud Investigation Office (SFIO).
336		Multiple Personal Loan	13	- Post NPA /delinquency and during recovery the collection team suspected fraudulent salary slips and fabricated bank statements being submitted by 14 borrowers, while availing personal loans. Based on this the case was referred to Internal Vigilance for further investigation. 14 borrowers had availed personal loans during the period November 2021 to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				August 2023 amounting to Rs. 1.29 crore (current o/s Rs 0.74 crore). All the borrowers were NTB and were sourced by 3 DSA's Square capital advisory services, Finwizz Financial services and Finindia Financial consultancy. • All the 14 borrowers had shown employment with Aarti Industries, Gujarat and had their loans disbursed in salary accounts which were maintained with other banks. • Out of 14 loans, 6 loans are NPA (multiple NPA dates) and balance 8 loans are delinquent with different DPDs. • Out of 14 case, 2 cases were sampled and the balance 12 cases were screened by the FCI appointed vendor. • During investigation KYC was verified and was found to be positive for all 14 borrowers. A fresh field investigation was initiated in which the residential addresses could be located for 4 borrowers and was found to be occupied by the borrower's family. In the balance 10 cases the residential address could not be traced. • Out of 14 borrowers, 5 borrowers are contactable, and the balance 9 borrowers are non traceable. • A verification of Form 26AS was done for all 14 borrowers, where in 12 cases employment of the borrowers was not found with Aarti Industries for the period the loan was sanctioned. The balance 2 borrowers were employed with Aarti Industries; however, their salary / income details were found to be inflated. • Further as confirmed by the HR department of Aarti Industries 6 borrowers have never been employed

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				with them and 2 borrowers who were working with the company had submitted fabricated salary slips. They however did not respond for the balance 6 borrowers. • Thus, it was ascertained that the 14 borrowers had submitted fake salary slips and had fabricated their bank statement to avail the loans which is a fraudulent act. • The bank issued show-cause notice to the 14 borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings It was ascertained that the 14 borrowers had submitted fake salary slips and had fabricated their bank statement to avail the loans. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the 14 borrowers and has been approved by the Fraud Identification Council of the bank. • The fraudsters submitted fabricated employment details and income documents defrauded Bank by fraudulently availed personal loans. • Proper due diligence for verification of employment and salary slips were not done during onboarding and sanction of loan. • Lapses have been identified against the verification agency who sampled 2 loan documents and submitted positive sample reports where bank statements and employment documents were found to be fabricated. Suitable action/recovery has been recommended in line with the clauses in the SLA.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Lapses have been identified on the makers/checkers in the operations team for not raising queries in 4 cases where loan has been processed without OSV certification by the Bank's staff (OSV had been done by DSA) • Lapses have been identified on 3 DSAs who did not carry out proper due diligence on the financial documents/employment while sourcing the loan. Action including financial penalties as per SLA has been initiated. • Post NPA /delinquency and during recovery the collection team suspected fraudulent salary slips and fabricated bank statements being submitted by 14 borrowers, while availing personal loans. Based on this the case was referred to Internal Vigilance for further investigation. • 4 borrowers had availed personal loans during the period November 2021 to August 2023 amounting to Rs. 1.29 crore (current o/s Rs 0.74 crore). All the borrowers were NTB and were sourced by 3 DSA's Square capital advisory services, Finwizz Financial services and Finindia Financial consultancy. • All the 14 borrowers had shown employment with Aarti Industries, Gujarat and had their loans disbursed in salary accounts which were maintained with other banks. • Out of 14 loans, 6 loans are NPA (multiple NPA dates) and balance 8 loans are delinquent with different DPDs. • Out of 14 case, 2 cases were sampled and the balance 12 cases were screened by the FCI appointed vendor. • During investigation KYC was verified and was found to be positive for all 14

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrowers. A fresh field investigation was initiated in which the residential addresses could be located for 4 borrowers and was found to be occupied by the borrowers family. In the balance 10 cases the residential address could not be traced. • Out of 14 borrowers, 5 borrowers are contactable and the balance 9 borrowers are non traceable. • A verification of Form 26AS was done for all 14 borrowers, where in 12 cases employment of the borrowers was not found with Aarti Industries for the period the loan was sanctioned. The balance 2 borrowers were employed with Aarti Industries, however their salary / income details were found to be inflated. • Further as confirmed by the HR department of Aarti Industries 6 borrowers have never been employed with them and 2 borrowers who were working with the company had submitted fabricated salary slips. They however did not respond for the balance 6 borrowers. • Thus it was ascertained that the 14 borrowers had submitted fake salary slips and had fabricated their bank statement to avail the loans which is a fraudulent act. • The bank issued show-cause notice to the 14 borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings It was ascertained that the 14 borrowers had submitted fake salary slips and had fabricated their bank statement to avail the loans. Hence, in the view of above

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				findings the incident has been classified as 'Fraud' perpetrated by the 14 borrowers and has been approved by the Fraud Identification Council of the bank. • The fraudsters submitted fabricated employment details and income documents defrauded Bank by fraudulently availed personal loans. • Proper due diligence for verification of employment and salary slips were not done during onboarding and sanction of loan. • Lapses have been identified against the verification agency who sampled 2 loan documents and submitted positive sample reports where bank statements and employment documents were found to be fabricated. Suitable action/recovery has been recommended in line with the clauses in the SLA. • Lapses have been identified on the makers/checkers in the operations team for not raising queries in 4 cases where loan has been processed without OSV certification by the Bank's staff (OSV had been done by DSA) • Lapses have been identified on 3 DSAs who did not carry out proper due diligence on the financial documents/employment while sourcing the loan. Action including financial penalties as per SLA has been initiated. • Post NPA /delinquency and during recovery the collection team suspected fraudulent salary slips and fabricated bank statements being submitted by 14 borrowers, while availing personal loans. Based on this the case was referred to Internal Vigilance for further investigation.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• 14 borrowers had availed personal loans during the period November 2021 to August 2023 amounting to Rs. 1.29 crore (current o/s Rs 0.74 crore). All the borrowers were NTB and were sourced by 3 DSA's Square capital advisory services, Finwizz Financial services and Finindia Financial consultancy. • All the 14 borrowers had shown employment with Aarti Industries, Gujarat and had their loans disbursed in salary accounts which were maintained with other banks. • Out of 14 loans , 6 loans are NPA (multiple NPA dates) and balance 8 loans are delinquent with different DPDs. • Out of 14 case, 2 cases were sampled and the balance 12 cases were screened by the FCI appointed vendor. • During investigation KYC was verified and was found to be positive for all 14 borrowers. A fresh field investigation was initiated in which the residential addresses could be located for 4 borrowers and was found to be occupied by the borrowers family. In the balance 10 cases the residential address could not be traced. • Out of 14 borrowers , 5 borrowers are contactable and the balance 9 borrowers are non traceable. • A verification of Form 26AS was done for all 14 borrowers, where in 12 cases employment of the borrowers was not found with Aarti Industries for the period the loan was sanctioned. The balance 2 borrowers were employed with Aarti Industries, however their salary / income details were found to be inflated.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Further as confirmed by the HR department of Aarti Industries 6 borrowers have never been employed with them and 2 borrowers who were working with the company had submitted fabricated salary slips. They however did not respond for the balance 6 borrowers. • Thus it was ascertained that the 14 borrowers had submitted fake salary slips and had fabricated their bank statement to avail the loans which is a fraudulent act. • The bank issued show-cause notice to the 14 borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings It was ascertained that the 14 borrowers had submitted fake salary slips and had fabricated their bank statement to avail the loans. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the 14 borrowers and has been approved by the Fraud Identification Council of the bank. • The fraudsters submitted fabricated employment details and income documents defrauded Bank by fraudulently availed personal loans. • Proper due diligence for verification of employment and salary slips were not done during onboarding and sanction of loan. • Lapses have been identified against the verification agency who sampled 2 loan documents and submitted positive sample reports where bank statements and employment documents were found to be fabricated. Suitable

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					action/recovery has been recommended in line with the clauses in the SLA. • Lapses have been identified on the makers/checkers in the operations team for not raising queries in 4 cases where loan has been processed without OSV certification by the Bank's staff (OSV had been done by DSA) • Lapses have been identified on 3 DSAs who did not carry out proper due diligence on the financial documents/employment while sourcing the loan. Action including financial penalties as per SLA has been initiated. • Police complaint has been filed on 05-03-25 at Ellisbridge Police Station Ahmedabad GJ against the borrowers.
337		Personal Loans through digital		12.8	• Five existing bank (ETB) customers were found to have availed digital personal loans using fake or forged salary slips uploaded during the digital journey. • Financial Crime Intelligence Unit (FCI) identified 15 Digital Personal Loans aggregating to Rs. 1.16 Crore were sanctioned to 5 Existing to bank customers (ETB) during the period June 2023 to 2024. • All these loans were availed digitally by customers. • It was observed that loans were availed by the 5 customers basis their employment with Abbot India Ltd however, there was no salary credits observed from the said corporate. • Apparently, the salary slip provided by the customer at the time of loan application was found to be fake/forged. • The collection team identified 15 digital personal loans totaling Rs. 1.16 Crore, taken by 5 ETB customers between June

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				2023 and 2024 using false employer names in the loan applications. • The customers involved are Amit Thakral, Anita Tirtha, Avinash Tritha, Jaspreet Sethi, and Bharti Del Monte. • These customers maintained their savings accounts at Sakinaka Junction and BKC Branch in Mumbai and were KYC compliant at the time of onboarding. • Transactions in these accounts were mainly conducted via NEFT, Internal Transfer, and IMPS modes, with the counterparties being the 5 customers themselves. • In three accounts, the salary scheme code for Abbott Healthcare Pvt Ltd was updated, but no salary was credited from this company. Other two accounts were normal Savings accounts. • The credits received in the accounts appeared to be salaries, enabling the customers to receive personal loan offers from the bank. Additionally, these salary credits were exchanged among the customers. • A review of the digital journey for these loan applications showed that Abbott Healthcare Pvt Ltd was listed as the employer in all 15 applications. • Therefore, employment verification was done through the salary slip uploaded by the customers in all 15 cases. • TDS verifications failed or did not generate any results, although deductions for Provident Fund and TDS were evident on the salary slips. • In one of the loan applications, the salary slip uploaded belonged to some other customer. • Apparently, the salary slips uploaded by the customers was fake/fabricated.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The current status of all 15 loans is NPA (Non-Performing Assets), and a provision has been made for the principal outstanding amount, totaling Rs. 1.08 Crore. • Besides personal loans, each customer also availed one credit card from the bank. • These credit cards have been classified as NPA, and an amount totaling Rs.12.08 lakhs has been written off by the bank, with a provision held for this amount. • In this case, all 5 customers appeared to be part of a syndicate involved in opening savings accounts with the bank and receiving credits under the pretext of salary (fake salary) from each other's accounts, making them eligible for personal loans and credit cards to defraud the bank. • During the investigation, efforts were made to contact the customers however the contact was not established. • Therefore, customers Amit Thakral, Anita Tirtha, Avinash Tritha, Jaspreet Sethi, and Bharti Del Monte, along with others unknown, are considered perpetrators. • Show Cause Notice was sent to customers at the communication address and email ID registered in the respective account however, there was no response from the customer side. • Subsequently, the case was presented to and approved by the Fraud Identification Council (FIC). • A fake salary slip was uploaded by the customers to avail the personal loan. • As per the checklist followed by the Underwriters, they only have to check the name of the employer mentioned in

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the loan application is matching the salary slip. • Deduction of PF and TDS amount was evident on salary slip in all 15 cases however, the Employment verification was either failed or did not fetch results. • The salary label code updated in the account was not matching the name of the employer mentioned in the loan application. • Counter party of the credit transactions in the account was not matched with employer name before loan disbursement. • The credits received in the accounts appeared to be salaries, enabling the customers to receive personal loan offers from the bank. Additionally, these salary credits were exchanged among the customers. • A review of the digital journey for these loan applications showed that Abbott Healthcare Pvt Ltd was listed as the employer in all 15 applications. • Therefore, employment verification was done through the salary slip uploaded by the customers in all 15 cases. • TDS verifications failed or did not generate any results, although deductions for Provident Fund and TDS were evident on the salary slips. • In one of the loan applications, the salary slip uploaded belonged to some other customer. • Apparently, the salary slips uploaded by the customers was fake/fabricated. • The current status of all 15 loans is NPA (Non-Performing Assets), and a provision has been made for the principal outstanding amount, totaling Rs. 1.08 Crore.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Besides personal loans, each customer also availed one credit card from the bank. • These credit cards have been classified as NPA, and an amount totaling Rs.12.08 lakhs has been written off by the bank, with a provision held for this amount. • In this case, all 5 customers appeared to be part of a syndicate involved in opening savings accounts with the bank and receiving credits under the pretext of salary (fake salary) from each other's accounts, making them eligible for personal loans and credit cards to defraud the bank. • During the investigation, efforts were made to contact the customers however the contact was not established. • Therefore, customers Amit Thakral, Anita Tirtha, Avinash Tritha, Jaspreet Sethi, and Bharti Del Monte, along with others unknown, are considered perpetrators. • Show Cause Notice was sent to customers at the communication address and email ID registered in the respective account however, there was no response from the customer side. • Subsequently, the case was presented to and approved by the Fraud Identification Council (FIC). • A fake salary slip was uploaded by the customers to avail the personal loan. • As per the checklist followed by the Underwriters, they only have to check the name of the employer mentioned in the loan application is matching the salary slip. • Deduction of PF and TDS amount was evident on salary slip in all 15 cases however, the Employment verification

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				was either failed or did not fetch results. • The salary label code updated in the account was not matching the name of the employer mentioned in the loan application. • Counter party of the credit transactions in the account was not matched with employer name before loan disbursement. • Staff lapses have been observed on 7 staff members including 2 outsourced staff for failing to conduct due diligence while underwriting the loan applications • During the Personal Loan journey, Underwriters (UW) failed to identify the fabricated salary slips submitted by the customers and no proper due diligence conducted by the UW • The counterparty of the salary credited in the accounts was not matched with the salary slips provided by the customer • Police complaint has been filled on 02-05-25 at Powai Police Station, Mumbai, MH. • Lodging of Insurance claim in the instant matter has been advised to respective branches. • 100% provision has been made for the crystalised amount i.e., 1.21 Crore. • Respective Branches have been advised to place debit freeze in the accounts under investigation. • Demographic details of the customers is being included in the negative list of the Bank.
338		Trilok Nagpa and Kirti Gohil	12.3	• A complaint was filed by Kirti Gohil stating that she had not availed any home loan as a co-borrower. She further claimed that the photo and signature in the loan documents does not belong to

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				her. The case was referred for investigation to Internal Vigilance Team. • The borrower Trilok Nagpal and co-borrower Kriti were sanctioned a home loan of Rs 1.23 crore towards purchase of an under-construction property situated in Gurgaon for a project named Supertech Araville (builder - Supertech Limited). The loan was sanctioned based on a tripartite agreement executed between the borrower, bank and the builder. As per the CERSEI report, charge on the property in favour of Axis Bank is reflecting in CERSEI records. • The loan became NPA on 08.02.2022 post which notice under Sec 138 has been issued to the borrower on 9-2-2024 along with filing of DRT (date of hearing is 11-04-2025). • During investigation residential address of the borrower and co-borrower was found to be non-traceable. • The onboarding documents were checked where the KYC documents of borrower (Trilok Nagpal) was positive and matched with the details from the Income Tax (IT) records. The loan repayment account was checked and found to be in the name of Trilok Nagpal but the salary transaction could not be verified as the said account is closed on 31.03.2020. • However, upon verification of the co-borrower's (Kirti's) PAN and photo from the IT authority records, it was found that the photograph, signature and address was matching with the compliant (Kirti Gohil) and not with the co-borrower (Kirt). Based on this it was ascertained that the co-borrower had impersonated the identity of the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				compliant by submitting fabricated PAN card while availing the loan, which is a fraudulent act. • Since the primary borrower is Trilok Nagpal, his involvement in perpetrating the fraud along with co-borrower cannot be ruled out. It may be noted that based on available evidence, the identity of the co-borrower could not be established. • The bank issued show-cause notice to the borrower seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings it was established that the borrower and co-borrower (unknown person) had submitted fabricated PAN card to avail the home loan. Hence, in the view of above findings the incident has been classified as 'Fraud' perpetrated by the borrower and co-borrower (unknown person) and has been approved by the Fraud Identification Council of the bank. • Availing of Home Loan by submitting fabricated KYC document (PAN card) of the co-borrower and impersonating the complainant. • Improper due diligence during on-boarding of the account where fabricated PAN card of the co-borrower could not be identified. • Staff accountability has been identified on the sourcing executive Amit Kumar for not conducting proper due diligence with regards to co-borrower's identity documents. • Due diligence by way of biometric authentication needs to be done to check genuineness of the KYC documents of

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					the borrower and co-borrower at the pre-sanction / disbursement stage. Police complaint has been filed on 19-03-25 at Connaught place police station Delhi against the borrower and co-borrower (unknown person).
339		Various Branches across Andhra Circle		10.7	- The Financial Crime Intelligence Unit (FCI) identified digital personal loans totaling Rs. 1.07 crores, sanctioned to seven existing-to-bank customers (ETB) from March 2023 to March 2024, across various branches in the Andhra Circle - The count of loan accounts is 8 across 7 customers and all these loans were availed digitally by customers and sourced through Internet Banking channel. - It was observed that loans were availed by 7 customers after receiving salary credits from the proprietor concerns entities. However, during the digital journey, they claimed to be employed in Others/different company. - A total 7 accounts were opened across 3 branches (Nellore, Muthukur, Kanakamahal Centre Branches) of Andhra Circle under the scheme code Savings Easy Access. - Out of 7 accounts, 4 accounts were opened basis the biometric consent/authentication submitted by the customers during the on boarding of the account. Aadhaar was directly fetched from UIDAI basis authentication provided by customer. - Physical copy of the Aadhaar card was submitted by the customers in 3 accounts. - All 7 Accounts found to be KYC compliant at the time of on boarding.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Fresh Field Verification was conducted in the 7 accounts and found to be positive. • The 7 customers had availed 8 personal loans from the Bank claimed to be employed with company AVNET India Private Limited and Others to the tune of 1.07 crores. • Details of loans availed under the pretext of working with AVNET India Pvt Ltd and others • 8 Digital Personal Loans aggregating to Rs. 1.07 crores were disbursed to 7 ETB customers during the period 04-03-2023 to 19-03-2024. • Out of 8 loans, 6 loans were processed under PQ program while the customers claimed to be employed with “Others” and 2 loans were processed under non-PQ program while the customer claimed to be working in Avnet India Pvt Ltd. • Out of 8 loans, pay slip was submitted by one customer in 1 personal loan account claimed to be the employee of AVNET India Private Limited at the time of availing the personal loan. • The pay slip observed to be a fabricated pay slip of AVNET India Pvt Ltd. • In addition to the personal loan, one customer had also availed a credit card from the bank. The current status of the credit card is 'Temporary Cancellation Block', and outstanding dues on the credit card is Rs. 0.56 lakhs. • An aggregate amount of Rs. 13.05 Lakhs principal amount was repaid in the 8 loan accounts; 5 loans were classified as NPA. Total Principal outstanding in the 8 loans is Rs 94.05 Lakhs. • Transaction Analysis

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- On scrutiny of salary credit transactions in the accounts of above 7 customers, it was observed that the salary credits were received through NEFT from Indus Ind Bank from accounts of MR Infoline and Global Solutions - However, loans were availed under the employers AVNET India Private Limited and Others. - Post receipt of salary credits and personal loan disbursements, an aggregate amount of Rs. 38.61 lakhs was transferred via IMPS from five customer accounts to accounts held by Jale Vasudeva Naidu with IndusInd Bank and the State Bank of India. - Interaction With Customers - Out of 7 customers, 4 were contactable and remaining 3 customers were not contactable. - Four customers disclosed that they were homemakers, daily wage laborers and self-employed individuals. - The four customers confirmed that they had personally opened the accounts. They stated that they were contacted by Allabakshu, Jale Vasudeva Naidu, and other unidentified individuals under the pretext of providing the personal loans. Hence, they shared their SIM cards and savings bank account credentials with these individuals. - The customers further stated that they had no knowledge of the companies Global Solutions and MR Infoline, nor were they aware of the salary credits made to their accounts by these entities. - Additionally, the customers reported that they received partial disbursements of the promised personal loan amounts in their other bank accounts from the aforementioned individuals.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Basis the above findings, seven customers along with two persons (Jale Vasudeva Naidu and Allabakshu) conspired and committed the fraud by cheating and submitting fake documents viz. payslip and giving false information with dishonest intention and availed the personal Loans/Credit card for their wrongful gain and thereby caused loss to the Bank amounting to Rs. 94.61 lakhs. • Show cause notices were issued to seven customers. Of these, four were delivered, but no responses were received. The remaining three notices were returned undelivered. • Subsequently, the case was presented to and approved by the Fraud Identification Council (FIC). • Savings accounts were opened in the name of individuals and amounts were transferred in those accounts from other bank accounts under the pretext of salary (Fake Salary) with collaboration of the outsiders. • These fictitious regular inward credits build up the eligibility criteria for these account holders to avail other products like Personal Loan, credit card. • Staff Accountability has been identified as Negligent in respect of underwriter (UW) Pasuladi Ramprasad who was failed to identify the fabricated salary slip submitted by the one of customers while availing the personal loan from the bank • During the Personal Loan journey, UW were failed to identify the fabricated salary slip submitted by the customer and no proper due diligence conducted by the UW. • Customers opened savings accounts with the bank and salary credits were

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					received from other banks through NEFT to match the loan eligibility criteria and loans/credit cards were availed by these customers. • The loans and credit cards were processed for the customers based on the NEFT transfers (apparently fake salary) without validating the source of credits • Lien has been marked in all the defaulted customer accounts for shortfall of charges, credit card dues and EMI- Loan Overdue. • Filing of Police complaint has been on 02-06-25 at one town police station SPSR Nellore advised in the instant matter. • Lodging of Insurance claim in the instant matter has been advised to respective branches.
340		Retail Outward Remittances towards NRE repatriation		1272.7	• Retail foreign outward remittances processed by branches basis forged/fabricated NOC of other banks • 20 branches processed 411 retail foreign outward remittances purportedly towards NRE Funds repatriation • Amount equivalent to Rs. 127.27 crore remitted in respect of 56 non-Axis Bank customers. Additionally, 421 remittance transactions amounting to Rs. 97.87 crs is received for investigation. • Transactions processed from January 2024 to October 2024 • All 56 non-customers were referred by Channel partner Ex-Forexpe Technologies Private Limited • Funds were received from remitter's bank in branch SL FIT-Retail Forex account through RTGS/NEFT • Branches processed transactions after obtaining requisite documents including remittance application (A2 form), Passport copy, Visa, PAN card & NOC

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				from remitter's bank confirming remitter account with them as KYC compliant and source of funds as NRE/FCNR • Issuance of NOC was denied by other banks when Trade Based Money Laundering Team (TBML) as part of Transaction monitoring cross checked authenticity of NOC • Signature of remitter on documents submitted to bank did not match with signature on passport • Funds for foreign remittance received from other banks were from ordinary SB accounts and not from NRE/FCNR accounts • Account numbers mentioned in NOC given by other Banks were different from the accounts from which funds were transferred by these Banks to Axis Bank • 411 NOCs of 10 banks submitted by 56 customers found fake or fabricated. • Accounts of remitters with other bank were either Normal savings or NRO saving account and not NRE account. • As the remittances have been made from normal savings account balances as NRE repatriation, RBI FEMA regulations are violated as NRE funds are fully repatriable with no extra documents needed for sending money abroad. • TCS does not apply to NRE remittances. Hence 20% withholding TCS was not deducted which is also a violation of Income tax laws. • Show Cause Notices were issued to all 56 customers • Six customers responded with two attending personal hearings conducted by Fraud Identification Council (FIC). • These customers refuted the transactions claiming that they did not hold accounts with the banks from where the RTGS transfers were initiated. Customers also

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				disputed the signatures on remittance form. • Forensic signature verification confirmed that the disputed signatures in our records differed from those on the passport of customers • Fraud with customer liability amounting to Rs. 127.17 crs. identified in Trache-1 investigation • Lapses observed against 82 officials for not conducting proper due diligence while processing the outward remittance transactions • 82 officials referred to Ethics Department for initiation of disciplinary action • All incidents classified as Fraud as signature on remittance form differed from those on passport • Police complaint filed • Fraud monitoring report (FMR) filed with RBI • Agency agreement with channel partner Ex-Forexpe Technologies Pvt Ltd. terminated • Incentive payable to Partner for the business sourced by them withheld • IAD is reviewing all transactions done by the bank under this scheme
341		Raipur - Laxmiroop Private Limited	298.2	• Laxmiroop Private Limited (LPL) is engaged in manufacturing of steel pipe, structure and TMT bar. • LPL availed credit limits of around Rs.134 crore, under Multiple Banking Arrangement, from Union Bank of India (30% share of limits), HDFC Bank (28%), Axis Bank (24%) and Federal Bank (18%). • Axis Bank sanctioned credit limits of Rs.10 crore in December 2021, which were gradually enhanced to Rs.36 crore

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				(CC: Rs.27.50 crore, TL: Rs.8.50 crore) by July 2023. • Axis Bank also sanctioned limits of Rs.2.50 crore to group entity Motil Devi Organic Food Industries Pvt Ltd (MOFIPL). • LPL's units were reportedly shut down since July 2024, pursuant to which a number of JLMs were held to finalize a way forward. The promoter's assurance of repayment through sale of units did not materialize, leading to NPA classification with various lenders. • An immovable property owned by MOFIPL exclusively charged to the Bank was sold in November 2024 for Rs.11 crore – Rs.8.45 crore was adjusted against dues from LPL and exposure to MOFIPL was closed. • LPL continued to service dues of Axis Bank till March 2025. The account has been classified as NPA with Axis Bank on 02.06.2025. Residual collateral coverage is ~46%. • Axis Bank classified the borrower as RFA on 17.02.2025, based on RFA reporting by HDFC Bank. • Union Bank of India appointed forensic auditor. The borrower was non-cooperative and shared only limited information. The forensic audit highlighted instances of misrepresentation in stock statements, suspected fictitious sales and debtors, and diversion of funds. • The audit findings were discussed in JLM, wherein member banks agreed to take up the matter with their competent authorities for classification of the account as Fraud/Wilful Defaulter. • A show-cause notice was issued to the borrower, seeking clarification on the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				forensic audit findings. However, no response was received. Accordingly, the borrower was classified as 'Fraud' by Axis Bank. • Federal Bank also has classified the borrower as 'Fraud'. • As per inspection carried out by HDFC Bank and Axis Bank during July-November 2024, there was no inventory at borrower's units and operations were shut. However, the borrower continued submitting stock statement to Axis Bank from August 2024 to December 2024, wherein same inventory value of Rs.2.97 crore was disclosed. This suggests submission of fictitious stock statements for availing higher drawing power. • Funds of Rs.35.30 crore were transferred to multiple parties, including Rs.14.80 crore from Axis Bank, which were subsequently recorded as trade receivables in books. Further, negative balance confirmation was reported by various debtors during forensic audit. This suggests reporting of fictitious debtors in stock statements for availing higher drawing power. • Review of books of accounts revealed excess payment of Rs.7.55 crore to two parties, over and above underlying transaction value. • Misrepresentation in stock statements to avail higher drawing power and diversion of funds. • Post -sanction monitoring: • During last stock audit, conducted in December 2023, inclusion of related party debtors in stock statement was identified, leading to inflated drawing power. However, the adverse findings were not escalated to competent

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				authority as the same was within tolerance level. • Misrepresentation in stock statements: • It was noted during inspections since July 2024 that LPL's units were not operational and there was no inventory. However, inventory of Rs.18 crore, Rs.3.38 crore and Rs.2.97 crore were disclosed in stock statements for June 2024, July 2024 and August-December 2024, respectively, submitted to Axis Bank. As per quarterly call-memo, no turnover was booked since April 2024. • Non-co-operation by the borrower: • Lenders sought details of debtor holding from the borrower during JLMs held in August 2024, however the same was not submitted. Axis Bank's attempt to conduct stock audit in September 2024 was not successful due to non-cooperation from the borrower. • Process of identification and reporting of Category III EWS triggers (investigative / forensic audits, other adverse developments identified through inspection) by the business units to Risk Department, on a monthly basis, has been put in place in FY 2021. However, no EWS alerts were reported by Coverage/Branch in this case. • TL of Rs.8.49 crore was disbursed directly into accounts of 3 vendors in 2023, based on request letter and invoices submitted by borrower. Disbursed amount to a party differed from submitted invoice. However, no deviation approval/clarification was held on record. • No EWS alert was reported pursuant to various red flags since August 2024.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Accordingly, staff accountability has been attributed to 4 officials (Coverage RM & Center Head and Branch official).
342	Shri Tradco Deesan Private Limited Kolhapur, MH	222.5		- Shri Tradco Deesan Private Limited (STDPL) was engaged in processing of maize and manufacturing of various starch products. - STDPL availed credit limits of Rs.146 crore under multiple banking arrangement from 3 banks – State Bank of India (share of 68% in total limits), HDFC Bank (17%) and Axis Bank (15%). - Axis Bank sanctioned Corporate Term Loan of Rs.25 crore to STDPL in May 2017, for general business purpose. The account became irregular since September 2018, reportedly owing to rise in raw material prices and non-availability of working capital funds. The account turned into NPA with all lenders in late 2019. - CIRP was initiated vide NCLT order dated 15.02.2023, pursuant to petition filed by SBI. Total claims of Rs.268.41 crore from financial creditors have been admitted, including Axis Bank's claims of Rs.22.98 crore. - The borrower was classified as RFA by all lenders in 2019 - 2020. Forensic audit was jointly conducted by the MBA, wherein no fraudulent activity was established. The lenders accepted the forensic audit findings and retracted RFA classification in 2020 - 2021. - SBI classified the borrower as Fraud in January 2025 unilaterally. However, rationale for fraud classification was not shared by them.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Axis Bank classified the borrower as RFA on 28.01.2025, based on fraud classification by SBI. • RP during the CIRP process had identified defects in legal search report on a property mortgaged to MBA lenders (as detailed in subsequent section), including Axis Bank. • Axis Bank appointed external legal counsel to obtain a legal opinion on the implications of dispute. As per the legal opinion report, non-disclosure by the borrower of legal dispute around old mutation entries on the property, at the time of security creation, was in contravention of various clauses of the Indenture of Mortgage. The same is tantamount to misrepresentation and suppression of facts regarding previous litigation, impacting the title of STDPL over the said property. • Clarification on the adverse findings were sought from the borrower by issuing show-cause notice. Personal Hearing was scheduled on 01.07.2025 which was attended by a Suspended Director. However, he was not able to produce any evidence that the pending litigation was disclosed to the Bank at the time of sanction of the facility. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank. • The borrower was sanctioned a Corporate Term Loan for Business purpose by Axis Bank, which was classified as NPA in 2019. Since, Axis Bank was not a working capital lender, the term loan was disbursed in the borrower's account with SBI. As per terms of sanction, Axis Bank had obtained End use certificate from the borrower.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Axis Bank's limits are secured by first pari passu charge, with SBI and HDFC Bank, on STDPL's factory land & building situated at Dhule, Maharashtra. • The said property was originally owned by M/s. Kisan Starch Manufacturing Society Ltd. (KSMSL) and was purchased by the borrower from Maharashtra State Co-Operative Bank Ltd in auction sale under SARFAESI vide sale certificate dated 05.06.2010. • There were existing mutation entries (of the year 2010) on the said property in favour of Sales Tax and P.K. Anna Patil Janta Sahakari Bank Ltd. This matter was contested by the borrower earlier in 2011 and 2012, basis which these mutation entries were deleted. • However, the same was challenged by P.K. Anna Patil Janta Sahakari Bank Ltd on various platforms since 2011 and the matter is presently sub-judice in Bombay High Court. • Meanwhile, Axis Bank sanctioned credit limits to the borrower in May 2018. Subsequently, the borrower executed a Simple Indenture of Mortgage in favor of Axis Bank on the aforementioned property, on First Pari Passu basis with SBI. However, the borrower did not disclose the pending litigation on the property at the time of security creation. • The said non-disclosure by the borrower, is in contravention of Clause 11.1(l), Clause 11.1(q) and Clause 11.2 of the Indenture of Mortgage, which will be adversely affecting the Security Interest created in favour of the Bank. • Misrepresentation and suppression of facts regarding previous litigation, impacting the Bank's security interest.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• Information on litigation withheld during mortgage creation • Axis Bank's limits were secured by first pari passu charge, with SBI and HDFC Bank, on STDPL's factory land & building. SBI had created the charge on the properties in 2015 and the mortgage was extended to Axis Bank in 2018. • The said property was purchased by the borrower in auction sale under SARFAESI from Maharashtra State Co-Operative Bank Ltd. There were existing Mutation entries (of the year 2010) on the property in favour of Sales Tax and P.K. Anna Patil Janta Sahakari Bank Ltd. The matter was being disputed on various platforms since 2011 and was still sub-judice. The said information was withheld by the borrower at the time creation of mortgage in favour of Axis Bank. • Title search and legal audit was conducted as per guidelines. No staff lapses identified.
343	Astron Paper and Board Mill Limited - CBB Ahmedabad	203.7	• Astron Paper and Board Mill Limited (APBML) is a manufacturer of Kraft and recycled corrugated paper for packaging industry. • APBML availed credit limits of Rs.78.70 crore under multiple banking arrangement from 5 lenders - Union Bank of India (35% share), Axis Bank (27%), ICICI Bank (20%), Bank of Maharashtra (10%) and State Bank of Mauritius (9%). • Axis Bank sanctioned working capital limits of Rs.29 crore in January 2022, including takeover of limits from State Bank of India. Credit rating at the time of sanction was AB-BBB- (Internal) and BBB-/A3 (Brickwork).

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• APBML's profit margins were impacted since 2023, pursuant to increase in raw material price and drop in exports. There were instances of SBLC invocation since September 2024. Subsequently, no fresh issuance of LC/SBLC was permitted and outstanding was reduced from Rs.25.58 crore to Rs.20.39 crore till January 2025, mainly from appropriation of TD and collection from debtors. • The account was classified as NPA with Axis Bank on 06.01.2025. Subsequently, SARFAESI action has been initiated. • The lenders conducted an inspection of the company's unit in Halvad on 26.09.2024, wherein the unit was found to be non-operational. The account was delinquent with all lenders. The borrower was directed to submit actual position of stock/book debts and a proposal for resolution. However, no acceptable offer was received. • The borrower was classified as RFA by BOM on 23.01.2025. Accordingly, other lenders including Axis Bank classified the account as RFA in March 2025. • Axis Bank appointed an independent agency to conduct forensic audit. The borrower did not cooperate in the exercise and did not share the requisite information. The forensic audit was completed based on documents available with the Bank, wherein fraud was concluded based on misrepresentation in stock statements. • The Bank issued Show-Cause Notice (SCN) dated 26.06.2025 to the borrower. The borrower had shared partial documents with the forensic auditor subsequently; however the

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					conclusion of the report remained unchanged. Accordingly, Axis Bank classified the borrower as 'Fraud'. Axis Bank is the first bank to report the fraud. • Information on litigation withheld during mortgage creation • Axis Bank's limits were secured by first pari passu charge, with SBI and HDFC Bank, on STDPL's factory land & building. SBI had created the charge on the properties in 2015 and the mortgage was extended to Axis Bank in 2018. • The said property was purchased by the borrower in auction sale under SARFAESI from Maharashtra State Co-Operative Bank Ltd. There were existing Mutation entries (of the year 2010) on the property in favour of Sales Tax and P.K. Anna Patil Janta Sahakari Bank Ltd. The matter was being disputed on various platforms since 2011 and was still sub-judice. The said information was withheld by the borrower at the time creation of mortgage in favour of Axis Bank. • Title search and legal audit was conducted as per guidelines. No staff lapses identified.
344		Mani Shankar Steel Private Limited - Sodal Road, Punjab		109.9	• Mani Shankar Steel Private Limited (MSSPL), based in Jalandhar, is engaged into trading of iron and steel bars. • Axis Bank is the sole banker and sanctioned OD of Rs.3 crore in February 2022, including takeover from Bank of Baroda. The limit was gradually enhanced to Rs.7 crore by September 2023. • During subsequent renewal in September 2024, excess limit of Rs.4 crore was inadvertently released to the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrower. This error allowed the borrower to withdraw Rs.3.98 crore beyond the sanctioned limit. • Subsequently, repeated follow-up was done by the Bank and meetings held with the borrower for recovery of additional funds released. Despite initial assurances, no payments were subsequently made by the borrower. Consequently, the account slipped into NPA on 27.12.2024. • Legal Notice for recovery of overdrawn amount was issued and a police complaint was filed in November 2024. • Recovery action under SARFAESI has been initiated. • The borrower was classified as RFA on 30.01.2025, pursuant to withdrawal of funds in excess of sanctioned limit and refusal to return the excess amount. • Axis Bank appointed an independent agency to conduct forensic audit. The borrower did not cooperate in the forensic audit and did not submit the requisite information. The forensic audit was completed mainly based on information available with the Bank, wherein instances of diversion of funds were identified. • A show-cause notice was issued to the borrower, seeking clarification on the forensic audit findings. However, no response was received. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank. • During implementing renewal of OD limit at existing level in core banking system, the drawing power was marked to Rs.11 crore against sanctioned limit of Rs.7 crore, inadvertently. • The borrower knowing well that he has not applied for enhancement in facility

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				from Rs.7 crore and executed documents for Rs.7 crore only, withdrew additional funds of Rs.3.98 crore, for which he was not entitled. Out of these, Rs.2.99 crore were paid to related entities. • No deposit was made in the OD account by the borrower post these withdrawals. • Payments of Rs.8.51 crore to the related entities during March 2023 to September 2024 was observed, which were not disclosed in the audited financial statements or MCA filings, suggesting diversion of funds. • Misappropriation of funds and criminal breach of trust. • Creation of multiple active limits and misappropriation of the same by the borrower • On 21.09.2024, renewal of OD limit of Rs.7 crore at existing level, for a period of 60 days, was permitted. Implementation of the renewal in Finacle was done on 24.09.2024, with an applicable date of 26.09.2024. During implementation, a new limit record was added in Finacle without superseding the existing one, due to inadequate system control and staff negligence. • This allowed the borrower to withdraw Rs.3.98 crore beyond the sanctioned limit between 30.09.2024 and 8.10.2024. • Process Gaps • a. Inadequate control in finacle during limit renewals • Limit extension can be done by adding a new record or modifying existing record in Finacle. When modifying a record, the default value for the supersede flag

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				is "Yes", but when adding a new record, the default is "No". • In this case, renewal was being done with a future applicable date. The same can be done only through adding a new record. The system accepted supersede previous record as "No" value, leading to two active records. • There is a control at limit node level for not allowing withdrawals beyond total sanctioned limit. The borrower was earlier permitted LCBN of Rs.4 crore due to which limit node was capped at Rs.11 crore. It enabled the borrower to withdraw funds in excess of sanctioned limits. • b. DTM alerts • DTM alerts were not generated for payments made to related parties from OD accounta. Inadequate control in finacle during limit renewals • Root Cause Analysis of the incident was presented to Executive Director (Retail and Commercial Banking Group) by Operations Risk and the following remedial actions have been implemented. • Menu options in Finacle have been updated, which will result in alert prompt if wrong 'supersede' value is chosen. • A daily exception report has been put in place to highlight cases with substantial increase in limits. • Additional due diligence actions in the checker steps for renewals have been implemented. • Deletion or modifying of limits at limit node level wasn't done regularly earlier. Since May 2025, this is being done after loan closure and at weekly frequency. • b. DTM alerts

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Scenarios for generating DTM alerts for transfer from one account to another account of the company / associate concern / saving bank account have been developed and are operational. Scenario for transfer of funds between current accounts of borrowers has been implemented. • Presently for SBB segment accounts, DTM alerts are not being generated for transfer of funds from OD / CC account of the borrower to OD/ CC account of other entities. Implementation of the scenario is being discussed with SBB team. • The Staff accountability has been identified for incorrect system updation during renewal of limits against the maker and checker in RBO (Gross negligence by checker).
345		Manimahesh Motor Works Private Limited - Sodal Road, Punjab		61.4	• Manimahesh Motor Works Private Limited (MMWPL), based in Jalandhar, is engaged in trading of iron and related products. • Axis Bank is the sole banker and sanctioned OD of Rs.4.99 crore to the company, including takeover limits from Bank of Baroda, in February 2022. The limit was enhanced to Rs.5.80 crore in November 2023. Additionally, ECLGS limits of Rs.0.80 crore were sanctioned in March 2022. • Axis Bank also sanctioned credit facilities of Rs.3 crore to group concern, Mani Shankar Steel Private Limited (MSSPL), on the same date (subsequently enhanced to Rs.7 crore). The two entities have common promoters and directors. Excess limit of Rs.4 crore was inadvertently released to MSSPL during renewal in September 2024. This allowed MSSPL to withdraw

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Rs.3.98 crore beyond the sanctioned limit. • Subsequently, repeated follow-up was done by the Bank and meetings held with MSSPL for recovery of additional funds released. Despite initial assurances, no payments were made and servicing of bank dues and routing of credits stopped in both the accounts. Consequently, both the accounts MSSPL and MMWPL slipped into NPA within 2 months of each other i.e. MSSPL in December 2024 and MMWPL in February 2025. • Recovery action under SARFAESI has been initiated. • The borrower was classified as RFA on 16.02.2025, pursuant to RFA classification of group concern MSSPL. • Axis Bank appointed an independent agency to conduct forensic audit. The borrower did not cooperate in the forensic audit and did not submit the requisite information. The forensic audit was completed mainly based on information available with the Bank, wherein fraud was concluded based on diversion of funds in collusion with related entity. • A show-cause notice was issued to the borrower, seeking clarification on the forensic audit findings. However, no response was received. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank. • In the account of related entity MSSPL, the DP was invertedly marked to Rs.11 crore against sanctioned limit of Rs.7 crore. Taking advantage of the same, MSSPL transferred Rs3.98 crore in excess of the sanctioned limits to various parties.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Out of the above, Rs.0.99 crore was transferred to MMWPL on 30.09.2024. Out of this, MMWPL transferred Rs.0.87 crore on the same day to its group concern Kiyansh Steels Private Limited. • Net payments of Rs.2.47 crore were made to related entities during February 2022 to November 2024, which were not disclosed in the audited financial statements or MCA filings, suggesting diversion of funds. • Misappropriation of funds and criminal breach of trust. • Non-Cooperation by the borrower and diversion of funds • Borrower was sanctioned credit facilities in February 2022. No stress was reported in the account till September 2024. The borrower received Rs.0.99 crore from MSSPL (from the funds released inadvertently to MSSPL) in September 2024, majority of which were transferred onwards to another related entity, in which Axis Bank does not have exposure. • Despite Bank's follow-ups for recovery, no repayment was made. Further, the borrower intentionally stopped routing of funds through Axis Bank resulting into account slipping into NPA. • Process Gaps • DTM alerts were not generated for payments made to related parties from OD account. • Scenarios for generating DTM alerts for transfer from one account to another account of the company / associate concern / saving bank account have been developed and are operational. • Presently for SBB segment accounts, DTM alerts are not being generated for

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			transfer of funds from OD / CC account of the borrower to OD/ CC account of other entities. Implementation of the scenario is being discussed with SBB team. - For fraud reported in related entity MSSPL, staff accountability has been identified against 2 employees from RBO for incorrect system updation during renewal of limits. - In the present case, credit facilities were sanctioned and monitoring in the account was conducted in line with the bank's guidelines. Therefore, no staff lapses were identified.
346	Sree Padmanabha Rice Mill - Pallakad, Kerala	57.3	- Sree Padmanabha Rice Mill (SPRM), a proprietorship firm based in Palakkad (Kerala), is engaged into processing of paddy. - Axis Bank is the sole banker to SPRM and sanctioned working capital limits of Rs.1 crore in 2013. The limits were gradually enhanced to Rs.4.75 crore by March 2018. - Additionally, ECLGS limits of Rs.0.90 crore and Rs.0.53 crore were sanctioned in July 2020 and December 2021, respectively. - The account classified as NPA in April 2023, reportedly pursuant to impact of COVID-19 pandemic and severe floods in the region during subsequent years. - Recovery action has been initiated under SARFAESI. Collateral cover works out to 166% (excluding ECLGS). - Mr. S Padmadas, the proprietor of SPRM, is also a partner in Sree Vinayaka Agro Mills (SVAM). Axis Bank also sanctioned credit facilities to SVAM. The account has been classified as RFA by Axis Bank in December 2024 and subsequently as Fraud in May 2025.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• SPRM was classified as RFA on 16.01.2025, pursuant to RFA classification of group firm SVAM. • Axis Bank appointed an independent forensic auditor. The borrower did not cooperate in the forensic audit and did not submit the requisite information. The forensic audit was completed based on information available with the Bank, wherein instances of diversion of funds and misappropriation of inventory have been identified. • A show-cause notice was issued to the borrower, seeking clarification on the forensic audit findings. However, no response was received. Accordingly, the borrower was classified as 'Fraud' by Axis Bank. • Although the borrower turned NPA in April 2023 and stopped routing of funds from Axis Bank, it was found to be engaged in trading activities during inspection carried out in November 2024. Further, the borrower continued to file GST till November 2024. • During the physical inspection by forensic auditor, stock figures disclosed in the last stock statement could not be reconciled with inventory position and credits in the account. Therefore, it appears that the sale proceeds have been diverted. • Net payments of Rs.2.82 crore was made from CC account to a connected entity and payments of Rs.0.67 crore made towards repayment of loans from NBFCs during FY 2019 to FY 2023, suggesting diversion of funds. Diversion of funds. • Non-routing of transactions through Axis Bank and Non-cooperation by the Borrower:

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Proportionate routing of funds through Axis Bank was not observed from FY 2021 to FY 2023. The borrower was directed to route entire turnover through Axis Bank on multiple occasions. However, the same was not complied with. • Deliberate non-payment of dues: • There were instances of irregularity in the account since January 2023 and it was classified as NPA in April 2023. Post NPA, no funds have been credited to Axis Bank. • However, the borrower was found to be operational during inspection in November 2024 and continued to file GST till November 2024, suggesting ongoing business activity and deliberate non-repayment of dues. Process gap: • DTM alerts were not generated for payments made to connected entity / NBFCs from CC account. • Scenarios for generating DTM alerts for transfer from one account to another account of the company / associate concern / saving bank account have been developed and are operational. Scenario for transfer of funds between current accounts of borrowers has been implemented. • DTM alerts monitoring mechanism is being further strengthened to identify transactions conducted by the borrower with associate concerns. Modalities are being discussed with WBO. • Regular inspection of the borrower's units was carried out as per terms of sanction till FY 2023. Stock audits were conducted in September 2020 and January 2022. Adverse observations of the stock audits were escalated to

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			competent authority and reported in EWS alerts. Follow-up was done for closure of current accounts maintained with non-lending banks, which was reportedly done in FY 2021. Accordingly, no monitoring related lapses were identified.
347	K7 Agency - Tenkasi, Tamil Nadu	41.7	- K7 Agency was engaged in trading and distributorship of FMCG products. - Axis Bank is the sole banker and sanctioned CC of Rs.3.50 crore and ECLGS of Rs.0.45 crore in December 2021. Another ECLGS limit of Rs.0.34 crore in April 2022. - The account was classified as NPA in February 2023. Recovery action under SARFAESI has been initiated. 3 entities of the group - K7 Traders, K7 Agency and APK Enterprises were sanctioned credit facilities from SBB during December 2021. All the 3 entities of the group turned NPA in 2023. K7 Traders classified as Fraud by Axis Bank in October 2024. - The account was classified as RFA in February 2025, pursuant to fraud classification of group entity K7 Traders. - An independent agency was appointed to conduct stock audit of the borrower, to ascertain present position of inventory and operations. - The auditor visited the premises of the borrower in April 2025 and found that unit was closed with no operation. There was no stock available on the premises. Internal Investigation identified misappropriation of inventory / sale proceeds disclosed in the last submitted stock statement.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• A show-cause notice was issued to the borrower, seeking clarification on the stock audit and internal investigation findings. However, no response was received. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank. • Inventory and receivables reported in the last stock statement of March 2023 were Rs.5.64 crore. No subsequent credit was noticed in the borrower's CC account. During stock audit, no stock was available on the borrower's premises suggesting misappropriation of inventory and/or diversion of sale proceeds. • Net payments of Rs.0.90 crore were made to various entities, against which no explanation was received. In absence of underlying documents, the nature and purpose of the above-mentioned transfer of funds could not be ascertained. • The above transactions included payment of Rs.0.32 crore to borrower's account maintained in ICICI Bank during June-September 2022. Said transfers to account maintained in ICICI Bank, despite Axis Bank being the sole lender, is suspicious in nature. • Diversion of funds. • Diversion of funds & Circular Transactions by the group entities • All three entities of the group - K7 Traders, K7 Agency and APK Enterprises, were engaged in FMCG distribution and trading business and operated from the same registered address. K7 Traders was a distributor of rice, sugar, and pulses; K7 Agency was distributor of bakery inputs and groceries; whereas APK Enterprises was a distributor of ITC products.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Although each entity dealt with different FMCG products, significant inter-group fund transfers were noted. Additionally, net payments of Rs.7.82 crore were made to various unrelated parties by the entities against which no explanation is available. • Process Gaps • DTM alerts were not generated for payments made to related parties from CC account and borrower's own account maintained with other banks. • Scenarios for generating DTM alerts for transfer from one account to another account of the company / associate concern / saving bank account have been developed and are operational. • Presently for SBB segment accounts, DTM alerts are not being generated for the following scenarios: • Transfer of funds from OD / CC account of the borrower to OD/ CC account of other entities. • Transfer of funds from OD / CC account in Axis Bank to borrower's accounts maintained in other banks. • Implementation of the scenarios is being discussed with SBB. • As per SBB - Secured Products and Variants Guidelines dated July 2021: "Drawings on sister concerns / associate firms should not be financed". In the present case, credit facilities were sanctioned to 3 group entities operating from same premises and with similar business model. However, terms and conditions for exclusion of receivables from related entities in calculation of drawing power was not stipulated. • As per above policy, unit inspection was to be conducted at half yearly intervals for CC facilities by Relationship

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					Manager. For 30+ DPD cases, it was stipulated that Credit Manager (in addition to Relationship Manager) to visit the unit and to inspect the stocks. The above policy guidelines have not been complied with. Accordingly, staff lapses have been attributed to 2 employees in coverage and underwriting teams.
348		Jain Traders - Tilak Nagar, Jaipur		34.2	- Jain Traders was a sole proprietorship firm based in Jaipur, engaged into wholesale and retail trade of FMCG and kirana products. - Axis Bank sanctioned CC limit of Rs.2 crore under CGTMSE in August 2023. The limit was enhanced to Rs.3.40 crore in May 2024. - The account was classified as NPA on 29.10.2024. An OA has been filed before DRT Jaipur. - Axis Bank classified the borrower as RFA on 19.12.2024, based on the following alert: the borrower availed additional CGTMSE limit of Rs.2.90 crore from Yes Bank, in violation to terms of sanction from Axis Bank. - Axis Bank appointed Rajvanshi & Associates to conduct forensic audit. The borrower did not cooperate in the audit and did not share the requisite information. - The forensic audit was completed based on documents available with the Bank and public domain information, wherein instances of diversion of funds and misrepresentation in stock statement was identified. - The Bank issued Show-Cause Notice (SCN) dated 09.05.2025 to the borrower and proprietor seeking explanations against forensic audit findings. However, no response was received.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on adverse observations in forensic audit. • Based on GST records, it was noted that the borrower has changed his place of operation without intimation to Axis Bank and two related entities were found to be operating from the said premises. This indicates diversion of funds/stock by establishing new entities at same location. • As per the last available stock statement with Axis Bank, inventory of Rs.1.46 crore was disclosed as of June 2024. However, the borrower's new premises were found to be locked and disclosed inventory position could not be reconciled, even though the borrower was filing monthly GST returns. • The borrower had availed CGTMSE limit of Rs.2.90 crore from Yes Bank in 2024, without obtaining prior approval from Axis Bank, in violation to sanctioned terms and exceeding CGTMSE guarantee cover ceiling of Rs.5 crore. • The borrower routed an increasing portion of its turnover through accounts maintained with other banks, viz. Yes Bank and Kotak Mahindra Bank in FY 2025. At the time of initial disbursal of limits in August 2023, maintaining current account with Kotak Mahindra Bank was permitted, as borrower had 3 ECS running with them. • Inventory and debtors disclosed in stock statements submitted to the Bank showed minimal variance Q-on-Q, which is not consistent with retail trading business of the borrower.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Inventory disclosed in stock statement of June 2024 was disposed off and/or funds realized from sale of inventory diverted through other accounts. • Non-cooperation by the borrower: • Credits of Rs.1.99 crore was received from Yes Bank on 30.03.2024, for takeover of Axis Bank's limits. Based on discussion with the borrower for retention of the relationship, the limits were enhanced by Axis Bank from Rs.2 crore to Rs.3.40 crore (under CGTMSE scheme) in May 2024. The borrower subsequently did not refund the amount received from Yes Bank and fully utilized Axis Bank's enhanced limits by July 2024. • Non-cooperation by the borrower: • As per available records, no communication was received from Yes Bank intimating takeover of limits to the concerned Branch Head /Relationship Manager in Axis Bank before July 2024, by which time the limits were fully utilized by borrower. • As per terms of sanction, borrower was to route minimum 80% of turnover through Axis Bank. However, same was not complied with.
349		VS Security and Manpower Services - JMD Megapolis Gurgaon	15.7	• VS Security and Manpower Services (VSMS), a sole proprietorship firm, is engaged in providing manpower and security services. • Axis Bank is the sole lender. Axis Bank sanctioned CC limit of Rs.3 crore in July 2022. At the same time, limit of Rs.1 crore was sanctioned to group entity, Umang Enterprise. The exposures were, inter alia, secured by a common collateral property with coverage of 108.50%.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The limit was restricted to Rs.2.45 crore in November 2024 pursuant to unsatisfactory conduct of account. An exit plan through gradual repayment of the outstanding amount by March 2024 was negotiated with the promoter, which did not materialize. • There was regular delinquency with no routing of business through Axis Bank since 30.09.2024. The account was classified as NPA on 29.12.2024. • Legal action has been deferred pursuant to receipt of a proposal from the borrower for gradual repayment of dues by September 2025. Post NPA, the borrower has so far made payments of Rs.1.47 crore#, reducing the outstanding to Rs.1.01 crore as at 30.06.2025. • Axis Bank classified the borrower as RFA on 31.12.2024, based on conduct related issues. • Axis Bank appointed Pankaj Dhingra & Co. to conduct forensic audit. The borrower was non-cooperative and shared only limited information. • The forensic audit was completed mainly based on documents shared by the Bank and publicly available information. The report highlighted instances of diversion of funds and misrepresentation in stock statement. • A show-cause notice was issued to the borrower, seeking clarification on the forensic audit findings. However, no response was received. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank, based on adverse findings of forensic audit report. • Group entity, Umang Enterprise has also been classified as Fraud, based on similar forensic audit findings.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- As per audited financials for FY 2023 and FY 2024, loans from bank/FI/other parties has increased by Rs.9.73 crore. These incremental sources have been utilized mainly towards loans & advances of Rs.1.72 crore extended to related parties, investments of Rs.5.70 crore in plots and withdrawal of partners' capital by Rs.1.81 crore. - Physical inspection by forensic auditor highlighted no operations. However, GST return was being filed regularly by the borrower till February 2025. - As per terms of sanction in July 2022, account with ICICI Bank was to be closed within 90 days of disbursement - this was not complied with. Against total turnover of Rs.43.14 crore reported in audited financials/GST filing during April 2022 to February 2025, only Rs.7.75 crore were routed through Axis Bank. Majority of the turnover was routed through accounts in ICICI Bank. - Based on comparison of figures disclosed in stock statement and audited financials, substantial overstatement in debtors in stock statements for March 2023 and March 2024, for availing higher drawing power, was observed. - Diversion of working capital fund through related party - Inadequate post-sanction monitoring: - The limits were sanctioned in July 2022, based on provisional financials for FY 2022. Review of account in November 2022, as per stipulated sanctioned conditions, was not evidenced. Further, during renewal of account in June 2023, financial performance and conduct of account was not analyzed in detail. - The account was subsequently reviewed in Q3 FY 2025, wherein multiple red

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			flags were noticed, e.g. non-routing of transaction, availment of business loans without NOC, negative TNW and gearing due to withdrawal of capital and advances to related parties. In view of the same, the limits were restricted to Rs.2.45 crore and the account was classified as RFA. • Non-cooperation by the borrower: • As per terms of sanction, account maintained with ICICI Bank was to be closed within 90 days of disbursement. Non-compliance with the same was identified in September 2023 by Coverage team. Despite subsequent follow up with the borrower and communications issued to ICICI Bank, the account continued to remain operative. A plan for exit by March 2024 was negotiated with the borrower, which did not fructify. Discrepancy between book debt statements and audited financials could not be timely identified due to delay in submission of audited financials by the borrower.
350	APK Enterprises - Tenkasi, Tamil Nadu	15	• APK Enterprises was engaged in trading of food and tobacco products. • Axis Bank is the sole banker and sanctioned CC of Rs.1.50 crore to the firm. • The account was classified as NPA in October 2023. Recovery action under SARFAESI has been initiated. • 3 entities of the group - K7 Traders, K7 Agency and APK Enterprises were sanctioned credit facilities from SBB during December 2021. All the 3 entities of the group turned NPA in 2023. K7 Traders classified as Fraud by Axis Bank in October 2024. • The account was classified as RFA in February 2025, pursuant to fraud

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				classification of group entity K7 Traders. • An independent agency was appointed to conduct stock audit of the borrower, to ascertain present position of inventory and operations. • The auditor visited the premises of the borrower in April 2025 and found that unit was closed with no operation. There was no stock available on the premises. Internal Investigation identified misappropriation of inventory / sale proceeds disclosed in the last submitted stock statement. • A show-cause notice was issued to the borrower, seeking clarification on the stock audit and internal investigation findings. However, no response was received. • Accordingly, the borrower was classified as 'Fraud' by Axis Bank. • Inventory and receivables reported in the last stock statement of March 2023 were Rs.2.26 crore. No subsequent credit was noticed in the borrower's CC account. During stock audit, no stock was available on the borrower's premises suggesting misappropriation of inventory and / or diversion of sale proceeds. • Net payments of Rs.6.95 crore were made to various entities, including Rs.0.47 crore net paid to group entities, against which no explanation was received. In absence of underlying documents, the nature and purpose of the above-mentioned transfer of funds could not be ascertained. • The above transactions included payment of Rs.0.10 crore to borrower's account maintained in KVB in June 2022. Said transfer to account

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				maintained in other bank, despite Axis Bank being the sole lender, is suspicious in nature. • Diversion of funds. • Diversion of funds & Circular Transactions by the group entities • All three entities of the group - K7 Traders, K7 Agency and APK Enterprises, were engaged in FMCG distribution and trading business and operated from the same registered address. K7 Traders was a distributor of rice, sugar, and pulses; K7 Agency was distributor of bakery inputs and groceries; whereas APK Enterprises was a distributor of ITC products. • Although each entity dealt with different FMCG products, significant inter-group fund transfers were noted. Additionally, net payments of Rs.7.82 crore were made to various unrelated parties by the entities against which no explanation is available. • Process Gaps • DTM alerts were not generated for payments made to related parties from CC account and borrower's own account maintained with other bank. • Scenarios for generating DTM alerts for transfer from one account to another account of the company / associate concern / saving bank account have been developed and are operational. • Presently for SBB segment accounts, DTM alerts are not being generated for the following scenarios: • Transfer of funds from OD / CC account of the borrower to OD/ CC account of other entities. • Transfer of funds from OD / CC account in Axis Bank to borrower's accounts maintained in other banks.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Implementation of the scenarios is being discussed with SBB. • As per SBB - Secured Products and Variants Guidelines dated July 2021: "Drawings on sister concerns / associate firms should not be financed". In the present case, credit facilities were sanctioned to 3 group entities operating from same premises and with similar business model. However, terms and conditions for exclusion of receivables from related entities in calculation of drawing power was not stipulated. • As per above policy, unit inspection was to be conducted at half yearly intervals for CC facilities by Relationship Manager. For 30+ DPD cases, it was stipulated that Credit Manager (in addition to Relationship Manager) to visit the unit and to inspect the stocks. The above policy guidelines have not been complied with. • Accordingly, staff lapses have been attributed to 2 employees in coverage and underwriting teams.
351		CE Loan borrowers - Gachibowli Branch - Gachibowli, L.B.Nagar & Hyderabad		94.1	• Post NPA and during recovery, the Collection team observed that 28 borrowers' who had availed 29 CE loans amounting to Rs 10.78 crore sanctioned under the FTU (First Time User) scheme in Telangana along with the equipment's were found untraceable. • Suspecting fraud these cases were referred to FCI for further investigation. The preliminary investigation of FCI revealed profile funding and missing assets (commercial equipment). The incident was subsequently referred to Internal Vigilance for further investigation. • 29 CE loans amounting to Rs 10.78 crore were disbursed to 28 borrowers

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				(ETB- 15, NTB- 13) under the FTU program between November 2021 and June 2023 from Hyderabad location. Under FTU program CE loans are financed to individuals seeking to own/use CE for the first time and do not have ownership footprint in CE stream of business. • Out of 29 loans, 16 loans were sourced through Branch (Hyderabad, Gachibowli, L B Nagar) and balance 13 were sourced through 3 DSAs (Theerthala Kishan, Sree Associates, Nunna Rama Krishna). Further all these loans have been processed through 6 dealers. The equipment funded by the said loan are excavators, loaders & dippers. • Security creation has been done for all 29 accounts where hypothecation is reflecting in favour of Axis Bank. Since all the equipments were delivered to the borrowers and hypothecation has been created there is no lapse on part of the dealers. All cases are NPA with principal o/s of Rs 7.48 crore. • During investigation, the KYC of all the borrowers were verified where no anomalies were found upon checking with Income Tax Authority records. During investigation, field visit was again initiated where the residential addresses of 12 borrowers could be traced, in which 8 borrowers confirmed equipment usage, though often by third parties such as family members, partners, or associates but were not aware of whereabouts of the equipment. In 4 cases the borrowers were not aware either about the equipment's usage or the location. The borrowers of the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				remaining 16 accounts along with their residential address are untraceable. • It was observed that the borrowers were primarily low-income individuals (farmers/self employed with very low income) with no prior ownership or operational experience in the CE segment, making them vulnerable to misuse or third-party exploitation. • Further investigation revealed that the GPRS trackers installed in the financed equipment's have been removed, making it impossible to trace or monitor the location and usage of the assets. It was observed that the margin money and initial EMI payments were funded by a third party (unknown), who transferred funds into borrower accounts before disbursement, which is suggestive of profile funding, which is a fraudulent act. • The Bank issued show-cause notice to all the borrowers' seeking explanations on the adverse findings of internal investigation. However, no response has been received • Based on the above findings it was established that the borrowers availed equipment loans by stage managing the margin money, asset usage by third party, all of which are currently untraceable. • Hence, in view of above findings, the incident has been classified as 'Fraud' perpetrated by the borrowers and has been approved by the Fraud Identification Council of the bank • The borrowers availed CE loans under the FTU scheme, handed over the equipment' to third parties and got the GPRS trackers removed to prevent tracing.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• The FTU policy (currently defunct) allowed CE loans to low-income, inexperienced borrowers, making them prone to third-party misuse. • Since the loans were sanctioned in accordance with the policy and process of the bank, no staff accountability has been identified • The FTU policy has been discontinued since August 2024.
352		Tumsar Branch, Nagpur Circle - Tumsar Branch, Nagpur		52.3	• An incident involving the Tumsar Branch was referred for investigation, wherein Branch Head (BH) Gaurishankar Bawankule and Branch Operations Head (BOH) Vishal Tejram Thakre were arrested by local police authorities. • It has been reported that the BH was allegedly approached by a group offering to transfer Rs. 7.00 crore via RTGS in exchange for Rs. 5.00 crore in cash. On 03-02-2025, 5 to 6 individuals visited the branch to withdraw Rs. 4.95 crore from the accounts of Rohit and Akshit Traders. The amount was subsequently redeposited into the account of M/s Akshit Traders. • On 04-02-2025, Rs. 5.00 crore in cash was reportedly handed over by Branch Teller Mr. Dineshkumar Bhandke to unidentified individuals without any valid debit mandate, acting on instructions from BH. This withdrawal was allegedly made in anticipation of RTGS credits to the two accounts. • Following this, both the staff, Mr. Bawankule (BH) and Mr. Thakre (BOH) were seen accompanying the unidentified individuals to a nearby laundry shop, approximately 200 meters from the branch. Acting on a tip-off, local police conducted a raid at the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				location, seized Rs. 5.00 crore in cash and detained both employees along with eight other individuals • Onboarding of M/s Rohit Traders and Akshit Traders • The proprietorship current accounts in the name of Rohit Traders and Akshit Traders are being maintained with the Tumsar Branch since 20-11-2024. • These accounts were sourced by, Prahlad Bawankar, Assistant Manager – Sales, Emp No 312666-basis account opening lead passed on by the BH, Gaurishankar Bawankule. The account opening formalities were carried out in the office of some Dharmesh Anil Rangari, who is a financial consultant in Gondia, Nagpur. • These customers were situated approximately 65 kms from the base branch. • The occupation of Rohit Traders was trading in food grains and groceries whereas Akshit Traders was engaged in food processing with annual turnover of Rs. 1.00 crore each. • Investigation findings on the cash payments • On 03-02-2025, a person named Dharmesh Anil Rangari, along with 5 to 6 unidentified persons had arranged Rs.5 Crore RTGS to the current accounts of Rohit Traders (Rs. 2 Crore) and Akshit Traders (Rs. 3 Crore). • Subsequently, a cash deposit transaction of Rs.7.00 lakh was passed on into the account of Rohit Traders without the physical cash being received. • On 03-02-2025, a person named Dharmesh Anil Rangari, along with 5 to 6 unidentified persons had arranged Rs.5 Crore RTGS to the current accounts

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				of Rohit Traders (Rs. 2 Crore) and Akshit Traders (Rs. 3 Crore). • Subsequently, a cash deposit transaction of Rs.7.00 lakh was passed on into the account of Rohit Traders without the physical cash being received. • Thereafter, there were cash withdrawals aggregating to Rs.1.80 crore from the account of Rohit Traders vide two self-cheques. Besides, a cash of Rs. 2.70 Crore was also withdrawn from the account of Akshit Traders vide three self-cheques. Signature of the customers were matching on the cheques. • However, of the above self-withdrawals, cheque no. 77977 amounting to Rs. 0.95 Crore drawn from Akshit Traders was passed with alterations. The customer's signature on alteration was not matching with the specimen records. Additionally, cheque no 088166, amounting to Rs. 0.90 Crore drawn from Rohit Traders was a post-dated cheque. • Furthermore, from the CCTV footages dated 03-02-2025 it was found out that Rs. 0.45 Crore was handed over to the above customers/unidentified persons without the system entry by the teller Dineshkumar Bandke and the BOH, Mr. Vishal Tejram Thakre. • It was also found out that on 03-02-2025 between 17:00 hrs and 18:00 hrs, these customer/unidentified persons returned to the branch with the bags containing cash directly to cash vault. The Teller Dineshkumar Bandke, BOH Vishal Tejram Thakre and the BH Gourishankar Bawankule was seen taking the cash and keeping inside the vault without counting.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• After the cash deposit in the vault, the Teller Dineshkumar Bandke had entered six cash deposit entries aggregating to Rs.4.81 Crore in the account of Akshit Traders. • Post cash deposit entries in the account of Akshit Traders, the branch had executed the RTGS of Rs.5.01 Crore vide cheque no 077981 from the account of Akshit Traders to M D Industry maintaining account with Indian Bank, Gondia Branch. Signature mismatch was observed on the related RTGS application form. • At the instructions of the BH, the teller had initiated one Rs.0.20 Crore cash withdrawal entry from the account of Rohit Traders through the cheque. However, there was no physical cash payment made. • At the end of the day on 03-02-2025, the Teller, after verifying the physical cash with the system balance found Rs.23.50 Lakh shortage and intimated both BOH and BH. However, on the instructions of the BH and BOH, the Teller had closed the Vault with a short cash of Rs.23.50 Lakh without informing the controller. • On 04-02-2025 between 09:00 and 09:25 hrs, it was found that on instructions of the BH, Gourishankar Bawankule, Teller Dineshkumar Bandke, handed over cash of Rs. 5.00 crore directly from the Vault to customers/unidentified persons in anticipation of the RTGS credit to be received in the accounts of Rohit Traders and Akshit Traders. • Further the CCTV footage revealed that after the cash was handed over to above gang, the branch staff had assembled in

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the Branch Head Cabin for Huddle and as the RTGS was not received, the BH Gourishankar Bawankule went outside the branch followed by BOH, Vishal Tejram Thakre to join the BH. • It transpired that the customer/unidentified persons had assembled at nearby laundry shop which is around 200 meters away from the branch. The BH and BOH had also joined them at the laundry shop. • Based on the tip-off, the Tumsar Police officials conducted a raid at laundry shop and had confiscated Rs. 5.00 crore in cash and detained the BH Gaurishankar Bawankule, BOH Vishal Tejram Thakre, along with eight unknown individuals. • At the end of the day on 04-02-2025, there was cash shortage of Rs 5.23 Crore in the Branch vault. • In the instant case, both the accounts, Rohit Traders and Akshit Traders were newly opened accounts and the transactions in the account were not matching the profile. Enhanced due Diligence (EDD) in the account has been found negative during the investigation. Further, statutory notices were found received in the account of Rohit Traders. • Review of staff salary accounts • During the investigation, staff salary accounts of BH-Gaurishankar Bawankule, BOH-Vishal Tejram Thakre, and Teller-Mr. Dineshkumar Bhandke were reviewed with respect to transaction linkages with the customers. • The review of salary accounts of the above staff members did not reveal any anomalies with respect to transaction linkages with the customers

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Status of cash confiscated by the Police • Rs.5.00 Crore cash seized by the Tumsar Police has been kept with SBI Bank, Tumsar. • The matter has been sub judice and the first hearing was conducted on 08-07-2025 where the bank's empaneled advocate and Public Prosecutor arrived at a consensus that the seized amount of Rs.5.00 Crore belongs to Axis Bank. The next hearing is scheduled on 25-07-2025. The final verdict is expected to be in favor of the Bank. • Thus, the amount of net exposure to the bank has been crystalized to Rs.23.50 lakhThe current accounts of Rohit traders and Akshit traders were opened for availing credit facilities from the Banking channel. These accounts were subsequently utilized by a group of persons for routing of large value cash transactions. • The alleged group of persons deceived the branch staff by promising an RTGS credit of Rs.7.00 Crore in the accounts in exchange of Rs.5.00 Crore cash withdrawals from the accounts. • Cash payments were made to the customer/group of persons without making any debit entry in the accounts. • To facilitate the large value cash withdrawals and to recover Bank charges thereof, a dummy cash deposit transaction was passed into the accounts. • Noncompliance to the existing process while onboarding the new customers • The current accounts of Rohit Traders and Akshit Traders were sourced by the Branch Head. However, field verification at the time of onboarding was not carried out.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Collusion of the Branch officials • Branch staff handed over cash directly from the vault to the customer/unidentified persons without routing it through the teller or ensuring sufficient account balance. • Deviating from the extant guideline while executing the cash transactions • Transactions were processed despite discrepancies in customer signatures and without proper technical scrutiny of the supporting documents. • The cash shortage found in the vault balance was not duly reported to the Branch controllers allowing further large value cash withdrawals to the customers.
353		Personal Loan Borrowers - Rohtak, Karnal & Delhi RAC		26.4	• Post delinquency and during recovery, the Collection team observed that 31 borrowers in 33 personal loans are non-traceable. Furthermore, the name of the organizations from which employment details were provided are not reflecting in AS 26. Suspecting fabrication of employment and income details, the cases were referred to FCI for further investigation. The preliminary investigation report of FCI revealed fake employment, fabricated salary slips & bank statements to avail personal loans. The incident was subsequently referred to Internal Vigilance for further investigation. • 33 personal loans (sourced through Branch-24, DSAs- 9) amounting to Rs 2.64 crore were disbursed from Rohtak, Karnal and Delhi RAC during the period October 2022 to October 2023. • Out of these 31 borrowers, 25 borrowers had shown their employment with Government Companies and 08 borrowers were shown to be employed

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				with Private companies. During field visit, none of the borrowers could be traceable in the residential address provided during loan onboarding. • Further out of 33 loans, one loan had been disbursed in Axis Bank and the balance 32 loans had been disbursed to salary accounts maintained with other banks • During investigations, AS 26 was retrieved for all the 31 borrowers for the period FY 2023 and FY 2024 which did not show any employment history for the organizations of which employment records had been submitted during onboarding of loans. Furthermore, detailed review of salary slips appended with loan application forms revealed that in case of 19 borrowers, no salary credits were seen in member bank's account, for 5 borrowers salary slips could not be verified & for 7 borrowers salary credit was seen only for one month. • The KYC details were rechecked which revealed inconsistencies in photographs and Aadhaar linkage for 5 borrowers whose PAN cards were not linked to Aadhaar and for 3 borrowers there was mismatch in photographs, indicating identity theft. No anomalies in KYC was however noted for 23 borrowers. • During investigation field visit was again initiated where none of the borrowers were traceable either in the residence or in the office locations. • Based on the above it can be ascertained that fabricated employment details and forged salary slips & bank statements were submitted to avail the personal loans, which is a fraudulent act.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The Bank issued show-cause notice to all the 28 borrowers (in case of 3 borrowers involved in identity theft their original identity could not be established) seeking explanations on the adverse findings of internal investigation. However, no response has been received for the same. • Based on the above findings it was established that the borrowers have intentionally cheated the Bank by submitting fabricated employment details, forged salary slips and bank statements to avail personal loan from the bank. • Hence, in view of above findings, the incident has been classified as 'Fraud' perpetrated by the 28 borrowers (apart from 3 borrowers whose identity could not be established) and has been approved by the Fraud Identification Council of the bank. • Availing of personal loans by submitting fabricated salary slips, fabricated bank statements and falsified employment profiles • Proper due diligence for verification of employment and salary slips was not done during onboarding and sanction of loans.
354		Jai Kumar Sharma –Chandigarh RAC	22.1	• Post delinquency and during recovery process, the collection team observed that the borrower is reluctant to repay the loan obligations. Suspecting fraud, the incident was referred to FCI for investigation. Post FCI's preliminary investigation, incident was referred to Internal Vigilance for further investigation. • Borrower Jai Kumar Sharma and his wife Rinki Sharma (co-borrower), availed a home loan of Rs 2.07 crore on

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				19.06.2023 (under APF) from RAC Chandigarh for the purchase of an under-construction residential property located in Mohali, Punjab from MB Infrabuild Pvt Ltd. Since the property was under construction, a tripartite agreement had been executed between the borrower, builder and the bank. The loan was sanctioned as per the Bank's policy, product guidelines and was sourced by the branch. • Post NPA and during the recovery follow-up, since the borrower was reluctant to repay the loan obligations, the Collections team followed-up with the builder who eventually cancelled the tripartite agreement and has settled the loan at Rs. 1.80 crore (presently o/s is nil). It may be noted that security creation was pending for the said loan. • The borrower had also availed an auto loan of Rs 0.15 crore on 21.06.2023 from our bank. The vehicle is in the name of the borrower and hypothecated in favor of Axis bank. The financial loss to the bank is Rs 0.37 crore (loss to the bank on settlement of Home Loan- Rs 0.27 crore, Auto Loan Principal O/s - Rs 0.10 crore).Presently the borrowers are non-traceable. The case was subsequently referred to Internal Vigilance for further investigation. • During investigation, the salary slips of borrower submitted for both Home loan (month – October 2022 to April 2023) and for Auto loan (month - April 2023 to June 2023) were verified. As per the salary slips submitted for Home Loan the borrower was working with employer TPC Consultores, which is based in Germany, along with an appointment letter dated December

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				2019. For the Auto Loan, as per the salary slips, the borrower was working with Great Dynamic Holding (Delhi based company). Hence for the month of April 2023 the borrower had submitted salary slips pertaining to two different employers • Furthermore, upon verification with AS 26 for the said period, no details of any employer were found. Also, as per investigations findings of FCI, the corporate email ID provided by the borrower during loan onboarding was hr@tpcconsultores.net which is a fabricated one with the correct ID being hr@tpcconsultores.com. Upon further scrutiny, it was established that the PAN of the co-borrower was also forged, as the details did not match Income Tax Authority Records. • Based on the above findings, it was ascertained that the borrower /co-borrower had forged pay slips and also falsified employment details to avail both Home loan and Auto loan, which is a fraudulent act. • The Bank issued show-cause notice to the borrower and co borrower seeking explanations on the adverse findings of internal investigation. However, no response has been received for the same. • Based on the above findings, it was established that the borrower/co-borrower have intentionally cheated the Bank by submitting fabricated employment details and salary slips along with forged PAN of the co-borrower. • Hence, in view of above findings, the incident has been classified as 'Fraud' perpetrated by the borrower Jai Kumar Sharma and co borrower Rinki and has

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			been approved by the Fraud Identification Council of the bank. The borrower/co-borrower submitted fabricated employment details and salary slips along with forged PAN of the co-borrower.
355	Murugan & Co Karaikudi Branch, Tamil Nadu	19.9	- Murugan & Co., a sole proprietorship firm incorporated in 2017, was engaged in trading of paddy. Late Mr. Murugan Kurusamy was the proprietor of the firm. - Murugan & Co. was sanctioned CC limit of Rs.1.20 crore on 25.07.2023 which was enhanced to Rs. 2.00 crore on 10.06.2024. The facility was backed by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) guarantee of Rs. 1.38 crore and collateral property cover of Rs. 0.62 crore. - The proprietor passed away on 02.07.2024 and there has been no customer induced transactions in the account thereafter. Lien was marked in the account in October 2024. - The account turned NPA in February 2025. Recovery action under SARFAESI has been initiated and claim has been filed with CGTMSE authorities. - A complaint was raised to the Banking Ombudsman (BO) by Mr. Ramanathan Murugan (elder son of the proprietor), alleging that the proprietor had transferred funds to the personal account of his younger son, Mr. Muthumani Murugan. - It was further alleged that the funds were utilized for purchase of benami properties. - Based on internal review of available documents, the allegation of diversion

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				of funds was found to be valid. However, the end use of the said funds could not be substantiated. • The sole proprietor has passed away in July 2024, post which operations of the firm has closed. As per opinion from Law Department, in such scenario, if fraud is found to have been perpetrated by the deceased sole proprietor, police complaint and criminal proceeding cannot be initiated against the legal heirs. However, civil recovery process can be undertaken against them. • SCN was not issued since the sole proprietor of the firm passed away in July 2024. • Based on the above, the borrower was classified as Fraud by Axis Bank. • As per CC account statement, there were net payments of Rs.2.12 crore to Mr. Muthumani Murugan's accounts in Indian Bank. Allahabad Bank and SBI. These funds were transferred through RTGS/NEFT/IMPS/UPI using mobile/internet banking, prior to the demise of the proprietor in July 2024. • End use of funds could not be identified since Mr. Muthumani Murugan's account is maintained with another bank. Explanation was sought from him regarding end use. However, the response received was not sufficient to establish that the transferred funds were used for the borrower firm's business purpose. Mr. Muthumani Murugan did not share his bank statements despite follow ups. • Thus, based on transaction analysis and circumstantial evidences, the allegation that there is diversion of funds is valid. However, allegation of benami property

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					purchase could not be substantiated based on available information. • Diversion of funds to account of a related person. • The borrower, with mala-fide intention, transferred funds to his younger son's account maintained with another bank, leading to diversion of funds. • As the borrower's son was neither a co-applicant nor a guarantor to the loan and as his accounts were maintained outside Axis Bank, alerts were not generated for these transactions. • Nil. Creating scenario for DTM alerts from such transactions (i.e. without identifiers) is not feasible. • The loan was sanctioned as per Bank's policy and CGTMSE guidelines were complied with. As per explanation from the concerned RM, the proprietor had visited the branch during loan enhancement in May / June 2024 and executed all documents in the presence of RM. He was later diagnosed with a serious illness and passed away in July 2024. • No staff lapse was identified.
356		ATM Cash Misappropriation – Baraut Branch		17.8	• An incident of CRA (Cash Replenishment Agency) ATM Cash Misappropriation occurred at Baraut District: Baghpat, Uttar Pradesh • M/s CMS Info System Ltd is an outsourced agency engaged under Independent ATM Deployer (IAD), Hitachi Payment Services Pvt Ltd. • On 10.03.2025, Self Service Channel-CO Team was informed by Independent ATM Deployer (IAD) Hitachi Payment Services Pvt Ltd. about cash shortage aggregating to INR 1.78 Crores in 4 ATMs located at Baraut, District: Baghpat, Uttar Pradesh.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• The Cash Replenishment Agency (M/s CMS Info System Ltd) deployed Rocky Malik and Gaurav Tomar as custodians for loading cash in the above ATMs at Baraut location. • On 02.03.2025, Cash Replenishment Agency officials received FLM (First Line Maintenance) call regarding Cash out in 4 ATMs located at Baraut. • After receiving FLM Call, Agency officials immediately tried to contact the cash custodians, but found that mobile numbers of both the custodians were switched off. • On next day i.e. on 03.03.2025, the Cash Replenishment Agency (M/s CMS Info System Ltd) audit team conducted surprise route audit and the CRA auditor identified physical cash shortage aggregating to INR 1.78 Crores in 4 offsite ATMs at Baraut, District: Baghpat, Uttar Pradesh location. • Post internal investigation, CRA officials identified that cash custodians committed misappropriation of cash in 4 ATMs located at Baraut • It was found that cash custodians received cash from the Bank but did not deposit the same in the above ATMs. They further removed deposited cash from the ATMs and both the custodians were involved in cash misappropriation • As the ATM Vault is password protected and can only be opened by the ATM Operators i.e. Cash Custodians, hence it appears that embezzlement of cash in above ATMs is done by the CRA Cash Custodians • Since, the fraudulent activity occurred at vendor (CRA) custodian's end, there is no liability devolved on the Bank

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• ATMs / Recycler cash misappropriation and breach of trust by the custodians of Cash Replenishment Agency (CRA), an outsourced agency • Misappropriation of cash and breach of trust by the custodians of CRA, resulted in perpetration of fraud.
357		Multiple Agri Loan Borrowers	15.4	• An allegation was received from ex Relationship Executive (Quess corp staff) Mohit Namdev stating fake agri land documents have been obtained in few cases. Based on this, the case was referred to Internal Vigilance for further investigation. • 2 Agri loans (sourced through branch) pertaining to borrowers Krishna Chattri /Manish Kumar (Co-borrower) and Pradeep Kumar / Kavita (Co-borrower) amounting to Rs 0.68 crore and Rs 0.85 crore were sanctioned during January 2023 and March 2024 respectively. Both the loans were hypothecated against crops and mortgaged against residential property and charge has been registered in favor of the bank. • The loans were sanctioned in Muzaffarnagar RAC and loans were disbursed in the borrowers account maintained with Axis Bank. Both the loans are standard. Both the borrowers/co-borrowers are traceable • During investigation, the land documents were re-verified at the sub-registrar office, and it was found that the ownership of the land does not belong to the respective borrowers. • It was further observed that during onboarding of the Agri loans, the then empaneled advocates (Kunwar Pal Singh and Rajan Singhal) had submitted a positive report stating that the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				agriculture land belongs to the respective borrowers. • During investigation, legal verification for both the loans was re-initiated and as per the latest report it was noted that the land does not belong to the borrowers. • Clarification was sought from advocate Kuwar Pal Singh (since services of Rajan Singhal have since been suspended) on the anomalies noted for the ownership of land for both the borrowers. The advocate clarified that inspection of Chakbandi records does not fall under the purview of regular title search and that a detailed search was conducted during re-initiation of title search as fake documents had been highlighted to him. • Hence on the basis of the fresh title search report it was ascertained that fabricated land documents had been submitted by the borrowers/co-borrowers for availing the agri loans, which is a fraudulent act. • The bank issued show-cause notice to the borrowers and co-borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received on the same. • Based on the above findings, it was ascertained that the borrowers/co-borrowers had submitted fabricated land documents for availing the agri loans. Hence, in view of above findings, the incident has been classified as 'Fraud' perpetrated by the borrowers and co-borrowers and has been approved by the Fraud Identification Council of the bank. • Borrowers/co-borrowers had provided fake land documents and availed loans from Bank.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Bank's empaneled Advocate had failed to provide correct title report on the ownership of the land for both the borrowers. This report was one of the important verification points based on which the loans were sanctioned. • Since the loan was sanctioned as per the process and policy of the bank no staff lapses have been noted. • Lapses have been identified against the empanelled advocate Kunwar Pal Singh and Rajan Singhal and action has been recommended as per the Service Level Agreement. • The fraud could have been averted if proper title verification report had been submitted by the empaneled advocates. Hence, no additional control measures are recommended.
358		5 Customer-Digital Personal Loan - Dombivili Branch	15.2	• Five existing to bank (ETB) customers were found to have availed digital personal loans using fake/forged salary slips uploaded during the digital journey. • Financial Crime Intelligence (FCI) identified 12 Digital Personal Loans aggregating Rs. 1.46 Crore were sanctioned to 5 existing to bank customers (ETB) during the period Oct 2022 to July 2024. • All these loans were availed digitally by customers. • It was observed that loans were availed by the 5 customers basis their employment with Cognizant Technology Solutions India Pvt Ltd, Nelito Systems Ltd, and Infrasoftware Technology Ltd. However, salary was found credited in customer's accounts from proprietorship concerns having similar name.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Salary slip provided by the customer at the time of loan application was found to be fake/forged. • Total 12 Digital Personal Loans aggregating to Rs. 1.46 Crore were sanctioned to 5 existing to bank customers (ETB) during the period Oct 2022 to July 2024. • The customers involved are Gajagi Srinivas, Kanchan Pramod Suroshe, Mukesh Kumar Patel, Usha Chandrakant Gavade, and Vinod Ramakant Mishra. • These customers maintained their savings accounts at Dombivali MIDC branch in Mumbai and were KYC compliant at the time of onboarding • Details of loans availed under the pretext of working with various corporates: • There are 12 Personal Loans under investigation across 5 customers. • At the time of loan application, the customers were ETB (existing to Bank) customers. • All 12 personal loans were applied through the mobile banking application of the customer. • The segment of the customer was Non-PQ (Pre-Qualified) across all personal loans. As employment verification (EV), customers had provided salary slip at the time of loan application. • Out of the 12 loans under investigation, 7 were sanctioned / disbursed after the EV mechanism was implemented, while the remaining 5 were sanctioned / disbursed before its implementation based on the income assessment by BIU and real time Bureau records. No physical documents were required from the customer.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• A review of the digital journey for these loan applications revealed discrepancies. Employers on the salary slips provided by customers, such as Cognizant Technology Solutions India Pvt Ltd, Nelito Systems Ltd, and Infracsoft Technology Ltd, did not match with the names on the salary slips, loan application, and credited salaries. • This constitutes a false declaration by the customers regarding their employers during the loan application process. • For the 12 loans under investigation, the amount disbursed was Rs. 1.46 Crore out of which principal amount paid by the customer was aggregating to Rs. 27.14 Lakh. Transaction Analysis : • Transactions in these accounts were conducted via NEFT, Internal Transfer, and IMPS modes, with the counterparties being Cognizant Technology, Nelito Systems, Infracsoft Technologies, and followed by many other entities. • The credits received in the accounts appeared to be salaries, enabling the customers to receive personal loan offers from the bank. Further, transaction linkages were observed between the customers. • There were two proprietorship current accounts from which the salary was transferred internally to customers, Mukesh Kumar Patel and Usha Chandrakant Gavade. These accounts were named Nelito Systems and Cognizant Technology, deceptively resembling well-known corporates mentioned in the loan applications. • In this case, all 5 customers appeared to be part of a syndicate involved in

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				opening savings accounts with the bank and receiving credits under the pretext of salary (fake salary) from known corporates, making them eligible for personal loans and credit cards to defraud the bank. • Beside personal loans, each customer also availed one credit card from the bank. These credit cards have been classified as NPA. Interactions with Customers: • During the investigation, efforts were made to contact the customers however the contact was not established. • Show Cause Notice was sent to customers at the communication address and email ID registered in the respective account. However, there was no response from the customer side. • Subsequently, the case was presented to and approved by the Fraud Identification Council (FIC). • Customers Gjangi Srinivas, Kanchan Pramod Suroshe, Mukesh Kumar Patel, Usha Chandrakant Gavade, and Vinod Ramakant Mishra, along with others unknown, are considered perpetrators • Fake salary slip was uploaded by the customers to avail the personal loan. • As per the checklist followed by the Underwriters, they only check the name of the employer mentioned in the loan application to match the salary slip. • Deduction of PF and TDS amount was evident on salary slip in all 15 cases. However, the EV1 and EV2 was either failed or did not fetch results. • Counter party of the credit transactions in the account was not matched with employer name before loan disbursement.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					- During the Personal Loan journey, Underwriters (UW) failed to identify the fabricated salary slips submitted by the customers and no proper due diligence conducted by the UW - The counterparty of the salary credited in the accounts was not matched with the salary slips provided by the customer Action taken: - Employment verification has been made mandatory for Non-Pre-Qualified Personal Loan (Non-PQ) journey while processing the digital personal loan applications from April 2023.
359		7 Customers-Digital Personal Loan - Various Branches across Andhra Circle		14.6	- The Collection team referred the suspected delinquent cases to Financial Crime Intelligence Unit (FCI) pertaining to digital personal loans totalling Rs. 90.13 lakh, sanctioned to seven existing-to-bank customers (ETB) from April 2023 and Feb 2024 at the Vijayawada, Suryaraopet, and Gunadala branches of Andhra Circle. - The count of loan accounts is 10 across 7 customers and all these loans were availed digitally by customers and sourced through Internet Banking channel. - It was observed that loans were availed by 7 customers after receiving salary credits from the accounts of other banks. However, during the digital journey, they claimed to be employed in Others/different company and suspected the fraud. - Upon reviewing the PAN details of 7 customers submitted during on boarding of the SB accounts, Mismatch found in photo, date of birth, and signature of 7 SB account holders compared to PAN details in Income Tax records.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• A total of 7 accounts were opened across 3 branches (Vijayawada, Suryaraopet, and Gunadala branches) of Andhra Circle. • Total 10 digital personal loans aggregating to Rs. 90.13 lakh were availed by 7 ETB customers. On-boarding documents • All 7 individual have opened savings bank accounts during the period from May 2022 to Sep 2023. • All the 7 customers had submitted the masked Aadhaar copy (only last four digit visible) for identity and address proof while onboarding. • During on-boarding, out of the 7 accounts, 4 customers had submitted the PAN card copies and in remaining 3 accounts the customers had submitted the PAN number (no physical copy of PAN submitted) and the PAN were validated online during on-boarding. KYC Verification • The details (photograph, signature, DOB) of the PAN holders from authority records were compared with the live photographs/ photographs on the AOF, photographs on the Aadhaar cards / PAN cards, and DOB captured during on-boarding of accounts. • It was revealed that none of the Photographs and Signatures of the actual PAN holders were matching with the photographs and the signature submitted during on-boarding of these 7 savings accounts. • Also, none of the photographs of the actual PAN holders were matching with the Aadhaar cards submitted during on-boarding of these 7 savings accounts. • Based on the above findings, it is established that unknown person/s stole

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the PAN numbers and Aadhaar numbers of the genuine persons, fabricated the Aadhaar cards and Pan cards and opened the accounts in the name of the respective genuine persons. • Thus, all the above referred 7 SB accounts are non-KYC compliant at the time of on-boarding. • All the 7 customers were not contactable and Fresh Field Verification was conducted in the 7 accounts and found to be negative. Details of loans availed under the pretext of working with various corporates. • 10 Digital Personal Loans aggregating to Rs. 90.13 lakhs were disbursed to the 7 ETB customers during the period 28-04-2023 to 27-02-2024. • Out of the 10 PL cases, 5 Personal loan accounts were digitally sourced Maximus Lending Platform (MLP) cases in the category of 'PQPL'(Pre-Qualified Personal Loan) and the remaining 5 PL cases were digitally sourced MLP cases in the journey of 'Preselect-CSG (Non - PQ)' through STP process. • Out of the 10 loans, pay slips were submitted by 2 customers in 2 personal loan accounts claimed to be the employees of Divis Laboratories Limited at the time of availing the personal loan • The pay slips submitted by the customers in 2 PL cases observed to be fabricated pay slips of Divis Laboratories Limited. Transaction Analysis • On scrutiny of salary credit transactions in the accounts of above 7 customers, it was observed that the salary credits were received through NEFT from ICICI

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Bank CMS pool account and from firm named Veda Infra. • However, loans were availed under the employers Divis Laboratories Limited, IBM India Private Limited and Others. • An aggregate amount of Rs. 14.42 Lakh principal amount was repaid in the 10 loan accounts, and all the 10 loans were classified as NPA. Total Principal outstanding in the 10 loans is Rs 75.71 Lakh. Availing of Credit Cards • In addition to the personal loan, 7 customers had also availed 1 credit card each through digital platform and the 7 customers had availed instant loan aggregating to Rs.50.33 lakh on credit cards. The current outstanding amount on all the above 7 credit cards is Rs. 55.96 Lakh. • Basis on the above and review of KYC documents, it is observed that unknown person/s had opened 7 savings accounts with the bank by fabricating the KYC documents of the 7 genuine PAN holders and received a credit under the pretext of salary (fictitious salary) from other firms' accounts of other bank and availed personal loans/credit cards claiming to be employed with different company to defraud the bank. • Failed to identify the fabricated KYC documents of customers obtained at the time of onboarding the customers. • Impersonated Savings accounts were opened with the fabricated KYC documents of the genuine PAN holders in the name of PAN holders and amounts were transferred in those accounts from other bank accounts under the pretext of salary(Fake Salary).

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• These fictitious regular inward credits build up the eligibility criteria for these account holders to avail other products like Personal Loan, credit card. • Staff accountability has been identified as Negligent in respect of 6 sourcing officials who had failed to identify the fabricated KYC documents of the 7 customers during on-boarding of the saving accounts. • Staff Accountability has been identified as Negligent in respect of underwriter (UW) who failed to identify the fabricated salary slips submitted by the customers while availing the personal loan from the bank. • Perpetrators opened savings accounts with the fabricated documents of the genuine PAN holders. • Salary credits were received from other banks through NEFT (apparently fake salary) and digital personal loans and credit cards were obtained by these customers claiming to be employed with Corporates in a good position. Action taken: • PAN–Aadhaar linking validation has been implemented in the TAB sourcing platform for savings bank accounts effective from July 20, 2024. • Since July 2024 salary slip upload facility is removed in MLP Digital journeys - personal loan product.
360		8 Customers-Digital Personal Loan - Various Branches across Andhra Circle		13.4	• Eight existing to bank (ETB) customers were found to have availed digital personal loans using fake / forged salary slips uploaded during the digital journey. • Financial Crime Intelligence identified Digital Personal Loans and Credit Cards aggregating to Rs. 1.34 Crore

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				sanctioned to 8 existing to bank customers (ETB) during the period November 2022 to May 2024, at various branches across Andhra Circle. • The count of loan accounts is 10 across 8 customers and all these loans were availed digitally by customers and sourced through Internet Banking. A customer observed to have availed three personal loans from the Bank. • It was observed that loans were availed by 8 customers after receiving salary credits from the proprietor concerns / private limited entities. However, during the digital journey, they claimed to be employed in different companies. • A total 8 Accounts (Savings Easy Access accounts) opened across 2 branches (Nellore and Muthukur Branches of Andhra Circle). • All 8 Accounts found to be KYC compliant at the time of on boarding. • Fresh Field Verification was conducted in the 8 accounts and found to be positive in 4 accounts and negative in 4 accounts. • The 8 customers had availed 10 personal loans, and 2 Credit Cards from the Bank claiming to be employed with companies AVNET India Private Limited, Othain Software Services India Private Limited and Others to the tune of Rs.1.34 crore. • Details of loans availed under the pretext of working with various corporates: • 10 Digital Personal Loans aggregating to Rs. 1.33 crore were disbursed to 8 ETB customers during the period 30-11-2022 to 08-05-2024. • Out of these 10 loans, 7 were digitally sourced through the Maximum Lending

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Platform (MLP) cases in the category of 'PQPL' (Pre-Qualified Personal Loan-STP process) and the remaining 3 cases were Non-PQ IW-STP Process. • An aggregate amount of Rs.18.72 Lakh principal amount was repaid in the 10 loans, and 9 loans were identified as NPA. Principal outstanding in the 10 loans is Rs 1.14 Crore. • Out of 10 loans, pay slip was submitted by one of the customers claiming to be the employees of AVNET India Private Limited at the time of availing the personal loan. • On scrutiny of pay slip, it was observed that there was no UAN no (Universal Account Number), company logo on the pay slip. Further observed that no Provident fund, no Income tax was deducted from the salary. The pay slip observed to be a fabricated pay slip of AVNET India Pvt Ltd. Transaction Analysis : • On scrutiny of salary credit transactions in the accounts of above 8 customers, it was observed that the salary credits were received through NEFT from IndusInd Bank from MR Infoline and Global Solutions with the narration as 'Salary.' • However, loans and Credit Cards were availed under the employers AVNET India Private Limited, Othain Software Services India Private Limited and Others. • It was observed that Personal loan amount credited to the customers' accounts were partially transferred to the customer other bank accounts through IMPS, RTGS, NEFT and the remaining amount were transferred either to internal accounts or to other bank accounts. These transactions were

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				done with Internet banking and Mobile banking. • Salary Credits stopped immediately 2-3 months after disbursement of these Personal Loans. Customer paid only 2-6 EMIs post disbursement and subsequently no repayments were made. • Interactions with Customers: • Out of 8 customers, 3 customers were contactable. Remaining 5 customers were not contactable on their registered mobile number. • 3 customers informed that that they were contacted by a third-party on pretext of providing the personal loans, hence they had shared their SIM, and credentials of the savings accounts to the above persons. They were unaware about the transactions in the account and received only partial amount of the loan. • Basis the above findings, 8 customers along with others unknown conspired and committed the fraud by cheating and submitting fake documents viz. pay slip and giving false information regarding job in certain private companies to avail personal loans & credit cards with dishonest intention and availed the personal Loans/Credit cards for their wrongful gain and thereby caused loss to the Bank amounting to Rs.1.16 crore • Savings accounts were opened in the name of individuals and amounts were transferred in those accounts from other bank accounts under the pretext of salary (Fake Salary) with collaboration of the outsiders. • Fictitious regular inward credits built up the eligibility criteria for these account holders to avail other products like Personal Loans, credit cards.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					• Post loan disbursement, inward credits were discontinued and EMI payments towards loans availed, and credit card o/s dues were not paid by the perpetrators to defraud the bank • Customers opened savings accounts with the bank and salary credits were received from other banks through NEFT to match the loan eligibility criteria and loans availed by these customers claimed to be employed with Corporates in a good position. • The loans and credit cards were processed for the customers based on the NEFT transfers (apparently fake salary) without validating the source of credits. Action taken: • Employment verification has been made mandatory for Non-Pre-Qualified Personal Loan (Non-PQ) journey while processing the digital personal loan applications from April 2023.
361		BIN attack on Axis Bank Credit Cards from overseas soil		12.4	• An unusual pattern of credit card transaction was observed during monitoring of the credit card transactions on 10-03-2025. Such transactions were unsecured card not present transactions originated from the overseas soil which was in the nature of a BIN attack (Bank Identification Number). • Investigation in the matter revealed that there were 11 BINs across 68 impacted credit cards involving an amount of 1.24 Crore. The attack involved use of valid card number and expiry date through two merchant IDs of AMAZON MKTPLACE PMTS" and "AMZ*Amazon Payments emanating from the overseas soil of USA. • It was established that this was a “Brute Force attack” where the card credentials

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				i.e. Card Number and Card expiry date were used to authenticate the card status. - During internal card transaction monitoring activity, an attempted BIN (Bank Identification Number) attack was identified across 68 Axis Bank credit cards between 10th and 27th March 2025.. - In BIN attack, the fraudster has first 6 digit of the card number (typically known as BIN) and reconstruct the remaining 10 digits of the card number along with the expiry dates through various permutations and combinations using computer software. - This attack was from two merchant codes of AMAZON MKTPLACE PMTS" and "AMZ*Amazon Payments from USA, via unsecured (i.e., no OTP, no PINs) cross border transactions, and 146 transactions were attempted, across 68 cards, in a short period of time, using these reconstructed card numbers and expiry dates. - Of these, 113 got through, across 59 credit cards, for a total amount of Rs 1.01 Crore. Nature of the Attack - The first six digits on a credit card constitute the Bank Identification Number, which is known as the BIN number. A BIN identifies the institution that issues the credit or debit card. - The use of the BIN numbers by the fraudster in scams is known as BIN Attack Fraud. The fraudster obtains a BIN and uses software to generate the remaining numbers. They, then test the numbers using small transactions through online retailers until they find a valid and active card number.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• it is abundantly clear that this enumeration attack was a “Brute Force attack” using card number and Expiry Date identifiers. Common signs of a BIN attack: • Multiple low-value transactions that are unusual related to the business. • Multiple declines. • Unusually high volumes of international cards. • Large quantity of transactions being processed or attempted in a short period of time. • Card numbers being used repeatedly with variations in the security features. Unusual transaction times. • During internal card transaction monitoring, an attempted BIN attack was identified across 68 Axis Bank credit cards between 10th and 27th March 2025. • Given India’s two-factor (OTP, PIN) authorization regime, such attacks usually originate from the overseas land. Additionally, this type of transactions does not require the CVV (the 3-digit code on the card), hence the transactions are successfully processed. • In the instant case, this attack was from a merchant, AMAZON MKTPLACE PMTS" and "AMZ*Amazon Payments through their MID no 235251000762203 from USA, via unsecured (ie: no OTP, no PIN) cross border transactions. • There were 11 BINs across 68 cards. Mostly they were Axis Bank Magnus

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Visa Credit Card followed by other variants. • There were 146 transactions attempted across 68 cards, in a short period of time, using these reconstructed card numbers and expiry dates. The amount was aggregating to Rs. 1.24 Crore. • The above amount included the transactions which could not pass through due to various rules placed in the credit card transaction monitoring system to prevent the suspicious transaction and card usage managed by the customers through Mobile Banking and Internet Banking (MB/IB). • Of these, 113 transactions got through, across 59 credit cards, aggregating to an amount of Rs. 1.01 Crore. All these amounts have been reversed in the respective customer's card proactively through chargeback, and the cards have been reissued to them. • Since there was no two-factor authentication required, the amount was fully recovered by the card issuing Bank. • The existing control placed in the systems worked as transactions were declined basis the RTD rules (Real Time Decline) besides card usage managed by the customers through MB/IB channel. This led to a prevention of potential exposure of Rs 0.23 Crore vide 33 transactions. • During investigation, the date of issuance of the impacted 108 cards was analyzed. It was observed that all impacted cards were issued prior to year 2025 and none of the cards were issued in the month of March 2025 i.e., month during which the BIN attack took place.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				- Furthermore, there was no instance reported with respect to data breaches/compromise in the Bank as a part of Data Leakage Policy (DLP). Status of Chargeback and card replacement: - The chargeback has been processed and credited into all impacted cards. - Out of 68 impacted cards, 53 cards have been replaced by the Bank. The remaining 15 cards were permanently blocked by the customer; hence the Bank induced replacement could not be initiated - Measures to curb recurrence of such BIN attack incidents - To contain further BIN attack, the Bank had taken up with the regulator / IBA / Network operators exploring the possibility to mandate CVV (Three-digit number on the back side of the card) for cross border transaction viz., cards issued in India. With this, the reconstruction of card number may become difficult for the fraudsters. - The network operators highlighted their challenges in implementing such rules for India-issued cards only. - Further advice on this is sought from RBI and awaited. - Furthermore, based on the instant BIN attack incident, an additional RTD scenario has been introduced to further strengthen the monitoring of the card transactions. - The card numbers were tested with an account status inquiry with zero value transaction to determine if a targeted card is active. The attack originated in USA and started by testing transactions on cards predominantly pertained to 11 Bins', with 143 non 2FA CNP transactions being attempted on 68 cards

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					from one identified MID between 10th and 27th March 2025. • The fraudster used “Brute Force Attack” methodology to reconstruct the complete card number based on the identification of the BIN number and performed the international transaction wherein no two factor authentication was required, nor was it required CVV number, printed on the card. • ASI (Account Status Inquiry) to fraud relationship – The attacker post guessing the Card number and Card Expiry dates most likely validated the information through this service. • Randomize card numbers / expiry date: We understand that cards system providers (TSYS or Vision+) do not have a ready solution for this as the partner has not received such a demand from any Bank globally. While the Bank is in the process of deliberating and discussing the solution around the challenges faced in card number randomization.
362		Malakpet Branch, Dilsukhnagar Cluster, Hyderabad Circle		10.3	• A complaint was received from Dr Farhana Ghalib, a customer of Malakpet Branch alleging un-authorized debit transaction of Rs. 1.03 crore from her account maintained with the Bank. • On 08.04.2025, an amount of Rs. 1.03 crore was debited from the account of Dr Farhana Ghalib through cheque no. 037717 towards M/s. SMFG India Credit Company limited by the cash management services (CMS) team of the bank. • On 09.04.2025, a written complaint was lodged by Dr Farhana Ghalib mentioning her husband had forged her signature on the cheque no. 037717 and disputed the transaction of Rs. 1.03

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				crore debited from her account towards SMFG India Credit Company limited. • The customer had sought immediate credit of the amount Rs. 1.03 crore. • Individual Current Account in the name of Dr Farhana Ghalib is being maintained at Malakpet, Hyderabad Branch, since 04.12.2018. • An amount of Rs. 1.03 crore was debited from the above customers account through cheque no. 037717 towards M/s. SMFG India Credit Company limited. • The disputed transaction was processed by the CMS Department (Bulk Processing Center (BPC) - Hyderabad) on 08.04.2025 through the Internal Fund Transfer (IFT) process in CMS-Collection. • The customer M/s. SMFG India Credit Company limited is having a CMS relationship (Client Code: FULLLCC) and also maintaining multiple current accounts with Bandra Kurla Complex, Mumbai Branch. • SMFG India Credit Company limited is a registered Investment and Credit company. • Based on the customer's Dr Farhana Ghalib complaint, an amount of Rs. 1.03 crore was returned by the CMS team after obtaining authorization from M/s. SMFG India Credit Company Limited. Consequently, on 10.04.2025, the disputed transaction was credited back to account of customer Dr. Farhana Ghalib. • The customer had availed a loan from SMFG India Credit Company limited and the disputed transaction was towards loan closure proceedings.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				• Since the disputed amount has been returned, the customer had submitted a complaint withdrawal letter with the Malakpet Branch. • However, the customer reported that the transaction was debited from her account using cheque no. 037717, which had a forged signature. • BPC team informed that they conducted due diligence, physically scrutinized the cheque, and verified the signature before processing it. No discrepancies were observed; hence the instrument was processed. • It was observed that there is currently no established process to verify the issuance of cheques either with the base branch or directly with the customer, particularly for handling high value instruments • During investigation, scrutiny of the signature on the disputed cheque revealed that it did not match with the customer's signature on record with the bank. • Based on the above findings, customer's allegation of signature forgery on the transfer cheque, was established. However, it could not be conclusively established as to who had forged the customer's signature on the cheque. • Since the disputed transaction was reversed to the customer basis customer complaint, the banks net exposure is considered nil. • Funds transfer on forged signature -The transaction request was executed despite a discrepancy between the customer's signature on the cheque and the signature maintained in the bank's official records.

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					- Staff accountability has been identified as negligence on the part of the staff, who failed to detect the mismatch in the customer's signature during transaction processing. - The mismatch in the customer's signature was not identified during the processing of the transfer request. - Despite the cheque being of high value, no additional due diligence was carried out prior to executing the transaction. - Action taken: - CMS Team to evaluate the feasibility of implementation of Positive Pay mechanism for Internal Fund Transfer (IFT) processed through CMS-Collection via inward clearing zone.
363		Multiple Asha home Loans - (Standard Accounts), Rajkot RAC		00.0	- During a recent review, the Asha Home Loan Underwriting team alleged that there was suspected tampering with the valuation report related to 19 Asha Home loans sanctioned and disbursed in Rajkot RAC. The case was subsequently referred to FCI for further investigation. In their preliminary report, FCI confirmed that the original valuation report had indeed been tampered with inflated valuation amount. - The case was subsequently referred to Internal Vigilance for further investigation. - These 19 loans were sourced during FY 2022-23 by eight Relationship Officers (outsourced employees of Quess Corp) deputed at the Rajkot RAC. - The loans were sanctioned for construction and renovation of property under the non-APF category and were secured by the said assets against which the loans were sanctioned. The security creation is complete, and the mortgage is created in favor of Axis Bank. Out of

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				the 19 loans, 6 have been closed, and 13 remain active. The total exposure amount for the active loans stands at Rs 2.99 crore. • At present, repayments for all 13 active loan accounts are regular, with no delinquencies observed, and all borrowers are traceable. • During investigation the KYC (PAN & Aadhar) and income documents submitted by the borrowers were re-verified and no anomalies were observed. • During Investigation, It was found that prior to sanction, the original valuation reports were removed from the files by the Relationship Officers (outsourced employee from Quess Corp) and were manipulated by inflating the valuation amounts to meet loan eligibility criterion for 19 borrowers. • It was also observed that the Relationship Officers have access to the physical loan files as they are involved in sourcing of the cases and are responsible for preparing the complete docket/file for disbursement. This access allowed them to retrieve the valuation report (part of pre-sanction file), which were misused by inflating the valuation amount and re-inserting it into the docket for further processing. • During a personal discussion held by FCI, all the eight Relationship Officers (ROs) have confessed that the manipulation was carried out by them with assistance from freelancers and local cyber cafes. Subsequent to this, all the eight ROs have been terminated from the services of the bank and reported to Quess Corp. Further as per the investigation carried out by FCI and

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				Internal Vigilance, no instance of borrowers' involvement in the forgery was observed. - Hence, based on the above findings it was ascertained that the eight Relationship Officers had submitted inflated/fabricated valuation reports to meet loan eligibility which is fraudulent in nature. - The bank issued show-cause notice to all the eight Relationship Officers (ROs) seeking explanations on the adverse findings of internal investigation. Response was received from three out of eight ROs where they mentioned that they have already been terminated. No other justification has been provided by them. Furthermore, no response has been received from the balance five ROs. - The investigation has revealed a pattern of fraudulent practices involving the manipulation of technical valuation reports by eight ROs (outsourced employee of Qness Corp.) - Based on the investigation findings, it was ascertained that the Relationship Officers had inflated/fabricated valuation reports with an intention to cheat the bank, which is fraudulent in nature. Hence, the incident has been classified as 'Fraud' perpetrated by the eight Relationship Officers and has been approved by the Fraud Identification Council of the bank. - The said RO's exploited their access to physical loan files to alter property valuation documents (Technical Report). The altered reports were reinserted into loan files, enabling ineligible applicants to qualify for higher loan amounts.

Sr. No	Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
			• In order to achieve sales target the RO's exploited their access to physical loan files to alter property valuation documents • Lapses have been identified on 3 Sales Managers (outsourced staff from Quess Corp) for supervisory failure in exercising adequate control over the sourcing ROs. • Lapses have been identified on 3 Credit Managers from the Underwriting team, for handing over the original technical report along with the loan file (which stays in the custody of Underwriting) to the Sales Team. This led to manipulation in the original technical report thereby leading to higher loan LTV. • The Pragati system, a digital platform for legal and technical valuation reports, has been introduced in FY 2024 where valuation reports are uploaded directly by the vendor.
364	Multiple UCV (Used Commercial Vehicle) Loans Surat RAC	57.3	• A complaint was received from ex-Axis Bank staff alleging that 30 UCV loans have been fraudulently sanctioned at Surat RAC for vehicles which had registration number of Arunachal Pradesh. Suspecting fraud, the cases were referred to Internal Vigilance for further investigation. During preliminary investigation 6 additional (active) accounts having the same modus operandi were identified and investigated along with the 30 reported cases • 36 UCV loans amounting to Rs 5.73 crore were disbursed to 3 borrowers (ETB with saving bank account) during the period June 2015 to March 2018 from Surat RAC for vehicles having the registration number of Arunachal Pradesh. All the 36 loans were sourced

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				from Branch and were sanctioned for refinance of vehicles existing with the borrowers who were fleet operators. Further the policy allowed to extend loans including refinance across different state registered vehicles. • The loans were sanctioned towards refinance of passenger buses (Heavy Commercial Vehicles) with the make of Ashok Leyland and Tata Motors. During sanction and as per process, verification of RC, chassis/engine numbers, make/model of all the vehicles were done with the Vahaan portal and no anomalies were found. • Further field visit was carried out by the bank official, and the visit report showed the photograph of all the vehicles along with the chassis/engine numbers, make and model and which were matching with the documents submitted for the vehicles during onboarding stage. During on-boarding and as confirmed by the underwriting team, since the loans were sanctioned under refinance scheme, the disbursement was done post hypothecation of the vehicles in favor of Axis Bank. However, during investigation out of 36 accounts, hypothecation in favor of the bank was appearing in 12 cases and was missing in 22 cases. For the balance 2 cases no records are found on the Vahan portal. • Insurance copy was also tallied for the RC, chassis/engine numbers and no anomalies were noted. The customers were ETB with savings bank account with no conduct issues. Based on this and sound financial standing, the loans were disbursed to the accounts of the borrower maintained with Axis Bank. The loan was sanctioned as per process

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				and policy of the bank. The borrowers had paid principal dues of Rs 1.75 crore however at present all the 36 loans are NPA with principal o/s of Rs 3.98 crore. • During investigation, the KYC and income of all the borrowers were verified where no anomalies were found upon checking with Income Tax Authority records • Field verification revealed that all the 3 borrowers have vacated their registered residential addresses and are non-co-operative/absconding. As per public information, one of the borrower Irshad Pathan was arrested for being master mind in a commercial vehicle loan fraud scam involving forging of RC and tampering of chassis/engine numbers with multiple banks (Yes Bank, HDFC Bank, Tata Finance). This modus operandi also matched with the allegation raised to our bank. • Accordingly, confirmation on the genuineness of vehicles refinanced by the bank was sought from their respective manufacturers - Tata Motors Ltd & Ashok Leyland Ltd - through Bank's OEM Relationship & Supply Chain Team . Both the manufacturers confirmed that they did not manufacture the vehicles with the same engine and chassis numbers imprinted thereon, which indicates that fabricated vehicle documents , registration certificates were manufactured and submitted to the bank for fraudulently processing the loan • Further, given the suspected collusion of RTO officials in this fraudulent activity, there is a high likelihood that the hypothecation entries were subsequently removed in 24 accounts

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				through submission of fake No Objection Certificates (NOCs). • During loan processing stage, these vehicles having counterfeit engine and chassis numbers were presented for inspections. It was difficult to doubt these engine and chassis numbers were fabricated as the respective RC books and vehicle insurance policies contained matching details • Hence it was ascertained that the borrowers in connivance with the RTO officials of Arunachal Pradesh have submitted fabricated RC and chassis/engine numbers for non-existent vehicles for availing UCV loans from the bank. The fraud could be unraveled only post confirmation of the OEMs (Ashok Leyland and Tata Motors) who stated that they have not manufactured the said vehicles. • The Bank issued show-cause notice to all the borrowers' seeking explanations on the adverse findings of internal investigation. However, no response has been received for the same. • Based on the above findings it was established that the borrowers (Irshad Pathan being the master mind) in collusion with corrupt RTO officials orchestrated the scam where forged RCs/chassis/engine numbers of non-existent vehicles were submitted to the bank for fraudulently availing the loans. Hence, in the view of above findings, the incident has been classified as 'Fraud' perpetrated by the borrowers and has been approved by the Fraud Identification Council of the bank. • Borrowers colluded with corrupt RTO officials to create forged RCs and tampered chassis numbers for non-

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					existent vehicles, which were stage-managed during inspections to fraudulently secure commercial vehicle loans. • Fraud perpetrated by the customer by in collusion with RTA officials by embossing fake engine and chassis numbers and the same were appearing in RTO App Vahan, RC books and vehicle insurance policies. • The guidelines prescribed for refinancing of UCVs were followed and no lapses were observed in sanction and follow-up of the loan. The borrowers were initially making the repayment and had paid principal dues of Rs 1.75 crore before the accounts becoming NPA. Since the loans were sanctioned in accordance with the policy and process of the bank no staff accountability has been identified. • Following the detection of fraudulent loans involving forged RCs, funding has been discontinued for Arunachal Pradesh–registered vehicles.
365		Multiple Personal Loan Borrowers Pune and Pune East		40.7	• Post all the 27 personal loan accounts turning NPA, the Collection Team during recovery observed that 15 of such borrowers were not traceable. Further, all the 27 borrowers are employed with Category A/B companies. Suspecting fabrication of employment and income details the cases were referred to FCI for further investigation. The preliminary investigation's report of FCI revealed fake employment, fabricated salary slips & bank statements to avail personal loans. The incident was subsequently referred to Internal Vigilance for further investigation. • 27 personal loans amounting to Rs 4.07 crore (current o/s Rs 3.49 crore) were

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				sanctioned during October 2022- June 2023 from two RAC locations- Pune and Pune East. Out of the 27 borrowers , 26 were ETB (having savings account) and one borrower was NTB. Out of 27 loans, 24 loans were sourced through 3 DSAs viz Fin India (21), Balaji Global (1) & Vision Services (2) and the balance 3 loans were sourced through Branch channel (Branch - Dhanori & Wagholi). • All 27 borrowers presented themselves as employees of various A/ B category companies namely Bekaert Industries Pvt Ltd, Glatt Systems Pvt Ltd, Elringklinger Automotive Components (India) Pvt Ltd, Avery Dennison India Pvt Ltd, Enkei Wheels India Pvt Ltd, and Indian Social Education Society. Further they had submitted salary slips from these purported employers along with bank account statements to demonstrate salary credits for the purpose of obtaining the said loans and had initially opened savings bank accounts with the bank. • Further out of 27 loans, 26 loans had been disbursed in the accounts maintained with Axis Bank and the balance one loan was disbursed in the account maintained with Bank of Maharashtra. All the loans are currently NPA with principal o/s of Rs 3.49 crore. • During investigations, the KYC of all the borrowers were verified with the IT authorities and were found to be genuine. Form 26 AS was retrieved for all the 27 borrowers for the period FY 2023 and FY 2024, and which did not show any employment history for the organizations of which employment

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				records had been submitted during onboarding of loans. • Further, probe into the reported salary credits in the statement of accounts submitted by these borrowers revealed that these credits had come from the current accounts maintained in the name of third parties namely Rajveer Enterprises, C S Enterprises, Janhavi Enterprises, and Shivansh Enterprises and not from their employers (Bekaert Industries Pvt Ltd, Glatt Systems Pvt Ltd, Elringklinger Automotive Components (India) Pvt Ltd, Avery Dennison India Pvt Ltd, Enkei Wheels India Pvt Ltd, and Indian Social Education Society) whose salary slips were submitted, which is a fraudulent act. • Upon further investigations it was found that the current account of Rajveer Enterprises is in the name of Mrs. Kajal Mayur Suryawanshi (proprietor) - wife of Mr. Mayur Suryawanshi who is one of the connectors of the DSA - Fin India. The proprietor of another current account – Janhavi Enterprises (from where the salaries were also getting credited) is Kalpesh Dandawate who is also one of the connectors of the DSA - Fin India. • During field visit and as per collection feedback, the borrowers had stated that they were never employed with the corporates which was mentioned in their income documents/loan applications. Since they were in need of funds, they had approached loan agents (connectors) to avail personal loan. • The borrowers had opened savings account with our bank where they had received fake salary credits from the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				third parties viz Rajveer Enterprises, C S Enterprises, Janhavi Enterprises, and Shivansh Enterprises, for availing personal loan, which is a fraudulent act. • The DSAs Fin India , Balaji Global and Vision Services had not done proper due diligence before sourcing and recommending the cases to the bank, Further their connectors were involved in creating fake employment records for the borrowers. Accordingly, based on the circumstantial evidence, the involvement of these DSAs in perpetration of the fraud cannot be denied. • The Bank issued show-cause notice (SCN) to all the 27 borrowers, third party Current Account holders (Rajveer Enterprises, C S Enterprises, Janhavi Enterprises, and Shivansh Enterprises) and the 3 DSAs (Fin India , Balaji Global & Vision Services) seeking explanations on the adverse findings of internal investigation. Response received from DSA Fin India and Balaji Global in lieu of SCN issued was reviewed and was not found to be justified to the adverse findings reported. No response was received from the rest. • The borrowers had submitted fabricated salary slips and bank statements to avail the personal loans from the bank. In all the loans sourced by the DSAs - Fin India , Balaji Global and Vision Services, proper due diligence before sourcing and recommending the cases to the bank was not done, Further their connectors were involved in creating fake employment records for the borrowers. Accordingly, based on the circumstantial evidence, the

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				involvement of these DSAs in perpetration of the fraud cannot be denied. - Based on investigation findings, the said incident id was classified as Fraud perpetrated by borrowers, third party current account holders - Rajveer Enterprises, C S Enterprises, Shivansh Enterprises and Janhvi Enterprises and the 3 DSAs - Fin India , Balaji Global and Vision Services. - Borrowers provided fake employment and forged income details to avail the loan. DSAs - Fin India , Balaji Global and Vision Services, failed to verify employment of the borrowers which were later found to be forged. Current Accounts (namely M/s) were opened for facilitating fake salary credits in the borrowers' repayment account to facilitate loan from Bank. During onboarding of the loan , the Sales Managers - Gaurav Sonawane & Akshay Kumavat had not visited the customers before onboarding of the loans and had also not done OSV in the documents. - Proper due diligence was not done by the DSAs before sourcing and recommending the cases to the bank. The connectors of the DSA were also involved in fabricating employment details. Accordingly, based on the circumstantial evidence, the involvement of these DSAs in collusion with the third-party current account holders in perpetration of the fraud cannot be denied. - During onboarding of the loan , the Sales Managers had not visited the customers before onboarding of the loans and had also not done OSV in the

Sr. No		Details of the fraud		Amount involved (In ₹ million)	Summary and Action taken by the Bank
					documents. Hence the profile of the customers could not be detected before sanctioning of the loan. Accordingly, lapses have been identified on the bank officials. • The following control measures have already been implemented: • Employment Verification (EV) framework has been implemented for personal loan where EPFO based employee verification (EV1), TDS based EV (EV2 for EV1 failure cases) and official email ID verification through OTP is to be carried out (EV3). Automated checks in form of EV 1-3 are being implemented in Fin 1. Till such time, FCI has implemented the following two step-verification: • EV 1 and EV 2 are being checked manually (through Pehchan login) (Implemented since March 2024) • Cases with no match for EV1-3 (Govt. hospitals, schools etc.), FCI has put in additional controls in form of residential check/ official address verification and mandatory bank-statements verification in all cases. (Implemented July 2024).
366		Multiple Home Loan borrowers RAC-Hyderabad		42.2	• Post NPA and during recovery, the Collection team observed that none of the 7 borrowers/co-borrowers, who had availed 11 home loans were traceable. Further as per the market feedback, the builder KSR Properties Pvt Ltd was not timely completing its projects for delivery and was suspected to be engaged in multiple sale of same properties to different buyers. Suspecting fraud, the incident was referred to Internal Vigilance for further investigation. • 11 home loans amounting to Rs 4.95 crore were sanctioned to 7

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				borrowers/co-borrowers during August 2015 and November 2016 from RAC Hyderabad. The loan was towards purchase of under-construction property (Under APF Project) situated in Bangalore named KSR Cordelia by builder KSR Properties Pvt Ltd. • Since the property was under-construction, the security by way of mortgage on the financed properties in favor of the bank was not possible. A tripartite agreement had been executed between the borrowers/co-borrowers, bank and the builder. The loan were sanctioned as per the Bank's policy, product guidelines and was sourced by the branch. All the loans are currently NPA with o/s of Rs 4.22 crore. Post NPA legal action by way of loan recall notice along with notices for cancellation of tripartite agreement has been send to the builder and the borrowers. Since the builder did not refund the disbursed amount along with the margin money, bank had filed a DRT suit against both builder and borrowers where the court has awarded a decree in favor of the bank . Currently all these cases are before the DRT recovery officer for execution. • During investigation the KYC details of the borrowers/co-borrowers. were verified and were found to be genuine. As the project was under-construction, the title search report could not be done, instead a fresh Encumbrance Certificate (EC) was initiated where it was found that in 9 out of 11 properties , registered sale agreements existed between the third-party individuals and builders, indicating clandestine sale of properties by the builder, which is a fraudulent act.

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				For the remaining 2 properties, no details were found. • Further as per the feedback from the Home Loan Underwriting team, it was noted that the builder has been blacklisted, and no other funding was done for the said project. The entry to the Bangalore site address for the project KSR Cordelia was restricted. • Though the project is in Bangalore, however all the borrowers/co-borrowers were from Telengana. During field visit the residential address of 4 out of 7 borrower could be traced. However, none of the borrowers/co-borrowers could be traced. • Though the properties were not delivered to the borrowers/co-borrowers, none of them have filed a complaint with Police/registered an FIR against the builder. Thus, it appeared to be a case of profile-funding (funding the project through home loans to save on interest costs) and in the process borrowers would also have been compensated by the builder. Further the builder has also clandestinely sold the properties without NOC of the bank, which is a fraudulent act. • The bank issued show-cause notice to the builder and to all the borrowers/co-borrowers seeking explanations on the adverse findings of internal investigation. However, no response was received from anyone of them. • Though the properties were not delivered to the borrowers/co-borrowers, none of them have filed a police complaint/registered an FIR against the builder. Thus, based on the circumstantial evidence it can be ascertained that these are profile funding

Sr. No		Details of the fraud	Amount involved (In ₹ million)	Summary and Action taken by the Bank
				cases (availing home loan to fund a project which benefits the builder in interest arbitrage). Further the builder has also clandestinely sold the properties without NOC of the bank, which is a fraudulent act. • Based on the above-mentioned facts & findings, the incident was classified as “fraud” perpetrated by the builder KSR Properties Pvt Ltd and the borrowers/co-borrowers. • Builder apparently entering into profile funding arrangement with the borrowers to save on interest costs and later sold the bank financed flats to third parties. • The builder clandestinely sold the properties to third parties disregarding the Tripartite Agreement. • The loans were sanctioned in accordance with the product and policy of the bank. Further several communications were issued to the borrowers and builder for execution of sale deed. Post NPA, legal action by way of loan recall notice along with notices for cancellation of tripartite agreement have been send to the builder and the borrowers. • Since the builder did not refund the disbursed amount along with the margin money, bank had filed a DRT suit against both builder and borrowers where the court has awarded a decree in favor of the bank. Currently all these cases are before the DRT recovery officer for execution. Hence, no lapses have been identified on the bank officials. • Since the sanction, disbursement and monitoring of the loans have been done in accordance with the product and

Sr. No		Details of the fraud		Amount involved (In ₹ million)		Summary and Action taken by the Bank
						policy of the bank, no additional control measures have been proposed.

Details of default, if any, including therein the amount involved, duration of default 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.